



REPORT
OF THE
COMPTROLLER
AND
AUDITOR GENERAL OF INDIA
FOR THE YEAR 1984-85
(CIVIL)

GOVERNMENT OF HARYANA



REPORT
OF THE
COMPTROLLER
AND
AUDITOR GENERAL OF INDIA
FOR THE YEAR 1953
(PART I)

GOVERNMENT OF HARYANA

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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 1984-85 together with other points arising from audit of financial transactions of the Government of Haryana. It also includes certain points of interest arising from the Finance Accounts for the year 1984-85.

2. The Report containing the observations of Audit on Statutory Corporations and Government Companies and the Report containing the observations of Audit on Revenue 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 1984-85 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 1984-85 have also been included, wherever considered necessary.

CHAPTER I

General

Summary of accounts

The summarised position of the accounts of the Government of Haryana emerging from the Appropriation Accounts and Finance Accounts for the year 1984-85 is indicated in the Statements following:

I. Statement of Financial position of the Government of Haryana as on 31st March 1985

| Amount as on 31st March 1984 (Rupees in crores) | Liabilities | Amount as on 31st March 1985 (Rupees in crores) |
|---|---|---|
| 1,99.98 | Internal Debt including Ways and Means advances (Market loans, loans from LIC and others but excluding overdrafts) | 2,30.78 |
| 6,54.42 | Loans and advances from Central Government | 7,22.80 |
| | 2,58.07 Pre-1979-80 Loans | 2,47.14 |
| | 2,08.70 Non-Plan Loans | 2,40.75 |
| | 1,78.00 Loans for State Plan Schemes | 2,21.93 |
| | 2.81 Loans for Central Plan Schemes | 3.40 |
| | 6.84 Loans for Centrally sponsored Schemes | 9.58 |
| 9.00 | Contingency Fund | 8.74 |
| 1,78.46 | Small Savings | 2,16.38 |
| 49.55 | Deposits | 65.67 |
| 72.96 | Reserve Funds | 56.33 |
| 0.03 | Cheques and Bills | 0.07 |
| 13.00 | Overdrafts from R.B.I | 97.17@ |
| 5,58.02 | Surplus on Government Accounts | 6,09.38 |
| | 4,75.01 Previous Year | 5,58.02 |
| | 83.01 Current Year | 51.36£ |
| 17,35.42 | | 20,07.32 |

@Overdraft of Rs. 97.17 crores represents current year's overdraft (Rs. 49.45 crores) plus difference in cash balance between Reserve Bank of India and Accounts figures (Rs. 47.72 crores)

£Current year's surplus of Rs. 51.36 crores include Revenue surplus (Rs. 29.58 crores) plus surplus in Miscellaneous Government account (Rs. 21.78 crores).

| Amount as on 31st March 1984 (Rupees in crores) | Assets | Amount as on 31st March 1985 (Rupees in crores) |
|---|--|---|
| 10,37.77 | Gross Capital outlay on fixed Assets | 11,96.00 |
| 96.84 | Investment in Shares of Companies, Corporations, etc. | 1,08.65 |
| 9,40.93 | Other Capital outlays | 10,87.35 |
| 6,58.75 | Loans and advances | 7,64.92 |
| 5,22.12 | Loans for Power Projects | 5,97.38 |
| 1,27.47 | Other Development Loans | 1,55.96 |
| 9.16 | Loans to Government servants and Miscellaneous Loans | 11.58 |
| 0.07 | Other Advances | 0.07 |
| 29.84 | Remittances Balances | 36.80 |
| 0.16 | Suspense and Miscellaneous Balance | 1.19 |
| 8.83 | Cash | 8.34 |
| | * Cash in Treasuries and Local Remittances | ** |
| (—)0.13 | Departmental Balances | (—)0.09 |
| 0.05 | Permanent Cash Balance | 0.05 |
| 8.91 | Cash Balance Investment and Other Reserves Fund Investment | 8.38 |
| <hr/> 17,35.42 <hr/> | | <hr/> 20,07.32 <hr/> |

*Rs. 11,697

**Rs. 9,342

II. Abstract of Receipts and Disbursements for the year 1984-85

DISBURSEMENTS

SECTION-A-REVENUE

| (Rupees in crores) | | (Rupees in crores) | | | |
|---|----------------|---|----------------|----------------|----------------|
| f. Revenue Receipts | 7,90.45 | I. Revenue Expenditure | 7,60.87 | | |
| | | Sector | Non-Plan | Plan | Total |
| (i) Tax Revenue | 4,05.40 | (i) General Services | 1,97.43 | 1.76 | 1,99.19 |
| (ii) Non-Tax Revenue | 2,14.48 | (ii) Social and Community Services | 1,65.78 | 97.94 | 2,63.72 |
| (iii) State's share of Union Taxes | 93.55 | (iii) General Economic Services | 4.15 | 1.88 | 6.03 |
| (iv) Non-Plan Grants | 1.88 | (iv) Agriculture and Allied Services | 34.45 | 69.96 | 1,04.41 |
| (v) Grants for State Plan Schemes | 24.60 | (v) Industry and Minerals | 1.40 | 6.47 | 7.87 |
| (vi) Grants for Central and Centrally sponsored Schemes | 50.54 | (vi) Water and Power Development | 76.19 | — | 76.19 |
| | | (vii) Transport and Communication | 1,02.12 | 0.93 | 1,03.05 |
| | | (viii) Grants-in-aid Contribution | 0.41 | — | 0.41 |
| | | | <u>5,81.93</u> | <u>1,78.94</u> | <u>7,60.87</u> |
| II. Revenue Deficit c/o | Nil | II. Revenue Surplus carried over to Section-B | | | 29.58 |
| Total Section A | <u>7,90.45</u> | | | | <u>7,90.45</u> |

SECTION-B-OTHERS

| | | | | |
|---|------|---|-------|---------------------|
| III. Opening Cash Balance including Permanent advance and Cash Balance Investment and Reserve Fund Investment | 8.83 | III. Opening overdraft from R.B.I. (Deposits with R.B.I.) | | 13.00 |
| IV. Miscellaneous Capital Receipts | Nil | IV. Capital Outlay Sector | | 1,58.2 ² |
| | | (i) General Services | 3.14 | |
| | | (ii) Social and Community Services | 11.62 | |
| | | (iii) General Economic Services | 5.98 | |
| | | (iv) Agriculture and Allied Services | 49.16 | |
| | | (v) Industry and Minerals | 3.08 | |
| | | (vi) Water and Power Development | 62.81 | |
| | | (vii) Transport and Communication | 22.43 | |

| (Rupees in crores) | | (Rupees in crores) | |
|--|----------|---|----------|
| V. Recoveries of Loans and Advances | 20.41 | V. Loans and Advances Disbursed | 1,26.58 |
| (i) From Government Servants | 3.00 | (i) For Power Project | 75.26 |
| (ii) From Others | 17.41 | (ii) To Government Servants | 5.42 |
| | | (iii) To others | 45.90 |
| VI. Revenue Surplus brought down | 29.58 | VI. Revenue deficit brought down | Nil |
| VII. Public Debt Receipts | 6,27.55 | VII. Repayment of Public Debt | 5,28.37 |
| (i) Internal Debt other than Ways and Means Advances | 1,19.07 | (i) Internal Debt other than Ways and Means Advances | 88.26 |
| (ii) Ways & Means Advances excluding overdrafts | 3,88.36 | (ii) Ways and Means Advances excluding overdrafts included in (iii) above | 3,88.36 |
| (iii) Loans and Advances from the Central Government | 1,20.12 | (iii) Repayment of loans and advances to Central Government | 51.75 |
| VIII. Contingency Fund | 1.00 | VIII. Contingency Fund | 1.26 |
| IX. Public Account receipts | 8,28.26 | IX. Public Account Disbursements | 7,77.03 |
| (i) Small Savings and Provident Fund | 52.73 | (i) Small Savings and Provident Fund | 14.81 |
| (ii) Reserve Fund | 11.08 | (ii) Reserve Fund | 27.72 |
| (iii) Suspense and Miscellaneous | 59.55 | (iii) Suspense and Miscellaneous | 38.75 |
| (iv) Remittances | 3,06.64 | (iv) Remittances | 3,13.60 |
| (v) Deposits and Advances | 3,98.26 | (v) Deposits and Advances | 3,82.15 |
| X. Total overdraft from RBI at the end of the year | 97.17 | X. Cash Balance at end | 8.34 |
| | | (i) Cash in Treasuries Local Remittances | ** |
| | | (ii) Departmental Cash Balance | (—)0.09 |
| | | (iii) Permanent Cash Balance | 0.05 |
| | | (iv) Cash Balance Investment and Reserve Fund Investment | 8.38 |
| Total Section B— Others | 16,12.80 | | 16,12.80 |

**Rs. 9,342.

III Sources and Application of Funds for the year 1984-85

(Rupees in crores)

I Sources

| | |
|--|----------------------|
| (i) Revenue Receipts | 7,90.45 |
| (ii) Capital Receipts on Government Accounts | — |
| (iii) Increase in Public Debt, Small Savings, Deposits and Ways and Means Advances | 1,53.21 |
| (iv) Increase in overdraft in Reserve Bank of India | 84.17 |
| | <hr/> 10,27.83 <hr/> |

II Adjustments

| | |
|---------------------------------------|----------------------|
| (i) Decrease in Suspense Balance | (—)1.03 |
| (ii) Reduction in Reserve Funds | (—)16.63 |
| (iii) Decrease in Remittance Balance | (—)6.96 |
| (iv) Miscellaneous Government Account | (+)21.78 |
| (v) Increase in cheques and Bills | (+)0.04 |
| Net Funds available | <hr/> 10,25.03 <hr/> |

III Application

| | |
|---|----------------------|
| (i) Revenue Expenditure | 7,60.87 |
| (ii) Capital Outlay | 1,58.22 |
| (iii) Lending for Development | 1,06.17 |
| (iv) Reduction in year end contingency Fund balance | 0.26 |
| (v) Decrease in closing Cash Balance | (—)0.49 |
| | <hr/> 10,25.03 <hr/> |

COMMENTS

1. Government accounts being on cash basis, the surplus on Government accounts as shown in the statement of affairs indicates the position on cash basis, as opposed to accrual basis of commercial accounting.

2. The abridged accounts in the foregoing statements have to be read with the comments and explanations in the Finance Accounts.

3. There was an unreconciled difference of Rs. 43,73.14 lakhs between the figure of overdraft as shown in the accounts and that intimated by the Reserve Bank of India.

4. At the close of the year 1983-84, ways and means advances of Rs. 18 crores and overdraft amounting to

Rs. 10.12 crores were outstanding. During 1984-85 ways and means advances aggregating Rs. 11.77 crores were obtained (ordinary: Rs. 5.69 crores and special: Rs. 6.08 crores) on 3 occasions. The repayment of ways and means advances, however, amounted to Rs. 11.77 crores (ordinary: Rs. 5.69 crores and special: Rs. 6.08 crores) leaving a balance of Rs. 18.00 crores (ordinary: Rs. 12.00 crores and special: Rs. 6.00 crores) outstanding at the end of March 1985. The overdraft outstanding at the end of March 1984 was Rs. 10.12 crores. Overdraft amounting to Rs. 4,26.04 crores were availed of on 357 occasions and an amount of Rs. 3,86.71 crores was repaid during the year leaving a balance of Rs. 49.45 crores.

Interest paid on ways and means advances, short falls and overdrafts during 1982-83 to 1984-85 were as under:

| Year | Amount |
|---------|----------------------|
| | (In lakhs of rupees) |
| 1982-83 | 4,31.84 |
| 1983-84 | 3,40.10 |
| 1984-85 | 5,22.26 |

The State Government also obtained a temporary loan of Rs. 77.50 crores from the State Bank of India during 1984-85 for the purchase of foodgrains. The outstanding balance of the similar loan at the end of the previous year was Rs. 15.30 crores. After taking this into account, the total amount of temporary loan worked out to Rs. 92.80 crores, out of which Rs. 65.55 crores were repaid during the year leaving a balance of Rs. 27.25 crores. Rupees 5.40 crores were paid as interest (at the rate of 12.5 per cent per annum from 1st April 1984 to 30th September 1984 and 14 per cent from 1st October 1984 onwards) on this temporary loan.

5. The net accretion from debt transactions (as adjusted by the effect of remittance, suspense balance and reserve funds) during 1984-85 aggregated Rs. 2,12.76 crores. Out of this, Rs. 1.58.22 crores were utilised for capital expenditure, leaving a balance of Rs. 54.54 crores. The

balance (Rs. 54.54 crores) together with revenue surplus of Rs. 29.58 crores and Rs. 21.78 crores representing miscellaneous adjustment of Government accounts and increase in cheques and bills: Rs. 0.04 crore aggregated Rs. 1,05.94 crores. However, Rs. 1,06.17 crores were disbursed as loans and advances for development and Rs. 0.26 crore as contingency fund resulting into minus cash balance of Rs. 0.49 crore.

6. The credit balance of Civil Deposits Account on 31st March 1985 was Rs. 60.66 crores. This included Rs. 4.43 crores as Personal Deposits of Departmental Officers made by withdrawal of money from the Consolidated Fund, after booking the same as expenditure.

7. Against the total revenue receipt of Rs. 8,11.08 crores anticipated in budget, the actual receipts were Rs. 7,90.45 crores showing shortfall of Rs. 20.63 crores (2.54 per cent). The revenue receipts during 1984-85 (Rs. 7,90.45 crores) were Rs. 91.85 crores (11.61 per cent) more than those in 1983-84 (Rs. 6,98.60 crores). The increase was mainly under State Excise: Rs. 22.12 crores, Sales Tax: Rs. 17.34 crores, interest receipt: Rs. 14.90 crores, miscellaneous general receipts: Rs. 7.66 crores; Multi purpose River projects receipts: Rs. 2.06 crores.

8. There was increase in tax revenue by Rs. 39.52 crores and Rs. 34.94 crores in Non-tax revenue during the year as compared to that in the previous year.

9. The arrears of revenue at the end of the year were reported to be Rs. 49.70 crores (against Rs. 37.87 crores in the previous year).

10. The total amount over-due for recovery against loans advanced to municipalities, improvement trusts and the Haryana State Electricity Board of which detailed accounts are maintained by the Accountant General (Accounts and Entitlement) as on 31st March 1985 was Rs. 81.79 crores including Rs. 1.75 crores on account of interest, the main defaulter being the State Electricity Board.

11. Loans raised during 1984-85 and discharged during the year were Rs. 6,76.99 crores and Rs. 5,38.49 crores respectively. The interest paid on debt and other obligations was Rs. 81.28 crores. The interest received was

Rs. 67.93 crores including that from departmental commercial undertakings and others. The net interest burden was thus Rs. 13.35 crores.

12. The interest charges paid on Small Savings, Provident Fund etc., was Rs. 16.71 crores, while the net accretion to the balance during the year was Rs. 37.92 crores.

13. Receipt of grants-in-aid and contributions from Government of India during the year (Rs. 1,70.57 crores) showed an increase of Rs. 17.39 crores as compared to that in 1983-84 (Rs. 1,53.18 crores).

14. The year 1984-85 closed with revenue surplus of Rs. 29.58 crores as against revenue surplus of Rs. 1,27.43 crores anticipated in the budget.

15. The revenue expenditure during the year was Rs. 7,60.87 crores (Plan: Rs. 1,78.94 crores, Non-Plan: Rs. 5,81.93 crores) as against Rs. 6,22.74 crores during 1983-84 and budget provision of Rs. 6,83.65 crores during 1984-85. The increase of Rs. 1,38.13 crores in revenue expenditure during 1984-85 over the previous year was mainly under interest payment (Rs. 22.11 crores), Education (Rs. 23.23 crores), Public Health Sanitation and Water Supply (Rs. 13.74 crores), Road and Water Transport Services (Rs. 8.06 crores), Community Development (Rs. 9.10 crores) and Irrigation, Navigation Drainage and Floods (Rs. 13.80 crores).

16. Capital expenditure during the year 1984-85 was Rs. 1,58.22 crores as against Rs. 1,11.97 crores in 1983-84 which showed increase by 29.23 per cent.

17. In 1984-85, the Government invested Rs. 12,22.06 lakhs. Out of this, the investment in Statutory Corporations was Rs. 49.50 lakhs, in Government Companies: Rs. 5,14.29 lakhs, in Joint Stock Companies: Rs. 1.50 lakhs and in Co-operative Institutions: Rs. 6,56.77 lakhs. Further, out of investments in Joint Stock Companies and Co-operative Institutions: Rs. 0.50 lakh and Rs. 61.14 lakhs respectively were retired during the year.

The total investments of the Governments in the share capital of different concerns at the end of 1982-83,

1983-84 and 1984-85 were Rs. 85,40.90 lakhs, Rs. 96,84.08 lakhs and Rs. 1,08,64.87 lakhs respectively. The dividend received therefrom during the three years was Rs. 40.24 lakhs (0.87 per cent), Rs. 33.49 lakhs (0.33 per cent) and Rs. 30.28 lakhs (0.28 per cent).

18. The accumulated loss was Rs. 24,46.70 lakhs for the years ending 1980-81 to 1984-85 (upto which the accounts were finalised) in the companies/corporations, etc., in which Government investment was Rs. 29,67.31 lakhs as on 31st March 1985.

19. The contingent liability for guarantee given by the State Government for repayment of loans, etc., by statutory Corporations, Companies, Co-operatives and Municipalities, etc., on 31st March 1985 was Rs. 6,81.55 crores including interest of Rs. 0.03 crore against the maximum guaranteed amount of Rs. 11,68.09 crores. No guarantee was invoked during the year. No guarantee fee is charged by Government.

20. No law under Article 293 of the Constitution has been passed by the State Legislature laying down the limits within which the State Government may give guarantee on the security of the Consolidated Fund of the State.

CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

2. General

2.1. The summarised position of actual expenditure during 1984-85 against grants/appropriations is as follows :

| | Original grants/ appropri- ations | Supple- mentary | Total | Actual expen- diture | Variations Savings(—) Excess(+) |
|---|--|--------------------|-----------------|----------------------------|---------------------------------------|
| (In crores of rupees) | | | | | |
| I. Revenue | | | | | |
| Voted | 6,18.82 | 56.86 | 6,75.68 | 7,01.88 | (+)26.20 |
| Charged | 79.63 | 5.44 | 85.07 | 84.21 | (—)0.86 |
| II. Capital | | | | | |
| Voted | 2,86.50 | 17.14 | 3,03.64 | 2,87.67 | (—)15.97 |
| Charged | 0.05 | 0.13 | 0.18 | 0.14 | (—)0.04 |
| III. Public Debt | | | | | |
| Charged | 5,05.17 | 47.93 | 5,53.10 | 5,38.49 | (—)14.61 |
| IV. Loans and Advances | | | | | |
| Voted | 1,22.51 | 13.08 | 1,35.59 | 1,26.75 | (—)8.84 |
| V. Other Inter-State Settlement | Nil | Nil | Nil | Nil | Nil |
| VI. Transfer to contingency fund | Nil | Nil | Nil | Nil | Nil |
| Voted | Nil | Nil | Nil | Nil | Nil |
| Grand Total | 16,12.68 | 1,40.58 | 17,53.26 | 17,39.14 | — |

The following results emerge broadly from the appropriation Audit :

2.2. Supplementary provisions obtained during the year constituted 9 per cent of the original budget provision, as against 10 per cent in the year preceding.

2.3. Supplementary provision of Rs. 4.02 crores obtained in one case during March 1985 proved unnecessary. In 15 other cases, additional fund required was only Rs. 40.53 crores against the supplementary grant of Rs. 65.08 crores, saving in each case exceeding Rs. 10.00 lakhs.

In 7 cases, supplementary provision of Rs. 11.66 crores proved insufficient by more than Rs. 10.00 lakhs each, leaving an aggregate uncovered excess expenditure of Rs. 38.05 crores.

2.4. The overall saving was Rs. 53.71 crores in 24 grants/appropriations. The overall excess (Appendix II.1) on the other hand, was Rs. 39.56 crores in 14/3 grants/appropriations requiring regularisation under Article 205 of the Constitution.

2.5. In the following one grant the expenditure fell short by more than Rs. 1 crore and also by more than 10 per cent of the total provision :

| Description of the grant | Amount of Savings (Rupees in crores) (Percentage of provision in brackets) | Reasons for savings |
|--------------------------|--|---------------------|
| Capital | | |
| Grant No. 22 | 3.94 | Awaited |
| Co-operation | (37) | (February 1986) |

2.6. Persistent savings were noticed in the following grants :

| Grant or appropriation | Savings (In crores of rupees) | Percentage of savings (in brackets) | |
|---|-------------------------------|-------------------------------------|--------------|
| | | 1982-83 | 1983-84 |
| Revenue | | | |
| 7—Other Administrative Services (Voted) | 1.63 (44) | 1.26 (41) | 0.36 (2) |
| 17—Agriculture | 5.11 (11) | 2.39 (6) | 4.02 (8) |
| 22—Co-operation | 0.52 (12) | 0.92 (19) | 0.89 (17) |
| Capital | | | |
| 14—Food and Supplies | 35.77 (33) | 22.80 (18) | 3.83 (3) |
| 22—Co-operation | 2.86 (27) | 4.40 (36) | 3.94 (37) |

2.7. In the following grants/appropriations, the expenditure exceeded by more than Rs. 25.00 lakhs and also by more than 10 per cent of the total provision:

| Description of the grant | Amount of excess (In crores of rupees) (Percentage of provision in brackets) | Reasons for excess |
|---------------------------------|--|-------------------------|
| Revenue | | |
| 4—Revenue | | |
| Voted | 2.11 (30) | Awaited (February 1986) |
| 8—Buildings and Roads | | |
| Voted | 3.10 (11) | Do |
| 15—Irrigation | | |
| Voted | 26.32 (38) | Do |
| 21—Community Development | | |
| Voted | 2.67 (12) | Do |

2.8. Persistent excesses were noticed in the following cases :

| Description of the grant | Percentage of excess | | |
|---------------------------------------|----------------------|---------|---------|
| | 1982-83 | 1983-84 | 1984-85 |
| Grant No. 2 General Administration | 1 | 1/2 | 1 |
| Grant No. 4 Revenue | 5 | 2 | 30 |
| Grant No. 6 Finance | 16 | 16 | 8 |
| Grant No. 14 Food and Supplies | 5 | 1 | 1 |
| Grant No. 15 Irrigation | 23 | 25 | 38 |
| Grant No. 23 Transport | 2 | 1 | 2 |

2.9. In spite of repeated recommendations of the Public Accounts Committee, rush of expenditure in the month of March was noticed in the following cases:

| Description of grant | Total provision | Total expenditure | Expenditure during March | Percentage of expenditure during March | |
|---------------------------------|-----------------|-------------------|--------------------------|--|-------------------|
| | | | | Total Provision | Total Expenditure |
| (1) | (2) | (3) | (4) | (5) | (6) |
| (In crores of rupees) | | | | | |
| Revenue | | | | | |
| 2—General Administration | 12.67 | 12.75 | 1.60 | 13 | 13 |
| 3—Home | 44.15 | 43.96 | 5.68 | 13 | 13 |
| 5—Excise | 4.95 | 4.75 | 0.69 | 14 | 15 |
| 7—Other Administrative Services | 21.47 | 21.11 | 6.25 | 29 | 30 |
| 9—Education | 1,35.65 | 1,33.83 | 17.63 | 13 | 13 |
| 10—Medical Public Health | 91.76 | 89.81 | 17.97 | 20 | 20 |
| 11—Urban Development | 7.20 | 6.60 | 1.79 | 25 | 27 |
| 12—Labour and Employment | 7.85 | 7.38 | 1.37 | 17 | 19 |
| 13—Social Welfare | 19.89 | 19.46 | 6.16 | 31 | 32 |
| 15—Irrigation | 68.93 | 95.25 | 10.42 | 15 | 11 |
| 16—Industries | 8.24 | 8.41 | 3.59 | 44 | 43 |
| 17—Agriculture | 53.11 | 49.09 | 18.07 | 34 | 37 |
| 19—Fisheries | 2.24 | 1.47 | 0.39 | 17 | 27 |
| 20—Forest | 15.70 | 15.87 | 2.88 | 18 | 18 |
| 21—Community Development | 23.19 | 25.87 | 3.82 | 16 | 15 |
| Capital | | | | | |
| 7—Other Administrative Services | 0.29 | 0.29 | 0.24 | 83 | 83 |
| 8—Buildings and Roads | 28.03 | 27.64 | 24.30 | 87 | 88 |
| 15—Irrigation | 92.96 | 84.30 | 14.50 | 16 | 17 |
| 16—Industries | 3.16 | 2.86 | 2.04 | 65 | 71 |

2.10 Drawal of funds in advance of requirement

Financial rules of the Government stipulate that money should not be drawn from the treasury unless required for immediate disbursement or has already been paid out of permanent advance. Drawal of advance from the treasury for the execution of works, completion of which is likely to take considerable time is also inadmissible. Any unspent balance is required to be refunded into the treasury promptly.

During test check it was noticed that, as detailed in Appendix II.2, funds aggregating Rs. 79.80 lakhs drawn during March 1985 for purchase of materials, execution of work and disbursement of grants/subsidy were retained in the form of cash or Remittance Treasury Receipts (RTRs), etc. Out of the amounts so retained, Rs. 40.50 lakhs were disbursed (Rs. 0.06 lakh during 1984-85 and Rs. 40.44 lakhs during 1985-86) and Rs. 0.42 lakh were refunded into treasuries (July 1985). Rupees 38.88 lakhs were still lying undisbursed (May to October 1985).

In addition, out of Rs. 3.00 lakhs drawn in July 1984 by the Tourism Department, an unspent amount of Rs. 1.44 lakhs was refunded into the Treasury only in February 1985.

2.11. Contingency fund

The Contingency Fund placed at the disposal of the Government is intended to meet unforeseen expenditure (including expenditure on New Service items) pending authorisation by the State Legislature.

The corpus of the fund was increased from Rs. 3 crores to Rs. 10 crores by the Haryana Contingency Fund (Amendment) Act, 1979. It remained the same during the year 1984-85.

Scrutiny of sanctions of advances and expenditure from the Fund disclosed that out of Rs. 2,39.77 lakhs drawn during 1984-85 against eighteen sanctions, Rs. 1,25.94 lakhs against four sanctions were not recouped to the fund till the close of the year.

2.12. Trend of Recoveries and Credits

Under the system of gross budgeting followed by Government, the demands for grants presented to the Legislature are for gross expenditure and exclude all credits and recoveries which are adjusted in the accounts in reduction of expenditure. The anticipated recoveries and credits are shown separately in the budget estimates. The anticipated amount of such recoveries during 1984-85 was Rs. 1,62.22 crores (Revenue : Rs. 13.83 crores, Capital: Rs. 1,48.39 crores). The actual recoveries during the year, however, were Rs. 1,54.97 crores (Revenue : Rs. 25.22 crores; Capital : Rs. 1,29.75 crores). Significant cases of shortfall/excess in recoveries together with reasons, wherever received, have been given in Appendix II.3.

CHAPTER III

CIVIL DEPARTMENTS

AGRICULTURE DEPARTMENT

3.1. National project on Bio-gas development setting up of Bio-gas plants in Haryana

3.1.1. Introductory

A National Project on Biogas Development (NPBD) was taken up for implementation by the Government of India in November 1981 as a Centrally sponsored scheme during Sixth Plan period (1980—85) in order to provide energy in a clean unpolluting form; make available enriched fertilizer as a by-product for supplementing and optimising the use of chemical fertilizers; reduce pressure on the dwindling fuelwood supplies entailing check on indiscriminate felling of trees and consequent deforestation and to bring improvement in rural sanitation. The programme was to be implemented in the State through Khadi and Village Industries Board and other corporate sector bodies identified by the State Government. For implementation of the programme, the project provided for 100 per cent Central assistance to the State Government for the under mentioned aspects/activities:

- (i) Central subsidy on fixed amount basis for various sizes of biogas plants to different categories of beneficiaries.
- (ii) Support at the rate of Rs. 200 per unit of biogas plant actually set up on turn-key basis by corporate bodies/recognised registered societies as fee.
- (iii) Incentives to village level functionaries at the rate of Rs. 30 per unit of biogas plant actually supervised.

- (iv) Grant-in-aid for organisational support as per trainers.
- (v) Grant-in-aid for organisation of orientation courses and training of trainers.

In Haryana this scheme was implemented from the year 1982-83 partly by the Agriculture Department and partly through the State Khadi and Village Industries Board. Biogas plants are dome-shaped chamber made of bricks and cement with an outlet of pipe and the inputs required are cowdung and water. These plants are of various sizes (2 cum to 85 cum) but in Haryana the most popular sizes are of 4 cum and 6 cum. The 4 cum plant costing about Rs. 4,780 can serve a medium size family of 12 members and 6 cum plant costing about Rs. 5,420 is better suited to larger families. The plants are required to be installed and maintained by beneficiaries themselves and the Government provides trained masons, technical guidance, supervision, subsidy, etc.

For different categories of beneficiaries the amount of subsidy per plant varied from Rs. 1,550 to Rs. 3,220 (4 cum plant) and from Rs. 1,940 to Rs. 3,920 (6 cum plant). Subsidy was payable to beneficiaries according to size of the plant through the banks depending on whether plants were installed with or without bank loan and on completion of plants. Other incentives available under the scheme were (a) fee at the rate of Rs. 200 per plant to corporate bodies/registered societies, for setting up biogas plants on turnkey basis; (b) incentive at the rate of Rs. 30 per plant to village level functionaries for supervision of plant; and (c) training of masons, etc.

3.1.2. Physical/Financial

The programme was to be executed all over the State but six districts, viz., Ambala, Karnal, Gurgaon, Hissar, Mohindergarh and Rohtak were particularly selected by the Government of India for intensive coverage.

The physical/financial targets and achievements district-wise for three years 1982-83 to 1984-85 are as follows :

| Districts | Physical | | Percentage of shortfall |
|--------------------------|--------------|--------------|-------------------------|
| | Targets | Achievements | |
| (In numbers) | | | |
| (A) Intensive | | | |
| Ambala | 1,120 | 730 | 34.82 |
| Karnal | 1,350 | 1,288 | 4.59 |
| Gurgaon | 860 | 377 | 56.16 |
| Hissar | 1,140 | 1,019 | 10.61 |
| Mohindergarh | 760 | 420 | 44.74 |
| Rohtak | 610 | 493 | 19.18 |
| Total (A) | 5,840 | 4,327 | 25.91 |
| (B) Non Intensive | | | |
| Kurukshetra | 1,250 | 820 | 34.40 |
| Sonepat | 560 | 294 | 47.50 |
| Faridabad | 900 | 536 | 40.44 |
| Jind | 660 | 376 | 43.03 |
| Sirsa | 1,140 | 996 | 12.63 |
| Bhiwani | 650 | 403 | 38.00 |
| Total (B) | 5,160 | 3,425 | 33.62 |

| Year | Physical | | Percentage of shortfall | Financial | | |
|----------------------|---------------|--------------|-------------------------|------------------|----------------|-----------------------------|
| | Target | Achievement | | Budget provision | Expenditure | Central assistance released |
| (In lakhs of rupees) | | | | | | |
| 1981-82 | — | — | — | 17.96 | — | — |
| 1982-83 | 3,000 | 2,259 | 24.70 | 92.25 | 53.43 | 53.88 |
| 1983-84 | 4,000 | 2,530 | 36.75 | 83.52 | 55.85 | 56.20 |
| 1984-85 | 4,000 | 2,963 | 25.93 | 1,38.00 | 1,14.56 | 86.25 |
| | 11,000 | 7,752 | 29.53 | 3,31.73 | 2,23.84 | 1,96.33 |

Low achievement was due to late commencement of programme (September 1982), backing out by Khadi Village and Industries Board, delay in payment of subsidy/bank loans, delayed supply of cement.

The expenditure of Rs. 2,23.84 lakhs represents subsidy to beneficiaries (Rs. 2,00.04 lakhs), staff establishment (Rs. 10.52 lakhs), incentive payments to promoters (Rs. 1.70 lakhs), fee for turnkey jobs (Rs. 1.33 lakhs), training (Rs. 0.60 lakh) and miscellaneous (Rs. 9.65 lakhs). The entire amount of central assistance received up to 31st March 1985 was utilised.

3.1.3. Audit findings

Results of test check by audit (January—May 1985) of the records of the Additional Director (Agriculture Engineering), Haryana and Additional Deputy Commissioners/Deputy Directors of Agriculture, Ambala, Karnal, Kurukshetra and Sirsa are as follows :

(i) Shortfalls

Shortfalls in installation of plants were highest in Gurgaon (56.16 per cent) followed by Sonapat (47.50 per cent), Mohindergarh (44.74 per cent), Jind (43.03 per cent) and Faridabad (40.44 per cent). The overall shortfalls in the State as a whole aggregated to 29.53 per cent which were mainly due to the following reasons:

- (a) Although a budget provision of Rs. 17.96 lakhs had been made during the year 1981-82, no expenditure was incurred reportedly due to late sanction of the Project (November 1981), late fixation of targets (December 1981), late issue of financial sanction by the Government of India (March 1982) and lack of preparedness on the part of the State Government.
- (b) During 1983-84, the Haryana Khadi and Village Industries Board was assigned a target for installation of 400 plants; the Board, however, achieved only 30 due to lack of interest and non-availability of required grass root level infrastructure and proper technical know how for fixed dome Janta model.

- (c) There was a time lag of 5 to 20 months in the release of subsidy after completion of plants in 335 cases: Karnal (110), Kurukshetra (52), Ambala (111) and Sirsa (62). Further in 134 cases, where plants were installed during 1982-83/1983-84 subsidy was not paid (March 1985). The large time lags/non-payment was attributed by the department to late release of funds by the Government of India, late issue of financial sanctions by the State Government and processing of cases at district levels.
- (d) Delayed supply of cement due to delay in release of quota, late and inadequate supply of levy cement by factories, non-availability of bank loans readily, lack of publicity, non-involvement of field functionaries, (patwaries, lambardars, panches, rural women, etc.), illiteracy, orthodox cooking habits of tradition bound rural people, non-availability of grass root infrastructure and proper technical know how.
- (e) Earlier also, the scheme of biogas was implemented in the State during 1974-75 to 1981-82 and 10,375 plants were installed. Most of these plants had reportedly gone out of order which slowed down the enthusiasm in the rural areas. The department had not investigated the reasons for the intransigent attitude of villagers. The exact number of plants gone out of order was also not known to the department.
- (f) In order to make the programme broad based and achieve more targets, the Government of India envisaged multi-agency approach by involving agencies such as Khadi and Village Industries Board, Agro-Industries Corporation, Dairy Development Corporation, Command Area Development Authorities, Fertilizer manufacturers, etc. In Haryana, however, these agencies were not involved and the programme was implemented wholly by the Agriculture department.

(ii) Inflated achievements and irregular release of subsidy

(a) The achievement of 2,259 plants during 1982-83 reported by the Government to the Government of India was inflated as it included 412 incomplete plants and 18 such plants on which work had not been started. The department stated (March 1985) that as these works were in progress and work on 18 plants was likely to commence shortly, these were shown as completed during 1982-83. Out of 412 incomplete plants, subsidy amounting to Rs. 5.66 lakhs in respect of 292 plants had been released to beneficiaries, in advance.

(b) Completion certificates in respect of 356 plants in Karnal and 44 in Sirsa (1983-84/1984-85) were found not available with the department.

(c) In 400 cases (Karnal : 356 and Sirsa : 44) subsidy amounting to Rs. 10.28 lakhs had been released during 1983-84 and 1984-85 in anticipation of the receipt of completion reports.

(d) In 33 cases (Ambala : 12, Kurukshetra : 21) subsidy of Rs. 0.66 lakh paid during 1982-83 was received back from the bank as the plants had not been installed.

(e) Subsidy amounting to Rs. 0.26 lakh had been paid to Anand Dairy Farm, Karnal for installation of 10 biogas plants of 6 cum capacity each admissible under the programme meant for backward, poor and marginal farmers. The department clarified (March 1985) that these plants had been installed for the labourers working in the dairy and the gas was being used by them for cooking and not for commercial use. There was, however, nothing on record to indicate the number of labourers employed on the farm and the families using the gas.

(iii) Training

With a view to creating a cadre of trained masons and technicians for successful implementation of the scheme, practical courses of training to village masons and technicians in the construction, installation as well as maintenance/repairs of biogas plants and training of trainers

course for professional masons and field supervisory staff were contemplated in the Scheme.

The position of targeted number of trainees vis-a-vis actually trained up to 1984-85 was as under :

| Categories of training | Targeted number | Actual trained number |
|------------------------|-----------------|-----------------------|
| Trainers | 20 | 27 |
| Masons | 1,220 | 1,118 |
| Users (Women) | 12,000 | 4,447 |
| Refresher (Training) | 20 | Nil |

Department stated (September 1985) that refresher training course could not be organised as the field staff remained busy in organising training courses for trainers, masons and users (women). Shortfall in users training was attributed to engagement of women in field work and household, and non-availability of women wing in Farmers training centre at some districts. Targets and coverage were negligible for 7,073 villages and 47.14 lakh rural females in Haryana State (1981 census).

Agriculture Engineers in each district who were in-charge of the technical work relating to installation, commissioning and maintenance of biogas plants had not been imparting formal training/expertise in respect of construction and maintenance of fixed dome typed biogas plants installed during the plan period.

(iv) Repair of plants

To facilitate the repair of defective plants, Government of India paid (August 1984) Rs. 1.10 lakhs to Haryana Government. The actual expenditure thereagainst up to 31st March 1985 was Rs. 0.24 lakh. Department stated (September 1985) that due publicity was given for repair of plants and the balance amount of Rs. 0.86 lakh has been allowed by the Government of India for utilisation during 1985-86. Further developments are awaited (February 1986).

Out of 1,425 plants surveyed by Kirloskar Consultants Private Limited, Pune, in the State during September to November 1984, 348 plants were found not functioning

due to low gas production/pressure, gas leakage, blocked pipe and digester cracked. Eighty four plants were not in working condition and had construction defects. Survey by the Agriculture department further revealed that 13 plants in Ambala district (August 1983); 105 plants in Karnal district (December 1983) and 557 plants in Sirsa district (March 1985) were out of order due to construction defects, low pressure, dome leakage and pipe block.

(v) Installation of surplus capacity plants

(a) In 156 cases (Ambala : 94, Sirsa : 62) biogas plants of 6 cum capacity had been installed for the family members ranging between 4 and 11 whereas biogas plant of 4 cum capacity could have served the purpose. Installation of plants of higher capacity involved excess payment of subsidy of Rs. 0.61 lakh. The department stated (March 1985) that it was for the farmers to select the size of the plant to meet his future fuel requirements and he generally opted for bigger size. The plea of the department is not tenable, as the capacity of plant for future requirement of fuel/gas was to be determined by the departmental technical officers under the scheme. Besides, some of these beneficiaries did not have 10—12 animals to meet the requirement of cow dung for 6 cum plant.

(b) In Karnal district also, 6 cum capacity plants had been installed in 1,116 cases without ascertaining the number of family members. Again in 77 cases the beneficiaries did not have 10—12 animals required for 6 cum plant. In all these cases the plants of 4 cum or less capacity could have served the purpose and the excess payment of subsidy of Rs. 0.30 lakh could have been avoided.

(vi) Community/institutional biogas plants

Out of 5 community/institutional biogas plants sanctioned for the State during 1980-81 to 1984-85, only one institutional biogas plant at Haryana Agricultural University, Hissar had been completed in June 1982. No information regarding construction, progress of the remaining plants and subsidy received from Government of India was available with the department, although these plants had far greater impact in achieving the objectives of the programme than the individual plants installed.

(vii) Institutional finance

Under the scheme, subsidy of a certain amount was to be paid by the Government and the remaining amount of the capital cost of the plant was to be raised by the beneficiaries as loan from the banks or to meet it from their own resources. In the Sixth Plan, the amount of loan from banks was estimated at three times of subsidy. The performance of banks in providing loans to beneficiaries is tabulated below :

| | 1982-83 | 1983-84 | 1984-85 | Total |
|--|---------|---------|---------|---------|
| (i) Total number of applications for loan raised by the department | 7,960 | 8,728 | 4,548 | 21,236 |
| (ii) Number of cases forwarded by the department to banks | 5,208 | 6,957 | 3,616 | 15,781 |
| (iii) Number of cases approved by banks | 1,515 | 2,901 | 885 | 5,301 |
| (iv) Number of persons who availed of the loan | 781 | 1,923 | 662 | 3,366 |
| (v) Amount of loan disbursed by banks (in lakhs of rupees) | 27.77 | 67.72 | 22.55 | 1,18.04 |

It may be seen from the above that :

—out of 15,781 cases forwarded to banks for the grant of loan, only 5,301 cases were approved thus representing 33.59 per cent;

—against 5,301 cases approved by the banks, only 3,366 persons (63.50 per cent) availed of loan. The remaining 1,935 persons did not take loan due, as noticed in audit, to lengthy procedure and delays involved in banks; and

—the amount of loan disbursed (Rs. 1.18 crores) was negligible as compared to subsidy of Rs. 2.00 crores disbursed by the Government. Reasons for the poor performance by the banks were not investigated by the Department.

(b) In Karnal district, against 3,339 applications sent to banks for sanction of loans during 1982-83 to 1984-85 (up to February 1985), banks had sanctioned loans to 1,387 applicants, whereas the actual disbursement of loans was made in 918 cases. While reasons for low percentage of sanction of loans were (i) defaults under

some other loan schemes, (ii) lack of space for installation of plants and (iii) beneficiaries not having the requisite number of cattle heads, reasons for low disbursement was delay in processing the loan cases by banks and the department.

(c) In 14 cases (Karnal), the Additional Deputy Commissioner took more than three months to sponsor loan applications to the banks. Additional Deputy Commissioner, Karnal stated (December 1985) that slow movement of applications was due to indifferent attitude of the district offices concerned.

(d) In Sirsa, out of 406 cases sent to banks up to March 1985, the loan had been disbursed only in 119 cases.

(viii) Evaluation and impact

No formal evaluation had been conducted to ascertain the extent of achievement of the main objects of the programme.

(ix) Other topics of interest

(a) According to the instructions of the Government of India, poor people including landless labourers and marginal farmers were to be given priority and higher rate of subsidy for construction of biogas plants. In Kurukshetra and Karnal districts 712 and 1,174 beneficiaries were covered up to December 1984 of whom 238 and 411 belonged to above category and 50 per cent of those poor and backward people had not even taken any loan from the banks for construction of these plants. The reasons for not availing of any assistance from the banks have not been given by the department.

In Ambala district, however, the number of such beneficiaries was only 2 out of total 645 plants constructed up to December 1984. Reasons for negligible coverage of poor and backward people in Ambala district were neither analysed nor investigated by the department.

(b) Rules prohibit rush of expenditure at the fag end of year. Contrary to this, out of total expenditure

of Rs. 2,23.84 lakhs incurred on the execution of this scheme during 1982-83 (Rs. 53.43 lakhs), 1983-84 (Rs. 55.85 lakhs) and 1984-85 (Rs. 1,14.56 lakhs), 70.46 per cent, 16.20 per cent and 39 per cent was in the months of March of the respective years.

3.1.4. Summing up

Against Rs. 1,96.33 lakhs released by Government of India, Rs. 2,23.84 lakhs had been spent to the end of 1984-85.

Against the target of 11,000 biogas plants only 7,752 plants (70 per cent) had been installed during the Sixth plan period.

Khadi Village and Industries Board installed only 30 biogas plants against the assigned target of 400 plants in the State.

In three districts 675 biogas plants were lying idle for want of repair.

Out of five community/institutional biogas plants to be installed up to 1984-85, only one plant was installed in the Agricultural University, Hissar. The position of construction of the remaining four plants was not known to the Department.

The contribution of institutional finance in the implementation of programme was not up to the mark.

No survey to assess the impact of the programme had been conducted.

3.2. Non-recovery of tax on sale of seeds

The Haryana General Sales Tax Act, 1973 requires a dealer, whose annual gross turnover exceeds the taxable quantum of Rs. one lakh, to get himself registered under the Act, to file quarterly returns on due dates and to pay tax voluntarily at the prescribed rates. Under the Act an un-registered dealer cannot charge sales tax from his customers.

The Deputy Director of Agriculture, Faridabad engaged in the sale of seeds did not recover any sales tax from farmers although his gross turnover of sales exceeded Rs. 1 lakh from July 1980. Registration under the Act was applied for by him in June 1983 and quarterly returns were filed only thereafter. On the returns filed, the Assessing Authority determined (December 1983) taxable turnover at Rs. 14.57 lakhs (July 1980—June 1983) and raised demand of sales tax (at the rate of 4 per cent) amounting to Rs. 0.58 lakh, which was deposited by the Deputy Director, from Government funds in January 1984.

Due to non-registration and non-realisation of tax from farmers, the department thus, had to bear a loss of Rs. 0.58 lakh.

The matter was reported to Government in August 1985; reply was awaited (February 1986).

3.3. Loss through sale of seeds

Under the Haryana General Sales Tax Act, 1973, a registered dealer is required to file quarterly returns and to pay tax on prescribed dates, voluntarily, and in case of default, is liable to levy of interest and penalty at prescribed rate.

A Project Officer of the Department engaged in the sale of seeds (taxable at the rate of 4 per cent) at Narnaul neither recovered any sales tax from the customers nor paid any tax to Government voluntarily during the years 1980-81 and 1981-82. Quarterly returns were also not filed by him on the prescribed dates.

Assessments of tax due for the years 1980-81 and 1981-82 were finalised by the Excise and Taxation Officer, Narnaul in September 1984 and January 1985, respectively, and the following demands were raised :

| | 1980-81 | 1981-82 | Total |
|---|---------------|-----------------|-----------------|
| | | (In rupees) | |
| (a) Tax | 20,463 | 72,091 | 92,554 |
| (b) Interest for non-payment of tax voluntarily | 13,393 | 40,476 | 53,863 |
| (c) Penalty for late filing of returns | — | 13,710 | 13,710 |
| Total | 33,856 | 1,26,271 | 1,60,127 |

The entire amount of Rs. 1.60 lakhs was deposited by the Project Officer between October 1984 and March 1985 of which non-recovery of sales tax from customers amounting to Rs. 0.93 lakh was a loss to the Government.

The matter was reported to the Government in June 1985; reply was awaited (February 1986).

3.4. Excessive purchase of pesticide

To check pests, insects and termites on agricultural crops, 49,783 litres of pesticides valuing Rs. 19.13 lakhs was purchased by the Department in March 1982. The purchase was not based on actual/immediate requirement but was intended to be only a buffer stock. Up to March 1984 a quantity of 2,089 litres (Rs. 0.77 lakh) leaked out due to long storage period, corrosive effect of chemicals in tin containers etc., and only 16,853 litres were sold to farmers whereafter its validity period expired. The balance un-usable quantity of 30,841 litres (Rs. 11.40 lakhs) was got reformulated in January 1985 at a cost of Rs. 4.35 lakhs of which only 17,841 litres could be sold up to June 1985. The stock position of the remaining 13,000 litres was not known (February 1986).

Department stated (July 1985) that extra expenditure of Rs. 4.35 lakhs incurred on reformulation was being made good from farmers by increasing sale price of the pesticide from Rs. 41.48 to Rs. 57.05 per litre.

Financial rules prohibit purchases in excess of immediate requirements. The pesticide was not a scarce commodity to rush through for bulk purchase and had only as much quantity been purchased as was required for immediate use, not only the leakage been avoided or minimised but the burden of extra expenditure incurred on reformulation also not been thrown on farmers.

The matter was reported to the Government in June 1985; reply was awaited (February 1986).

ARCHAEOLOGY DEPARTMENT

3.5. Nugatory expenditure

In March 1980, the Government approved a scheme for setting up of a museum at Bhima Devi temple, Pinjore for

research, custody and display of items of sculptures and art. For this purpose, (i) Rs. 0.48 lakh were provided to the Department, in March 1980 itself, for major and minor works, (ii) a plot of land measuring 14,250 square metres was made available by Agriculture Department, free of cost, in June 1982 and (iii) one post each of clerk, attendant, chowkidar and peon were filled on different dates between February and November 1982.

At the site of museum, 4 sheds were to be constructed for display of important sculptures but this plan was given up in December 1983 (3 sheds) and October 1984 (1 shed), in December 1983 the Government also decided that, with a view to providing adequate security to monuments, important objects at the museum site be shifted to the head office of the Department. The reasons for over-looking security aspect at the time of approving the scheme in March 1980 were not on record. The site of museum at Bhima Devi temple was, thus, relinquished after incurring an expenditure of Rs. 0.88 lakh on purchase of material (Rs. 0.45 lakh), salary (Rs. 0.41 lakh) and petty contingencies (Rs. 0.02 lakh). Material worth Rs. 0.23 lakh has been utilised elsewhere and the remaining material is lying idle (March 1985). Staff was retained beyond December 1983 and a further expenditure on salary (Rs. 0.43 lakh) and contingencies (Rs. 0.04 lakh) was incurred to the end of March 1985. The Department justified expenditure stating, *inter-alia* (September 1985) that services of staff were utilised for clerical, watch and ward purposes. The reply was not tenable since the basic objective of establishing site museum at Bhima Devi temple was never achieved. The entire expenditure of Rs. 1.12 lakhs was, thus, rendered wasteful.

It was also noticed that the Department rushed through the purchases of material costing Rs. 0.45 lakh in March 1980 which included 100 tube lights and 10 exhaust fans costing Rs. 0.20 lakh purchased straightway through two State Public Sector Undertakings at a cost which was more than the prevailing market price by Rs. 0.10 lakh and for this lapse, a Deputy Director of the Department was held responsible by the State Vigilance Department.

The above matter was reported to the Government in January 1985; reply was awaited (February 1986).

ARCHIVES DEPARTMENT**3.6. Blockade of funds due to non-installation of micro-film camera**

An indent was placed for a Fuji 35 M.M. microfilm camera with accessories (estimated cost U.S. \$ 6,212= Rs. 0.50 lakh) by the Department on the Director General of Supplies and Disposal (DGSD) in November 1978. The camera being the proprietary product of a Japanese manufacturer a supply order on the basis of a single tender inquiry was placed by the DGSD on a Bombay-based agent of the manufacturer in March 1979. The equipment was received by the Department on 2nd November 1981 at a cost of Rs. 1.38 lakhs representing cost of camera and accessories (Rs. 0.48 lakh), customs duty (Rs. 0.89 lakh) and insurance and freight (Rs. 0.01 lakh).

The camera was required to be inspected by the DGSD at consignee's place. Instead, the Department invited an Engineer of National Archives, New Delhi to inspect and instal the camera, who on inspection on 11th December 1981, found that three parts of the camera had been damaged and one part was missing (Rs. 0.15 lakh). Department stated (August 1985) that two parts namely screw holder and 16 MM conversion kit are still lying damaged and the others got repaired (July 1985) free of cost.

The camera was purchased by the Department for micro-filming of old documents. The records of the Department, however, did not have any evidence to show (a) quantum of micro-filming work load involved which necessitated the purchase of camera. (b) how and in what manner the micro-filming work was being handled in the absence of functioning of the camera.

Department stated (August 1985) that despite two parts still lying damaged, the camera was, nevertheless, in a usable condition but was lying idle due to non-availability of a trained micro-photographer and that a proposal to amend the qualifications for this post was being sent to the State Government for approval. Further developments in the matter were awaited (February 1986).

EDUCATION DEPARTMENT

3.7. Universal Elementary Education in the age group of 6—14 and Adult Education age group 15—35

3.7.1. Introductory

(a) Article 45 of the Constitution of India envisages free and compulsory education for all children in the age group of 6—14 years. Despite expansion in the provision of elementary education the target has yet to be achieved. The programme of Universal Elementary Education was launched with the object of achieving complete coverage of all children in the age-group of 6—14 years by 1990. The Adult Education Programme was, however, launched as a mass campaign from 2nd October 1978 to cover the entire adult population in the age-group of 15—35 years by 1990.

(b) Organisational set-up

Education Department of the State Government was responsible for overall planning and co-ordination of the programme and was assisted by the Director of School Education. Formal education was imparted through teachers in regular schools while non-formal/adult education was imparted through part-time teachers/instructors headed by *ad hoc* supervisors.

For proper execution of the programmes, certain Councils and Committees had been set up in the State. These are (i) State Council of Educational Research and Training, Gurgaon (SCERT) set up in 1980-81, for educational research and training of personnel at all levels, (ii) State Resource Centre for production of literature, training of functionaries and for preparation of tools, for evaluation, (iii) State Adult Education Board to aid and advise the State Government in implementation of the scheme, (iv) District Adult Education Committees to arrange training of functionaries in each district and (v) Shramik Vidya Peeth, Faridabad to provide educational training facilities for enabling workers and their families to improve their functional capabilities and at the same time to enrich their personnel life.

(c) Financial outlay

The programme was to be implemented through 27 schemes (details in Appendix III.1). Year-wise budget provisions and expenditure incurred on the programme

during the period 1979-80 to 1984-85 were as under :

| Year | Budget Provisions | | | | Central assistance received | Expenditure | | | |
|---------|----------------------|---------------|------------|------------|-----------------------------|-----------------|---------------|------------|------------|
| | Central schemes | State Schemes | | | | Central schemes | State Schemes | | |
| | | Plan | Non-plan | Total | | | Plan | Non-plan | Total |
| | (In lakhs of rupees) | | | | | | | | |
| 1979-80 | 47.57 | 1,94.76 | 19,69.04 | 22,11.37 | 39.51 | 32.43 | 1,13.18 | 19,58.86 | 21,04.47 |
| 1980-81 | 49.44 | 2,85.60 | 20,08.45 | 23,43.49 | 32.81 | 40.60 | 2,04.76 | 25,25.01 | 27,70.37 |
| 1981-82 | 44.32 | 3,63.32 | 25,44.90 | 29,52.54 | 43.65 | 43.94 | 3,46.50 | 28,55.62 | 32,46.06 |
| 1982-83 | 47.01 | 4,06.29 | 29,77.49 | 34,30.79 | 48.03 | 51.49 | 4,16.82 | 32,47.02 | 37,15.33 |
| 1983-84 | 56.42 | 7,10.94 | 33,67.25 | 41,34.61 | 74.28 | 65.65 | 7,27.05 | 36,30.03 | 44,22.73 |
| 1984-85 | 57.24 | 11,27.93 | 36,50.53 | 48,35.70 | 1,02.80 | 75.61 | 9,79.57 | 38,71.46 | 49,26.64 |
| | 3,02.00 | 30,88.84 | 1,65,17.66 | 1,99,08.50 | 3,41.08 | 3,09.72 | 27,87.88 | 1,80,88.00 | 2,11,85.60 |

Central assistance to the extent of Rs. 31.36 lakhs remained un-utilised (March 1985). Reasons were awaited (February 1986).

Test check in audit (December 1984 to March 1985) of the records of Director of School Education, Haryana and of four districts (Ambala, Gurgaon, Jind and Faridabad) revealed the following:

3.7.2. Elementary Education—Formal

Literacy percentage of overall population in Haryana, as per 1981 census, was 35.84 per cent (Male : 47.78 and female : 22.23 per cent) against the all India percentage of 36.11 (Male : 46.74 and Female : 24.88 per cent). To eradicate illiteracy and improve education qualitatively, at all levels, the scheme envisaged opening of new schools, provision of additional classes with necessary infrastructure, incentives to increase enrolment and arrest drop outs.

(a) Enrolment

The actual strength of the students enrolled in primary (Class I to V) and middle school classes (Class VI to VIII) compared to the targets of enrolment is given below :

Enrolment (Classes I to V/age group 6—11 years)

| | Targets | Achievement | | |
|--------------------|---------|-------------|------------|-------|
| | | Formal | Non-formal | Total |
| (Figures in lakhs) | | | | |
| 1979-80 | 16.19 | 11.62 | 0.63 | 12.25 |
| 1980-81 | 16.03 | 12.45 | 0.73 | 13.18 |
| 1981-82 | 16.15 | 13.07 | 0.77 | 13.84 |
| 1982-83 | 16.28 | 13.95 | 1.03 | 14.98 |
| 1983-84 | 16.40 | 14.64 | 0.98 | 15.02 |
| 1984-85 | 16.52 | 15.45 | 1.03 | 16.48 |

Enrolment (Classes VI to VIII/age group 11—14 years)

| | | | | |
|---------|-------|------|------|------|
| 1979-80 | 9.95 | 4.45 | 0.01 | 4.46 |
| 1980-81 | 10.27 | 4.77 | Nil | 4.77 |
| 1981-82 | 9.99 | 4.99 | Nil | 4.99 |
| 1982-83 | 9.82 | 5.15 | Nil | 5.15 |
| 1983-84 | 9.64 | 5.41 | Nil | 5.41 |
| 1984-85 | 9.48 | 5.76 | Nil | 5.76 |

Enrolment of Scheduled Castes at primary level in March 1985 (based on projected population of 1971) was 97 per cent (Boys : 117 per cent and Girls : 76 per cent) while at middle level it was 42 per cent (Boys : 65 per cent and Girls : 17 per cent). Reasons for shortfalls were not on record.

(b) Drop outs

During 1979-80 to 1984-85, drop outs in middle class varied from 32 to 48 per cent of the actual students enrolled. The department attributed (May 1985) heavy drop outs to poverty and other economic consideration. The department had not, however, evolved any system to investigate reasons thereof with a view to have a check on them.

(c) Teacher pupil ratio

According to the norms prescribed by the State Government, there has to be 1 teacher for 45 pupils in primary standard and 1 teacher for 31 pupils in middle standards.

In 174 primary schools of Ambala, Gurgaon and Jind districts test checked by audit the teacher-pupils strength was found to be either less or more than the prescribed norm of 1:45 as under :

| Actual teacher-pupil ratio | Number of Schools | Percentage of schools to total number of schools |
|--------------------------------|-------------------|--|
| (i) up to 1 : 35 | 36 | 21 |
| (ii) between 1 : 36 and 1 : 49 | 122 | 70 |
| (iii) 1 : 50 and above | 16 | 9 |
| Total | 174 | 100 |

Deployment of teachers in excess of norms in primary standard (after adjustment of short strength) involved a wasteful expenditure of Rs. 40.08 lakhs during 1979-80 to 1984-85. District Education Officers concerned stated (January 1985) that matter regarding allocation of

teachers according to enrolment norms was receiving attention of the Department.

(d) Buildings and other essential facilities

In accordance with Government of India's guidelines on early child education, primary/middle schools were required to be set up within one KM/three KMs from the houses of children. There was nothing on record to indicate whether any survey had been conducted to assess the requirement and location of schools as per the guidelines. In three districts, (Ambala, Gurgaon and Jind) primary school facilities were not available in 307 villages (Ambala); and middle level facilities were not provided within three kilometres to 77 villages (Ambala : 56, Gurgaon : 16 and Jind : 5). Even the distance at which schooling facilities for these villages were available in nearby schools was not on record.

(e) Buildings

This sector remained neglected during Fourth and Fifth plan periods. Consequently, classes particularly in backward areas had to be conducted either in open or in dilapidated buildings. At State level, no record had been maintained to show the sites where the buildings were required to be constructed, actually constructed or acquired and total number of additional rooms required for primary and middle classes. During Sixth Plan (1980—85) achievements against plan targets were as under :

| | Physical | | | Financial (In lakhs of rupees) |
|---|------------------|--|------------------------------|--------------------------------------|
| | New buildings | Buildings to be acquired/ renovated | Additional Class rooms | |
| Plan provision | 5 | 76 | 300 | 2,45.00 |
| Budget provision | N.A. | N.A. | N.A. | 85.84 |
| Achievement/Expenditure | 2 | 12 | 211 | 57.18 |
| Percentage (with reference to plan provision) | 40 | 16 | 70 | 23 |

N.A. : Not available.

(i) Shortfalls were attributed by the department (March 1985) to non-finalisation of proposals for construction of buildings/additional class rooms.

(ii) (a) In three districts (Ambala, Gurgaon and Jind) test checked, it was noticed that (a) out of 1,749 schools (Ambala : 846, Gurgaon : 571 and Jind : 332), 78 schools (Ambala : 25, Gurgaon : 37 and Jind : 16) were without buildings and 606 schools (Ambala : 362, Gurgaon : 214 and Jind : 30) were short of 1,215 rooms (Ambala : 797, Gurgaon : 374 and Jind : 44).

(b) For up-gradation of school from primary to middle level, it was necessary that the school should have minimum enrolment of 150 pupils, building to have 11 class rooms well lighted and ventilated designed to provide 12 square feet floor space per pupil and land measuring 3 acres. Out of 188 schools upgraded from primary to middle level, (Ambala : 54, Gurgaon : 68 and Jind : 66) only 18 schools (Gurgaon : 1 and Jind : 17) fulfilled the required norms for up-gradation and 131 schools (Ambala : 54, Gurgaon : 54 and Jind : 23) were upgraded without observing the required norms. Data for remaining 39 schools (Gurgaon : 13 and Jind : 26) were not available at district level.

(f) Incentives

Vast bulk of non-attending children are girls belonging to scheduled castes and weaker sections of society. In order to ensure higher percentage of enrolment and check on drop outs, various incentives such as attendance scholarship to harijan girls, free stationery and writing material, uniforms to harijan girls, book bank etc., were provided in the Sixth Plan. Of these incentives, attendance scholarship to harijan girls and book bank formed part of the Elementary Education (formal) programme and the points noticed are discussed below :

(g) Attendance scholarships for harijan girls

(i) This scholarship is admissible at the rate of Rs. 10 per student, per month except for vacations. During the period 1979-80 to 1984-85, 4.85 lakh harijan girls were enrolled for whom funds to the tune of Rs. 5,49.80 lakhs

were required. Funds actually provided, however, amounted to Rs. 2,96.40 lakhs against which an expenditure of Rs. 2,58.26 lakhs was incurred. Instead of cent per cent coverage of all the 4.85 lakh girls, the Department fixed target of only 2.54 lakh girls of whom 2.52 lakhs were reported to have been covered. The actual coverage could not be vouch-safed in audit due to non-availability of records in the Directorate. The reasons for less provision of funds and non-coverage of the entire 4.85 lakh girls were not on record of the Department.

(ii) Payments of attendance scholarships Rs. 16.08 lakhs to 24,928 eligible beneficiaries (Ambala : 10,805, Rs. 8.30 lakhs; Gurgaon : 11,376, Rs. 6.63 lakhs and Jind : 2,747, Rs. 1.15 lakhs) relating to the period 1981-82 to 1984-85, were still in arrears reportedly due to non-availability of funds (May 1985). Reasons for not claiming the amount through additional grant were not on record.

(iii) In three districts (Ambala, Gurgaon and Jind) attendance scholarships had been paid for the full month of vacation also, instead of on the basis of monthly attendance (70 per cent or above) only. This resulted in an excess payment of Rs. 6.93 lakhs during 1980-81 to 1984-85. The department stated (May 1985) that reasons for excess payment were being ascertained.

(iv) (a) In Ambala, during 1980-81 an amount of Rs. 0.57 lakh was drawn and remitted to Sub-Divisional Education Officers (Ambala : Rs. 0.31 lakh and Jagadhari: Rs. 0.26 lakh) for disbursement of attendance scholarships. Record connected with receipt and utilisation of the amount was not available at the sub-divisional level.

(b) In Jind, Rs. 1.24 lakhs were remitted by Sub-Divisional Education Officer, Safidon to middle/High Schools for disbursement of attendance scholarship (1980-81 to 1984-85). Neither school wise break up of the amount remitted nor record of disbursement/details of undisbursed amount/pending claims, if any, was available.

(h) Book bank

(i) Against the budget allotment of Rs. 39.00 lakhs (1979-80 to 1984-85) under Book bank, Rs. 31.67 lakhs were

spent. Complete set of books for each class (IInd to Vth) were, however, not purchased. Books were also not supplied to students at the start of academic year. Delay in supply which ranged from 3 months (1980-81) to 11 months (1983-84) denied timely benefit of the scheme to the beneficiaries. Physical verification of books was never conducted. Books in stock, old books/torn out books/out of course books, were not shown separately. Beneficiaries to be covered under the programme and actual coverage, was not monitored. Accounts of books in the offices of District Education Officer, Sub-Divisional Education Officer, and Block Education Officer and Schools were never reconciled.

(ii) Rupees 0.15 lakh were allocated to Sub-Divisional Education Officer, Jagadhari (1979-80) by District Education Officer, Ambala, but no record connected with purchase of books under Book bank and their utilisation was available in the Sub-Division. Besides, sale book depot, Jagadhari was paid advance for supply of books every year commencing from April. Out of these Rs. 0.10 lakh were still outstanding (February 1986).

(iii) Rupees 0.10 lakh out of the grant for Book bank were remitted by Sub-Divisional Officer (Ambala) during March 1984 to the Board of School Education for supply of books for secondary education not envisaged under the scheme. The diversion of funds had not been approved by the Government.

(iv) In all 6,037 books (value : Rs. 0.15 lakh) were purchased in October 1980 in Gurgaon out of the funds sanctioned under 'Primary-Direction and Administration Non-Plan' without sanction for diversion of funds.

(i) UNICEF assisted projects

The State Government initiated UNICEF aided project Numbers 2, 3, and 5 through the SCERT. Project No. 2 was being implemented to increase the meaningfulness of existing primary education through gradual infusion into elementary school programme. Project No. 3 was in a way complementary to Project No. 2 to meet minimum educational needs of a large portion of population and Project No. 5 (Comprehensive Access to Primary Education) was a new project for primary educational reforms

in the context of universalisation of Elementary Education.

As against the budget provision of Rs. 1.67 lakhs an expenditure of Rs. 0.83 lakh had only been incurred to end of March 1985. Short utilisation of budget grant was stated to be due to vacant post of driver.

Year-wise physical targets and achievements were as under :

| | Targets/Achievements | | | |
|------|----------------------|--------------|---------------------|----------------------|
| | Workshops | Publications | Training of persons | Training of teachers |
| | (In numbers) | | | |
| 1980 | 12/10 | 2/2 | 35/29 | 40/37 |
| 1981 | 48/36 | 8/5 | 45/40 | 160/147 |
| 1982 | 57/48 | 11/10 | 35/30 | 110/94 |
| 1983 | 59/51 | 14/11 | 10/8 | 40/36 |
| 1984 | 76/56 | 6/6 | 8/6 | 30/25 |

(a) Under Project No. 5 thirty-four capsules (learning material for non-formal education) were got printed for training purposes (1982 to 1984) for which no target had been fixed.

Detailed record relating to physical performance under different projects, viz., dates of workshops, names of functionaries who participated, subject and duration etc., was not maintained and hence physical performance was not susceptible of any check in audit.

(b) Thirty-three sets of books were got printed (cost: Rs. 1.49 lakhs) (Project No. 2) during 1980 to 1984 for elementary education. It was, however, not clear from the register of books as to how many of these books had been issued to schools (year-wise) and what was the balance in stock (category wise). Physical verification of balances had never been conducted.

(c) No learning centre was established. Department stated (May 1985) that these centres would be established in 1986.

3.7.3. Elementary Education—Non-formal

The scheme, initially started in Haryana in 1974-75 through voluntary agencies, was executed departmentally from 2nd October 1978 envisaging coverage of 1.97 lakh beneficiaries (Boys : 0.62 lakh, Girls : 1.35 lakhs), by 1984-85 by providing schooling facilities to children in the age-group 6—14 who had never been to school or had dropped out of formal school education. The scheme contemplated provision of knitting and sewing machines to the centres for training. Books, uniforms (for Harijan girls) and stationery were given free of cost to the pupils, as incentives. In Haryana, the programme was wholly funded by the State Government.

Out of budget provision of Rs. 86.33 lakhs (1979-80 to 1984-85) for classes I to V only Rs. 61.23 lakhs were utilised. Under-utilisation was reportedly due to late implementation of the scheme (1979-80), late opening of centres (1982-83), non awarding of scholarships to students as they could not get prescribed percentage of marks and due to non-imparting of training to some of the teachers (1983-84).

(a) Physical achievements

Physical targets and achievements from 1979-80 to 1984-85 were as under :

| Year | Categories of centres | Number of centres (As on 30th September) | | Beneficiaries (primary : in lakhs middle : in numbers) | | |
|---------|-----------------------|---|--------------|---|--------|-------|
| | | Targets | Achievements | Scheduled castes | Others | Total |
| 1979-80 | Primary | 3,345 | 2,600 | 0.20 | 0.43 | 0.63 |
| | Middle | 470 | 76 | 226 | 868 | 1,094 |
| 1980-81 | Primary | 3,345 | 3,061 | 0.19 | 0.54 | 0.73 |
| | Middle | 120 | 65 | 250 | 957 | 1,207 |
| 1981-82 | Primary | 3,405 | 3,284 | 0.23 | 0.54 | 0.77 |
| | Middle | 60 | 29 | Nil | 459 | 459 |
| 1982-83 | Primary | 3,550 | 3,476 | 0.30 | 0.73 | 1.03 |
| | Middle | 60 | 19 | Nil | 394 | 394 |
| 1983-84 | Primary | 3,610 | 3,511 | 0.30 | 0.68 | 0.98 |
| 1984-85 | Primary | 3,610 | 3,573 | 0.33 | 0.70 | 1.03 |

(i) Shortfall in number of centres set up (Primary) as compared to targets ranged from 22 per cent (1979-80) to 2 per cent (1982-83). No centre was set up exclusively for girls.

(ii) Out of school children ranging from 5.50 lakhs (1979-80) to 5.00 lakhs (1981-82) in age-group 11-14 coverage of children (1979-80 to 1982-83) under middle level centres was negligible.

(iii) No survey was conducted to identify areas inhabited by Scheduled Castes requiring setting up of centres exclusively for the benefit of this class.

(iv) Total projected target out of school going population in the age-group 6-14 (based on 1971 census) was 10.07 lakhs (age-group 6-11 : 4.57 lakhs and age-group 11-14 : 5.50 lakhs). Against this, State Government had fixed a target of 1.97 lakhs in Sixth Plan (1980-85). Actual coverage up to 1984-85 (progressive) was 1.03 lakhs only. Reasons for fixation of low targets and low achievements were awaited (February 1986).

(v) Percentage of Scheduled Caste beneficiaries at primary level to total enrolment ranged from 25 per cent (1980-81) to 32 per cent (1984-85).

(vi) During 1981-82 to 1983-84 (period for which data was available), drop outs ranged from 29 per cent (1983-84) to 34 per cent (1982-83).

(vii) Test check of three districts (Ambala, Gurgaon and Jind) revealed the following :

- (i) Number of teachers in position was less than the number of centres set up, reportedly due to non-availability of teachers at low remuneration. Department stated (May 1985) that vacant centres were being looked after by teachers of nearby centres.
- (ii) Enrolment in NFE, centres ranged from 22 (1980-81) to 28 (1984-85) per centre, although no specific norm for enrolment had been laid down. Evaluation of learners up to 1Vth class

was left to part time teachers and no supervisory check was exercised.

(b) Books

(i) In 86 centres test checked the number of books purchased/issued to centres was only 4,228 (1979-80 to 1984-85) against 7,059 students enrolled in Ist and IInd class. In respect of IIIrd to VIth class (except Gurgaon) the number of books (1,375) was more than the enrolment made (888).

(ii) Books were not purchased and supplied at all to centres in the academic year 1980-81. Delay in supply of books to learners ranged from 4 months (1981-82) to 8 months (1982-83).

(iii) A sum of Rs. 0.68 lakh (Ambala : Rs. 0.22 lakh, Gurgaon : Rs. 0.23 lakh and Jind : Rs. 0.23 lakh) provided during 1979-80 to 1984-85 as incentive for payment to Harijan children at the rate of Rs. 25 per Vth class student who secure 50 per cent marks in the annual examination, was not utilised in any year (till March 1985) as no student achieved the minimum marks prescribed. The department stated (February 1985) that beneficiaries enrolled under the programme generally belonged to backward families and could not come up to the required standard.

(c) Uniforms

According to the scheme, uniforms were to be supplied to Scheduled Caste girls from 1980-81 onwards. Total number of beneficiaries enrolled and beneficiaries covered under the programme in three districts test checked in audit were as follows :

| Year | Number of girls enrolled | | | Number of girls covered | | |
|---------|--------------------------|---------|-------|-------------------------|---------|-------|
| | Ambala | Gurgaon | Jind | Ambala | Gurgaon | Jind |
| 1980-81 | 1,446 | 650 | 400 | Nil | 500 | 434 |
| 1981-82 | 2,571 | 653 | 818 | 1,400 | Nil | 735 |
| 1982-83 | 2,623 | 913 | 2,076 | 1,719 | 1,911 | 862 |
| 1983-84 | 2,545 | 1,057 | 1,561 | 1,938 | Nil | 1,645 |
| 1984-85 | 2,971 | 1,254 | 1,568 | 2,740 | 1,071 | 5 |

(i) Supply of uniform cloth to the beneficiaries was delayed. Cloth purchased for 1981-82 and 1982-83 (Gurgaon) was issued during 1982-83. All the beneficiaries were not covered every year.

(ii) In 20 cases out of 30 test checked in Jind (out of 429 beneficiaries covered during 1981-82 to 1984-85) no uniformity was maintained in the scale of cloth/uniform supplied, reasons for which were not stated.

(d) Inspection of centres

The supervisor who was required to inspect each centre every month did not cover the inspections as per norms. Short-fall in inspection of centres by supervisor ranged from 93 per cent (1979-80) to 25 per cent (1982-83) in Gurgaon. In Jind it ranged from 8 per cent (1979-80) to 6 per cent (1983-84). The lapse with respect to functioning of the centres, therefore, remained unnoticed as the department had not devised any system to monitor this information at the district level for taking remedial measures in time.

(e) Central commodity assistance

(i) To strengthen the Non-Formal Education programme the Government of India, supplied to Haryana 258 tonnes paper during 1981-82 to 1983-84 procured from the assistance provided by Swedish International Development Agency (SIDA) for non-formal elementary education programme on the condition that the paper should not be utilised for any other purpose. The paper was issued to the Haryana Government Printing Press. Account for utilisation for printing of the books by the Press was awaited (February 1986).

(ii) Paper received though taken in stock, was not accounted for in the Government accounts.

(iii) Eight tonnes of white glazed printing paper on receipt in 1982-83 found crumpled and mutilated in transshipment. Settlement of claim for Rs. 0.42 lakh (salvage value of paper : Rs. 0.17 lakh) lodged with Insurance Company (February 1985) was awaited (February 1986).

(iv) Rupees 5.32 lakhs were paid (March 1981) to Controller of Printing and Stationery, Haryana towards charges for printing of text books. Adjustment account was awaited (February 1986).

(v) Out of 5.08 lakh copies of books printed, only 2.19 lakh copies (43 per cent) were issued to centres to end of March 1985. Reasons for non issue of balance books were awaited (February 1986).

3.7.4. Adult education

For eliminating country wide illiteracy as part of the new 20 point programme, Adult Education Programme (AEP) launched by the Government of India as National Programme was implemented in Haryana as a mass campaign with effect from 2nd October 1978 to cover entire adult illiterate population in the age group 15—35. The education imparted under the programme was a package comprising acquisition of basic literacy, skills, upgradation of vocational skills and raising level of social awareness of learners. The programme is mainly confined to rural areas and urban slum areas with main emphasis on coverage of women and Scheduled Castes and other weaker sections of the society on a priority basis. In the Sixth Five-Year Plan, the programme was included under "Minimum Needs Programme" and envisaged 100 per cent coverage of all the illiterate persons by 1990.

As detailed in Appendix III.1, different projects functioning under the programme are :

- (i) Rural Functional Literacy Project (RFLP)
- (ii) National Adult Education Programme
- (iii) Shramik Vidya Peeth
- (iv) Incentives for promotion of Adult Education including non-formal education for women and girls
- (v) Special Adult Education Programme.

The projects from serial number (i) to (iv) are wholly financed by the Government of India and that at serial number (v) by the State Government.

The programme is required to be implemented in three phases :

- (i) The first phase is for a period of 10 months during which period the adult will learn the art of reading and writing and numeracy in addition to the functionality and awareness;
- (ii) The second phase consists of post-literacy and following programme of about one year to sustain the literacy picked up by the new-literates;
- (iii) The third phase of about one year, is to organise continuity of education in the village under Assistant Project Officer (CE) who is to ensure that the new literate utilise the books to improve and sustain literacy so that they mix with the mainstream of the population.

The first phase was introduced in the State during 1978-79, the second phase from 1983-84 (instead from 1980-81) and the operation of third phase is still awaited (February 1986).

Organisational set-up

At the State level Director of School Education is in over all control of the programme. At district level, District Adult Education Officers are responsible for implementation of the programme.

Audit findings

As against the total provision of Rs. 5,54.52 lakhs (Centrally sponsored schemes : Rs. 3,02.00 lakhs, State sector : Rs. 2,52.52 lakhs) including central assistance of Rs. 3,06.80 lakhs for 1979-80 to 1984-85, an expenditure of Rs. 4,80.25 lakhs (Central schemes : Rs. 2,96.72 lakhs, State sector : Rs. 1,83.53 lakhs) had been incurred to the end of March 1985.

(a) Rural Functional Literacy Project and Special Adult Education Programme

Targets and achievements from 1979-80 to 1984-85 were as under :

| Year | Targets | | | | Achievements | | | |
|---------|------------------|-------|--------------------------|-------|--------------|-------|---------------|-------|
| | Centre (Numbers) | | Beneficiaries (in lakhs) | | Centre | | Beneficiaries | |
| | Central | State | Central | State | Central | State | Central | State |
| 1979-80 | 2,400 | 1,100 | 0.72 | 0.33 | 2,124 | 889 | 0.50 | 0.19 |
| 1980-81 | 2,400 | 1,100 | 0.72 | 0.33 | 2,304 | 1,090 | 0.50 | 0.26 |
| 1981-82 | 2,400 | 1,100 | 0.72 | 0.33 | 2,347 | 1,094 | 0.52 | 0.25 |
| 1982-83 | 2,700 | 1,400 | 0.81 | 0.42 | 2,669 | 1,093 | 0.80 | 0.35 |
| 1983-84 | 2,700 | 1,400 | 0.81 | 0.42 | 2,684 | 1,325 | 0.77 | 0.37 |
| 1984-85 | 2,700 | 2,200 | 0.81 | 0.66 | 2,700 | 2,196 | 0.80 | 0.62 |
| | | | | | | | 3.89 | 2.04 |

Of the total beneficiaries, the number of women was 3.54 lakhs of which Scheduled Castes women accounted for 1.48 lakhs and 3.12 lakhs women completed their course successfully. The number of Scheduled Castes women who completed the course was not on records. The following further points were noticed :—

- (i) Block/district wise survey to ascertain number of illiterates in age-group 15—35 was not conducted before implementation of the scheme. Government admitted (April 1985) that this data were not available with them. In its absence targets fixed for ensuring 100 per cent coverage were not realistic.
- (ii) The scheme envisaged priority to coverage of Scheduled Castes and women illiterates. State Government admitted (April 1985) that exact figures of eligible beneficiaries in these categories were not available with them.
- (iii) Data regarding migrant/agricultural labourers/slum dwellers were not collected before or after

implementation of the scheme. Further, in attendance registers, there was no indication whether any beneficiary out of these categories were enrolled. In its absence quantum of benefit extended to these categories was not susceptible to check in audit.

- (iv) Against eligible illiterates population of 18.87 lakhs (men : 5.40 lakhs, women : 13.47 lakhs), achievement up to 1984-85 was 3.12 lakhs. Further the estimated eligible population was not updated from year to year though the scheme envisaged cent per cent coverage of illiterate persons.
- (v) Basis for fixing enrolment targets from year to year were not no record. For 1979-80 to 1981-82 these were lower than the targets based on norm of 30 learners per centre. No targets had been fixed for 1982-83.
- (vi) Ratio of actual to targeted enrolment, ranged from 95 per cent (1980-81) to 53 per cent (1984-85). Decrease was attributed by the Department (April 1985) to failure to start additional centres to cope with enhanced targets.
- (vii) Six districts (Central sector : 3 and State sector : 3) having literacy above the national level were treated at par with other districts in implementation of the schemes which was contrary to guidelines of Government of India for covering districts falling below the national literacy level of 36.17 per cent. The proportionate expenditure of Rs. 1,80.22 lakhs up to March 1985 (Central sector : Rs. 91.73 lakhs, State sector : Rs. 88.49 lakhs) on them could have gainfully been utilised for other districts where the literacy was below the national level as detailed in Appendix III.2.

Test check of records of Ambala, Gurgaon and Jind districts revealed the following :

- (i) During 1984-85 against the admissible expenditure of Rs. 1,53.85 lakhs the actual expenditure

incurred was Rs. 1,68.37 lakhs on running of centres, resulting in an excess expenditure of Rs. 14.52 lakhs which was over and above the ceiling limit of Rs. 59.4 per learner.

- (ii) (a) Learning material worth Rs. 7.50 per annum (revised to Rs. 13.50 per annum from 1984-85) was to be supplied to each learner. In Ambala, expenditure incurred (1979-80 to 1983-84) was Rs. 3.02 lakhs for 34,428 learners against permissible norm of Rs. 2.58 lakhs. Excess (Rs. 0.44 lakh) was attributed to the fact that learning material was issued more than once a year to those who had lost/broken the same.
- (b) In Jind, expenditure incurred was Rs. 4.64 lakhs (Jind: Rs. 3.02 lakhs State sector; Narwana Central sector : Rs. 1.62 lakhs) on supply of learning material for 71,167 learners (Jind : 43,807; Narwana : 27,360) against permissible amount of Rs. 6.36 lakhs (Jind : Rs. 3.77 lakhs; Narwana : Rs. 2.59 lakhs), during 1979-80 to 1984-85. Less supply of learning material was attributed to late receipt of sanction.

In Gurgaon, proper record to register this information had not been maintained.

Functioning of centres

Number of centres sanctioned, centres set-up and the number of instructors in position vis-a-vis location of centres, in three districts was as follows :

| | Year | | | | | |
|--|---------|---------|---------|---------|---------|---------|
| | 1979-80 | 1980-81 | 1981-82 | 1982-83 | 1983-84 | 1984-85 |
| (a) Centres sanctioned | 900 | 900 | 900 | 1,200 | 12,000 | 1,200 |
| (b) Centres set-up | 783 | 900 | 900 | 1,178 | 1,200 | 1,200 |
| (c) Number of centres with instructors | 751 | 900 | 888 | 1,158 | 1,192 | 1,172 |
| (d) Number of centres without instructors | 32 | Nil | 12 | 20 | 8 | 28 |
| (e) Number of centres in Instructors' houses/unidentified places | 520 | 630 | 625 | 1,037 | 926 | 943 |

(i) Number of instructors in position as indicated in column (d) above was less than the number of centres set up (except 1980-81). Department stated (January 1985) that vacant centres were looked after by Instructors from nearby centres.

(ii) About 66 per cent (1979-80) to 88 per cent (1982-83) of the centres set up had no suitable accommodation facilities and were functioning either in instructors' own house or in unidentified places such as others' house/open places/evacue property. Department stated (January 1985) that despite best efforts, suitable accommodation for running these centres could not be arranged and *ad-hoc* arrangements had to be made as a last resort.

Inspection of centres

Out of 1,200 centres, the records of 120 centres were test checked and it was observed that the supervisor who was to supervise each centre every month did not cover the inspection of centres as per norms of 300 inspections per year. Shortfalls ranged from 92 per cent (1979-80) to 4 per cent (1982-83) reportedly due to shortage of staff, rush of expenditure etc.

Supply of basic learning material

Books and stationery articles were generally supplied late. Out of 120 centres test checked in Audit (Ambala, Jind and Gurgaon) there was delay of 3 to 11 months (1980-81 to 1984-85) from the commencement of classes while during 1979-80 there was no supply of learning material to the learners. This was attributed by Department for delays in completion of purchase formalities at the State level. The delay in supply of reading and writing material was bound to have adverse effect of the knowledge to be acquired by learners.

Training

For successful implementation of the programme, facilities for training of various functionaries (District Adult Education Officer/Project Officers and Instructors/Supervisors) were to be arranged annually. Against the allotment of Rs. 45.11 lakhs, only Rs. 25.55 lakhs were spent on training during 1979-80 to 1984-85.

Data regarding sponsoring of District Adult Officers and Project Officers for training by the Directorate of Adult Education, Government of India, were not available with the department. State Resources Centre, which was to co-ordinate training programme of project and block level functionaries, did not maintain any record to show training having been co-ordinated. In three districts (Ambala, Jind and Gurgaon) test checked, all instructors/supervisors were reported to have been trained but no record regarding duration and subject of training had been maintained.

In all 228 Instructors (Gurgaon : 86; Jind : 142) who were *ad-hoc* employees left service after completion of training reportedly due to low honorarium and consequently 32 centres had to be closed down thereby affecting the continuity of education of learners under the programme. There were no agreements with the instructors to render service after completion of training.

Avoidable expenditure

(a) In Jind, 29 centres were being run by regular teachers headed by regular supervisor in the time scale of pay instead of by part-time instructors (honorarium Rs. 50, revised to Rs. 100 per month from 1984-85) and *ad-hoc* supervisors (honorarium: Rs. 500 and F.T.A.) as provided in the scheme, resulting in avoidable expenditure of Rs. 13.84 lakhs (1979-80 to 1984-85).

(b) As against the sanctioned norm of 2 posts of peon, 4 peons were in position in the office of the District Adult Education Officer, Jind. Excess of two posts was attributed to transfer of posts from the "Mobile Social Education Scheme". This resulted in avoidable expenditure of Rs. 0.64 lakh (1979-80 to 1984-85).

Other topics of interest

(a) In Jind, Rs. 0.38 lakh were utilised during 1982-83 to 1984-85 for purchasing learning material like stone slates, slate pencils, black boards middling pencils, etc., instead of teaching material.

(b) Three projectors (value : Rs. 0.41 lakh) were purchased during 1982-83 (Ambala and Gurgaon) and

1984-85 (Jind) under Central Sector, as teaching aid to screen films to learners under the programme without approval of Government of India. Although a peon in each district was given training for its operation, the projector was used only 3 occasions (Ambala) while no record of its utilisation was maintained in the districts of Gurgaon and Jind.

(b) Shramik Vidya Peeth

The scheme fully assisted by Government of India, provided for education in occupational growth to urban industrial workers and this facility go as to improve the functional capabilities and at the same time enrich the personal life. Shramik Vidya Peeth was to meet various inter-related needs of workers with specifically tailored programme and was to identify and ascertain, through survey, varieties of educational needs of different categories of labour population and to provide consultancy services to agencies planning to organise programme for training and education of workers.

Year-wise position of budget provision made and expenditure incurred, physical targets fixed and achievement made there-against were as under :

| Year | Financial | | Physical | | | | |
|---------|---|------------------|--------------|-------------------|---------------|----------|--------|
| | Budget allotment/ central assistance received | expendi- ture | Courses | | Beneficiaries | | |
| | | | Target | Achieve- ments | Target | Enrolled | Passed |
| | (In lakhs of rupees) | | (in numbers) | | (in numbers) | | |
| 1981-82 | Nil | 0.34* | Nil | Nil | Nil | Nil | Nil |
| 1982-83 | 1.98 | 2.43 | Nil | 80 | Nil | 2,075** | 1,959 |
| 1983-84 | 1.98 | 2.32 | Nil | 56 | Nil | 1,380** | 1,306 |
| 1984-85 | 2.01 | 1.41 | 144 | 54 | 10,050 | 2,545** | 2,513 |
| | 5.97 | 6.50 | | | | | |

*Purchase of furniture only.

**Includes Scheduled Caste beneficiaries 66 (1982-83), 23 (1983-84) and 52 (1984-85).

During test check of records in audit the following points were noticed :—

- (i) No survey to identify and ascertain varieties of educational needs of different categories of labour population had been conducted though this was envisaged in the scheme. The Director, Shramik Vidya Peeth, stated (February 1985) that survey in strict sense of research was not feasible as no research unit had been attached with the Shramik Vidya Peeth.
- (ii) In 27 units (20 large scale and 7 small scale) covering 679 beneficiaries (February 1985) 1 to 4 courses were conducted in security guards, fire fighting, safety, functional literacy and upgradation of skills. The Director stated (February 1985) that small scale units did not generally spare their workers for training during factory hours.
- (iii) One film projector with accessories was purchased by Shramik Vidya Peeth at a cost of Rs. 0.13 lakh (September 1982). No register showing utilisation of the projector was maintained. The department, however, stated (February 1985) that the projector was used only thrice since its purchase.
- (iv) Management of Board of Shramik Vidya Peeth constituted (November 1981) to assist and advise the State Government on important policy matters concerning Vidya Peeth was to hold 3 meetings in a year. During November 1981 to November 1984 the board met on 7 occasions against 9. The decisions taken were not implemented as the minutes of the meetings of the Board sent to State Government were still receiving the latter's attention (February 1985).

(c) Non-formal education for women and girls

The project was started during 1982-83 by Government of India in collaboration with UNICEF as part of on-going programme of education. The major objective of the programme was to strengthen the family life, education in general and childcare in particular.

(i) In Jind district 17.743 toys worth Rs. 0.89 lakh were purchased (February 1983) for use by children accompanying female adults attending centres and issued to female adult centres (February 1983 to May 1983). Only 121 centres (out of 250) fulfilled the criteria of having at least six mothers as learners and children in the age-group of 1—5. The child centres attached to adult female centres were run by instructors and not by volunteers as envisaged in the scheme. Record of number of children accompanying adult female learners and utilisation of toys was not kept. The scheme envisaged that toys should be retained in stock for use by beneficiaries from year to year but the same were charged off from stock after issue and physical verification was never conducted. Further, utilisation of these toys were never monitored.

(d) Incentive for promotion of adult female literacy

In order to accelerate the programme for Adult female literacy the Government of India grants awards to the best 5 adult education centres in each district throughout the country. Further, an award is to be given to one District in each State which has done the best work in the female adult literacy:—

(i) A sum of Rs. 6.00 lakhs allocated (March 1984) by the Government of India to Haryana as incentive grant for promotion of adult female literacy was drawn in March 1984 by the DPI. Out of it, Rs. 3.00 lakhs were distributed equally in all the twelve districts at the rate of Rs. 0.05 lakh per centre for 5 centres (August 1984) for purchase of sewing/knitting machines, books, periodicals other reading material and the remaining amount of Rs. 3.00 lakhs was remitted (August 1984) to Karnal district for

purchase of mobile library and first aid van to be utilised for transporting projector for screening films. Details of utilisation of these funds were not on record.

- (ii) In Jind, 21 sewing machines (Rs. 0.08 lakh) and 897 books (Rs. 0.05 lakh) purchased in 1983-84 had not been issued to centres. Reasons were awaited (February 1986).
- (iii) Separate account of material purchased out of this grant had not been kept. Hence, its utilisation for intended beneficiaries could not be ensured.
- (iv) A similar grant of Rs. 6 lakhs sanctioned and drawn in March 1985 had not been utilised and was lying in the form of bank drafts (February 1986).

3.7.5. Monitoring and evaluation

Initial and monthly progress reports sent periodically from the district to State Headquarters were not monitored and no warning signals regarding shortfall in and deviation from the targets were issued at the State level. Test check (Adult Education) revealed that supervisors did not have centre-wise break-up of reports furnished by them. The accuracy of such reports could not be vouchsafed in audit. At district level also no attempt had been made to cross check data in such reports.

The programme was also not subjected to evaluation by any agency (internal or external) to assess its impact upon the beneficiaries.

3.7.6. Summing up

Budget provision and expenditure

Against the Budget provision of Rs. 1.99.09 crores (Elementary Education: Rs. 1.93.54 crores, Adult Education : Rs. 5.55 crores) during 1979-80 to 1984-85 for the execution of the programmes, an expenditure of Rs. 2.11.86 crores (Elementary Education: Rs. 2,07.06 crores, Adult

Education : Rs. 4.80 crores) had been incurred. Against Central assistance of Rs. 3.41 crores, the expenditure was Rs. 3.10 crores.

Elementary education

(i) Formal Education

Primary/middle schools were not set up within 1 KM/3 Km from homes of beneficiaries.

Despite incentive schemes, drop outs persisted and ranged from 32 per cent to 48 per cent. Reasons were not investigated.

In three districts, there was wasteful expenditure of Rs. 40.08 lakhs on deployment of teachers in excess of norms.

Construction/acquisition of school buildings/additional class rooms, remained neglected. Rupees 1,87.82 lakhs out of plan allocation of Rs. 2,45 lakhs had not been utilised.

Out of 188 schools upgraded in three districts only 18 middle schools conformed to norms.

In three districts, attendance scholarships (Rs. 16.08 lakhs) from 1981-82 to 1984-85 were not paid for want of funds and Rs. 6.93 lakhs overpaid for full month of vacation.

Non-formal education

Scheme for middle level education was abandoned after 1979-80, without investigating reasons for poor response, though 5.50 lakh intended beneficiaries were available in the State.

No survey was conducted to ascertain either the exact number of beneficiaries or utility areas for setting up centres. Year-wise targets were not fixed and achievement of 1.03 lakhs against targeted 10.07 lakhs was very low. Drop out was high ranging from 29 to 34 per cent.

Adult education

Data regarding eligible illiterates (including members of Scheduled Castes, migrants/agricultural labour etc.) were neither available with Government nor was any survey conducted before/after implementation of the programme.

Achievement of 3.12 lakhs against 18.87 lakhs (estimated population) was very poor considering the goal of 100 per cent coverage by 1990.

An expenditure of Rs. 1,80.22 lakhs incurred on implementation of the scheme in districts having literacy above national level of 36.17 per cent was avoidable and could have been diverted for districts where literacy was below the national level.

There was an excess expenditure of Rs. 14.52 lakhs due to uneconomic running of centres.

Excess expenditure Rs. 14.48 lakhs was incurred in Jind on running of 29 centres by regular staff (instead of part-time staff) and on two excess posts of peons in district office.

Under Shramik Vidya Peeth, no survey was conducted to ascertain educational needs of beneficiaries nor were targets fixed. Low achievement was attributed to indifference of small industrial units to spare workers for training.

General

Books, Stationery and Uniforms were generally supplied late and in less quantity than the prescribed norms. Schemewise stock registers were not maintained (AE and NFE). Items like sewing/knitting machines were shown issued like consumable material and physical verification was never conducted.

Boards set up to aid and assist the Government in implementation of the programme did not meet as per norms.

Programmes were neither monitored nor evaluated.

The above matter was reported to Government in August 1985; reply was awaited (February 1986).

3.8. Idle investment on purchase of equipment

A purchase order for a scientific equipment with accessories i.e., Autosorb Micro processor Controlled Automatic Gravimetric System for the determination of Absorption of Isotherms (Cost : U.S. \$ 72,000=Rs. 6.22 lakhs; freight and insurance : U.S. \$ 1,700=Rs. 0.15 lakh) was placed by Maharishi Dayanand University, Rohtak on a Swiss supplier in February 1982. The order stipulated, *inter-alia*, (a) payment through an irrevocable letter of credit, (b) cash discount of Rs. 0.36 lakh, (c) delivery within eight months and (d) installation of the equipment by the supplier's Indian agent, free of charge, within thirty days of its delivery.

Irrevocable letter of credit for full amount of Rs. 6.37 lakhs was opened (February 1982) by the University in a bank at Rohtak at the time of placement of order without deducting therefrom cash discount of Rs. 0.36 lakh.

Due to paucity of funds and non-availability of accommodation the University decided (November 1982) not to purchase the equipment and, as such, asked the supplier as well as his Indian agent to cancel the order; the supplier, however, did not agree stating that the goods had already been manufactured. The equipment was received (December 1982) and certain parts were found defective at the time of installation which were replaced (March 1984) by the supplier, free of cost. Meanwhile, further payments of Rs. 0.93 lakh (March 1983) and Rs. 0.07 lakh (October 1983) were made to the supplier on account of revision of exchange rate of dollar but this time also cash discount of Rs. 0.36 lakh was not adjusted.

As per the tender, the equipment was guaranteed for 12 months against manufacturing defects. Tender/purchase order did not specify whether this period of 12 months was to be counted from the date of supply or from the date of installation.

University stated (April 1985) that equipment had not been installed so far due to lack of appropriate accommodation and that the recovery of discount would be followed up only after the equipment was installed. Thus, lack of planning has resulted in idle investment of Rs. 7.37 lakhs by not installing the equipment purchased in February 1982.

Further developments were awaited (February 1986).

FOREST DEPARTMENT

3.9. Afforestation, Social forestry (including Rural fuel wood plantation) and farm forestry

3.9.1. Introductory

Forests maintain ecological balance, reduce soil erosion, supply raw materials to wood based industries and generate employment. Due to rapid growth of population, there had been gradual denudation of forests resulting in deficiencies and shortages creating distortion in community life and the environment. The National Forest Policy formulated in 1952 has recommended that at least one third of the land should be under Forests.

The State has a total geographical area of 44,212 square kilometres of which only 1,522 square kilometres (3.44 per cent) was under forests in 1973-74 and 1,326 square kilometres (3.68 per cent) in 1979-80. Compared with the national goal of 1/3rd of the total area to be covered under forests in Haryana, the coverage was negligible.

3.9.2. Physical and financial

To speed up the pace of expansion and growth of forests, the Government executed 13 major multi-dimensional schemes during the Sixth Plan period (1980-85)

at a cost of Rs. 26,88.41 lakhs the details of which are as under :—

| Name of scheme and year since in operation | Physical | | | | Financial | | |
|--|---------------------------------------|---------------------------------------|---------------------------------------|--|----------------------|---------------------------|---------------------------|
| | Targets (original) | Targets (revised) | Achievement | Percentage of achievement of revised targets | Allotment | Expenditure up to 1984-85 | Percentage of expenditure |
| | (In Hectares) | | | | (In lakhs of rupees) | | |
| A—Afforestation | | | | | | | |
| 1. Plantation of quick growing species (Prior to November 1966) | 1,875 | 1,225 | 1,250 | 1,02.04 | 61.90 | 54.53 | 88.09 |
| 2. Plantation of forests species for industries and commercial uses (prior to November 1966) | 3,000 | 2,551 | 2,007 | 78.68 | 93.30 | 86.76 | 92.99 |
| 3. Re-afforestation of degraded forests, including civil forests (prior to November 1966) | 4,000 | 3,520 | 2,920 | 82.95 | 98.30 | 76.71 | 78.04 |
| B—Social Forestry | | | | | | | |
| 4. World Bank aided social forestry project (August 1982) | 28,628 | 28,200 | 28,628 | 1,01.52 | 12,02.85 | 11,43.06 | 95.03 |
| 5. Social Forestry including rural fuel wood plantation (1980-81) | 227.50 lakh plants 11,713 Hectares | 227.50 lakh plants 11,713 Hectares | 215.60 lakh plants 10,326 Hectares | 94.77 88.16 | 3,11.15 | 4,23.57 | 1,36.13 |
| 6. Mixed plantation in suitable waste and Panchayat land etc. (1976-77) | 5,110 Hectares | 5,110 Hectares | 4,515 Hectares | 88.36 | 1,45.50 | 1,29.20 | 88.79 |
| 7. Extension forestry | 16,320 RKM 1,020 Hectares | 16,320 RKM 1,020 Hectares | 12,014 RKM 720 Hectares | 73.62 70.59 | 2,49.62 | 2,08.92 | 83.69 |

| Name of scheme and year since in operation | Physical | | | | Financial | | |
|---|----------------------------------|-----------------------|----------------------|--|----------------------|---------------------------|---------------------------|
| | Targets (original) | Targets (revised) | Achievement | Percentage of achievement of revised targets | Allotment | Expenditure up to 1984-85 | Percentage of expenditure |
| | (In Hectares) | | | | (In lakhs of rupees) | | |
| 8. Development fo social forestry including re-afforestation of degraded forests and raising of shelter belts (1976-77) | 7,736 RKM | 7,736 RKM | 3,810 RKM | 49.25 <hr/> 56.67 | 1,52.60 | 1,02.25 | 67.00 |
| | 1,500 Hectares | 1,500 Hectares | 850 Hectares | | | | |
| C—Farm Forestry | | | | | | | |
| 9. Farm Forestry (1966-67) | 170.00 lakh plants | 137.60 lakh plants | 97.27 lakh plants | 70.69 | 79.40 | 62.72 | 78.99 |
| 10. Intensive farm forestry (1980-81 and 1982-83) this scheme was merged with the scheme at serial number 4 above) | 16.50 RKM plants (2 years) | 16.50 lakh plants | 16.50 lakh plants | 100 | 42.50 | 31.22 | 73.46 |
| D—Soil Operations | | | | | | | |
| 11. Soil, water & tree conservation in the Himalayas (1979-80) | — | — | — | — | 2,70.00 | 3,51.47 | 1,30.17 |
| E—Wild Life | | | | | | | |
| 12. Sultanpur bird sanctuary (1981-82) | — | Not fixed | — | — | 9.85 | 16.80 | 1,70.56 |
| Exhibition to promote wild life conservation (1982-83) | — | Not fixed | N.A. | — | Nil | 1.20 | — |
| | | | | | 27,16.97 | 26,88.41 | |

- (a) Four schemes at Serial Nos. 5 and 11 to 13 are Centrally sponsored with 50 per cent assistance.
- (b) A major part of the expenditure was on payments made to labourers through muster rolls.
- (c) The figures of physical achievements shown in the table are departmental.
- (d) Year-wise physical and financial details of each scheme are given in Appendix III-3.

At the end of the year 1984-85, the area under forests was 1,685 square kilometres which constituted 3.81 per cent of the total geographical area of the State, and an overall increase of 0.13 per cent or say about 0.026 per cent, per year taking 1979-80 as the base year. Of the total 1,685 square kilometres under forests in the State, Ambala district alone covered 684 square kilometres (41 per cent).

Annual expansion/growth rate had not been fixed by the Government nor was the period for achieving the national target determined.

Execution of four schemes (i) Re-afforestation of degraded forests including civil forests, (ii) World Bank aided social forestry project, (iii) Social forestry including rural fuel wood plantation and (iv) Soil, water and tree conservation were reviewed by Audit (January—June 1985) in eight forests Divisions and the points noticed are given below.

3.9.3. Re-afforestation of degraded forests including Civil Forests

The scheme aimed at developing the degraded forests in Shivalik Hills in Ambala district into plantation by artificial regeneration and thereby to improve the stocking and composition of future crop.

Out of an area of 990 hectares afforested to end of March 1985 at an expenditure of Rs. 22.48 lakhs under this scheme, 600 hectares and Rs. 6.67 lakhs were transferred (March 1985) to the Centrally sponsored scheme "Operation Soil Watch" under direction of Conservator of forests with a view to divert funds for acquisition of land. However, the land had not been acquired so far (February 1986).

Plantation

(i) Though main object of the scheme was to develop degraded forests into good plantation and restock the area with economically important species like 'Khair'. Specific areas under degraded forests in Ambala district were not identified so far (February 1986). As such, the targets were made on ad-hoc basis.

(ii) Survival of plants in the area of Kalesar and Kalsia ranges was considerably low and the failure of plants ranged from 15 to 40 per cent in the first year of plantation, 25 to 70 per cent in the following year and 30 to 100 per cent in the second following year. Failure of plants in Arrainwala and RIJ Kalesar forests during the months of July 1981 and August 1982 was 100 and 95 per cent, respectively, necessitating re-plantation. Reasons for such appreciably low survival are awaited (February 1986).

(iii) This scheme was implemented in Ambala district only which falls in the North Circle of the Department. Forest divisions of South and West Circles were not associated with the implementation of this scheme but during 1982-83 and 1983-84 Rs. 2.65 lakhs (salary of staff) were debited to this scheme. The Circle did not explain as to how this expenditure has been booked under this scheme.

(iv) Expenditure of Rs. 1.19 lakhs (Rs. 0.21 lakh on advance earthwork during 1982-83 under this scheme on 28.15 hectares and Rs. 0.98 lakh under other schemes) proved fruitless as no plantation work was done up to 1984-85 on the areas where advance earthwork had been done by Ambala, Morni, Pinjore, Kurukshetra and Gurgaon divisions. Reasons for not taking up the plantation are awaited (February 1986).

(v) Similarly, out of advance earthwork done during January to March 1983 for carrying out of plantation works in 1.88 lakh pits and 56.5 hectares of area of Kalesar range of Ambala Territorial division, work on 1.57 lakh pits and 52 hectares area had to be done again during July to August 1983 at the plantation stage involving additional expenditure of Rs. 0.38 lakh.

(vi) Against 1,15,500 plants actually planted during 1980-81 to 1983-84, expenditure on maintenance of 4,02,850 plants was shown to have been incurred during the said period in Khilanwala forest areas of Ambala Territorial Division, the reasons for which have not been advanced by the department. Expenditure incurred on maintenance of excess number of plants (2,87,350) was Rs. 0.37 lakh.

3.9.4. (a) Social forestry project (World Bank Aided)

The objectives of the project were to increase supplies of fuel wood, small timber and fodder, etc., through establishment of 67,000 hectares of plantation, creation of seasonal employment of 170 lakh mandays and 1,420 permanent jobs over five years.

The estimated cost of the project (1982-83 to 1986-87) was Rs. 33,31.00 lakhs, share of World Bank was Rs. 18,27 lakhs and of Haryana Rs. 15,04 lakhs. Up to March 1985, the World Bank had reimbursed Rs. 4,05.30 lakhs (through the Government of India) against the total claim of Rs. 7,60.02 lakhs. Against the budget provision of Rs. 12,02.85 lakhs the actual expenditure was Rs. 11,43.06 lakhs to the end of March 1985.

(b) Plantation

The position of physical targets and achievements of plantation was as under :—

| Component | 1982-83 | | 1983-84 | | 1984-85 | |
|-------------------------|---------------|--------------|--------------|--------------|---------------|---------------|
| | Targets | Achievements | Targets | Achievements | Targets | Achievements |
| | (In hectares) | | | | | |
| 1. Strip plantation | 900 | 1,500 | 1,500 | 1,500 | 1,900 | 1,902 |
| 2. Farm Forestry | 1,600 | 2,435 | 4,000 | 4,000 | 7,000 | 6,568 |
| 3. Village woodlots | 1,000 | 1,000 | 1,600 | 1,600 | 2,400 | 2,432 |
| 4. Sand Dune Stabilizer | 1,000 | 433 | 1,800 | 1,804 | 3,200 | 3,204 |
| 5. Alkali lands | 100 | — | 100 | 100 | 100 | 150 |
| Total | 4,600 | 5,368 | 9,000 | 9,004 | 14,600 | 14,256 |

The position regarding survival of plants under this scheme is not available with the department.

- (i) Out of the plantation on 5,368 hectares achieved during 1982-83, 3,407 hectares under the State

Plan schemes (including 860 hectares covered before the commencement of the World Bank Project) was transferred to this project under orders of the Chief Conservator of Forests. The work transferred from State Plan schemes was also substandard as reported (February 1983) by the Additional Chief Conservator of Forests (Social Forestry) to Chief Conservator of Forests while submitting revised schedule of new expenditure for 1982-83. No action was taken by the Chief Conservator of Forests against the officials responsible for substandard work.

- (ii) Divisional Forest Officer Monitoring and Evaluation Unit in his study report to Additional Chief Conservator of Forests sent in September 1983, June-July 1984 pointed out that in 5 cases (Fatehabad : 3; Gurgaon and Rewari : 1 each) area actually planted was less by 64.10 hectares than that shown in the records, resulting in less number of plants actually planted by 3,598 than that claimed to have been planted by the Division.
- (iii) In Ambala a target of 50 hectares was communicated late in December 1982 by the Conservator of Forests under 'Alkali land' for 1982-83. No work could be executed, as the plantation on Alkali land could not be done as it required prior soaking, rainfalls, arrangements for gypsum, farm yard manure, augres, digging and refilling of pits.

(c) Nurseries

- (i) The project report contemplated establishment of one permanent nursery in each of the 92 administrative blocks to provide planting stock. Not a single permanent nursery had been established (March 1985).
- (ii) The germination of seeds sown and the survival rate of seedling was low in 9 temporary nurseries of SF division, Ambala necessitating substantial resowing and repricking ranging between 30 and 92 per cent.

The department attributed the low rate of survival to (a) salinity of water or soil, (b) untimely re-pricking and (c) un-necessary pricking of polythene bags during the month. There was, however, nothing on record to substantiate the departmental version.

(iii) Against the requirement of about 22 lakh plants for achieving the target of 1,208 hectares for 1984-85, the actual stock of plants available in various nurseries under the control of Rohtak Social Forestry Division, was 12.5 lakhs (57 per cent). This included 0.74 lakh plants (0.65 Eucalyptus and 0.09 Kikar plants which were not fit for plantation due to their coiled roots and stunted growth as a result of allowing the plants to remain for more than one year in small polythene bags. The loss on this account amounted to Rs. 0.37 lakh. Reasons for not raising the plantation matching the requirement, and making good the shortfalls were awaited (February 1986). No accounts showing seedling raised, utilised and balance were maintained.

(d) Plantation under village woodlots

(i) No record had been maintained in plantation journals or separately to indicate the number of plantation of each specie by Social Forestry Divisions, Ambala and Rewari. In its absence the actual composition of plantation and deviation from the prescribed percentages (fuel wood/poles : 31 per cent; timber/fuel wood : 68 per cent; and fruit : 1 per cent) could not be verified in audit. However, from the records made available by the DFO, Ambala it transpired that 93 per cent of the plantation were of Eucalyptus. Reasons for too much emphasis on Eucalyptus, which was uneconomical as fuel wood were awaited (February 1986).

(ii) In 97 cases (Ambala : 62 and Rewari : 35), the area covered for plantation per village panchayat for establishment of village woodlot was less (ranging from 0.25 to 4.8 hectares) than the norm of five hectares prescribed under the scheme. The Divisional Forest Officers stated (February and May 1985) that panchayats which had given area less than 5 hectares would be approached to give more areas for covering the minimum area prescribed.

(iii) In Rewari, the norm of minimum area of 15 hectares for sand dunes stabilization was not adhered to in 44 out of 132 villages. DFO concerned stated (May 1985) that the panchayats in that area were not having much land with them as it was necessary to leave some land for grazing of cattle. The reply is not tenable as grazing of cattle in sand dunes is neither possible nor practicable.

(iv) In all 1,650 plants per hectare for village woodlots were prescribed. In 21 cases (Ambala : 8, Rewari : 13) the number of plantation was, however, less by 2 per cent to 78 per cent.

(v) Survival rate of plantation on village woodlots, farm forestry, strip plantation and dune stabilization was 0 to 66 per cent in 19 cases. Investigation made by the Monitoring and Evaluation Unit revealed that reasons for low percentage of survival included (i) late plantation, (ii) cattle grazing, (iii) neglect of duty by departmental staff, (iv) protective measures ignored, (v) site clearance ignored, (vi) poor earth work/maintenance and negligible performance of cultural operations and (vii) exhibition of fictitious achievements by the division. No responsibility was fixed.

(vi) In Jagadhari and Ambala ranges of Social Forestry Division, Ambala plantation failure was ranging between 40 and 100 per cent in 15 cases. In Rewari division where the plantation failure was 18 to 87 per cent in 68 cases, DFO attributed (May 1985) the failure to scanty rain fall, drought and frost.

(vii) Out of 15.07 lakh seedlings distributed during 1982-83 by Ambala division, only 3.37 lakh seedlings (22 per cent) were given to small farmers as against the prescribed 50 per cent. DFO stated (February 1985) that small farmers were conservative in their outlook and distribution of seedlings to big farmers resulted in better success of the programme. The plea of the department was in conflict with the spirit of the programme.

(viii) In Rewari and Narnaul ranges, the land holding of the farmers to whom seedlings were supplied was not on record. Reasons for not indicating the land holding

in the office records and percentage of distribution of seedlings amongst small and big farmers in each year were awaited (February 1986).

(e) Publicity

Against the provision of Rs. 22.00 lakhs for publicity, the actual expenditure to the end of February 1985 was Rs. 1.95 lakhs which also included Rs. 1 lakh as cost of calendars and a film which did not propagate social forestry. No Divisional Publicity Officer had been appointed in any division.

(f) Non-involvement of rural women

In Haryana the rural women collected fuel wood and fodder from woodlots but they were not associated in choice of species for plantation, location of woodlots, protection and maintenance of plant although the scheme was primarily intended for their benefit.

(g) Training

For training by the Social Forestry Wing in the techniques of raising and maintaining of nurseries and plantation, as envisaged in the programme, no villagers were sponsored till February 1985 by any village panchayat under the Ambala division. DFO stated (February 1985) that the training had not been arranged due to non provision of funds.

(h) Wood balance study

No wood balance study had been conducted (April 1985), although Rs. 10 lakhs had been provided by the World Bank for the purpose. The department stated (November 1985) that outlines of study have been approved by the State Government and the study was expected to be completed in a period of 18 months.

(i) Fellowship

No fellowship had been granted, although Rs. 2.50 lakhs had been provided by the World Bank for the purpose. The department stated (November 1985) that

Agricultural University, Hissar and Central Soil Salinity Research Institute, Karnal have been asked to sponsor candidates for availing fellowship.

(j) Consultants

No consultancy work had been assigned (March 1985), although 96 man months of local consultancy time was provided in the project for monitoring and evaluation, communication and extension and extension teaching staff for which a provision of Rs. 4.80 lakhs was made in the Project Report. Department stated (November 1985) that suitable consultants were not available.

(k) Policy review committees

Policy Review Committees (one State level and one at each District) required to be set up by December 1982 were constituted in January 1984 for one year only. No notification extending the period of these Committees beyond January 1985 had been issued (March 1985). The State Level Committees and district level committees of Ambala, Bhiwani and Narnaul had only one meeting each during 1984 as against 3 meetings (in case of district level committees) in each year. The department admitted (November 1985) the delay in constitution of Committees and stated that meeting of the State Level Committee would be held soon.

(l) Monitoring and evaluation

Performance of the Monitoring and Evaluation Unit was limited to conducting survey in some of the fields of execution and submitting tour notes to the Social Forestry Wing indicating the position of low survival of plants and unsatisfactory conditions of nurseries. There was no feedback available to the department to assess the success and impact of the programme, as envisaged under the scheme.

(m) Employment generation

The project contemplated seasonal employment of 170 lakh mandays and creation of 1,420 permanent jobs over a period of 5 years. The actual employment generated up

to March 1985 was 38.22 lakh mandays which was far short of the proportionate target of the 90.67 lakh mandays for the period August 1982 to March 1985 or 72.74 lakhs on the basis of area planted. Reasons for short fall together with the information regarding permanent jobs created so far were awaited (February 1986).

3.9.5. (a) Social forestry including rural fuel wood plantation

In order to cover the deficit between demand and supply of fuel wood in the country, the Central Government sponsored scheme of Rural Fuel wood Plantations (RFP). The scheme contemplated raising fuel wood plantation in the community waste land, degraded forest areas, coasted waste lands and along the sides of roads, canals, ponds and railway tracts. Seedlings are distributed to the Public free of cost to enable them to plant trees in their private lands. The scheme is eligible for central financial assistance in the form of grant to the extent of 50 per cent of the cost. Initially the scheme was implemented in Karnal, Mohindergarh, Kurukshetra and Gurgaon districts.

- (i) Against the budget provision of Rs. 3,11.15 lakhs, the expenditure was Rs. 4,23.57 lakhs up to the end of 1984-85. Rupees 1.80 lakhs and Rs. 1,32.96 lakhs were spent during 1980-81 and 1981-82, respectively without any budget provision due to late receipt of sanction of the scheme from Central Government (December 1980). Provision of Rs. 1,02.11 lakhs was made through reappropriation in March 1982. There was also a saving of Rs. 1.05 lakhs and Rs. 23.82 lakhs during 1982-83 and 1983-84, respectively. Reasons for excess expenditure of Rs. 30.85 lakhs during 1981-82 and saving during 1982-83 and 1983-84 were not on record.
- (ii) Against Central assistance of Rs. 2,01.12 lakhs received during 1980-81 to 1984-85, the amount admissible was Rs. 1,58.43 lakhs, resulting in excess receipt of Rs. 42.69 lakhs.
- (iii) In Gurgaon plantation/maintenance activities were carried out on private land declared

closed under the provisions of the land protection Act/India Forest Act at an irregular expenditure of Rs. 0.92 lakh from the scheme without any provision and in contravention of the Haryana Forest Board's instructions.

(b) Plantation

Against the target of raising of 267.50 lakh seedlings for supply to farmers/children, 215.50 lakh seedlings had been raised to the end of 1984-85. Similarly, against the target of 0.12 lakh hectares for plantation work, the achievement was 0.10 lakh hectares as tabulated below:

| Year | Raising of seedlings | | Plantation work | |
|---------|----------------------|----------|-----------------|----------------------|
| | Targeted | achieved | Targeted | actually carried out |
| | (Number in lakhs) | | (In hectares) | |
| 1980-81 | 40.00 | — | 1,600 | — |
| 1981-82 | 40.00 | 28.00 | 2,613 | 2,826 |
| 1982-83 | 62.50 | 62.50 | 2,500 | 2,500 |
| 1983-84 | 62.50 | 62.50 | 2,500 | 2,500 |
| 1984-85 | 62.50 | 62.50 | 2,500 | 2,500 |
| Total | 2,67.50 | 2,15.50 | 11,713 | 10,326 |

(i) Record about the distribution/disposal of 215.50 lakh seedlings was not maintained by the Department. Consequently, the number of seedlings lying undistributed and loss on that account could not be assessed.

(ii) During 1982-83 to 1983-84, although the targets had been shown as fully achieved, the accuracy of reported achievements could not be verified, as the necessary journals had not been maintained and in the plantation registers area covered was not indicated.

(iii) The department reported employment generation of 156 lakh mandays during 1980-81 to 1984-85 combined for all Central/State schemes. No record was maintained from which the actual employment generated under each scheme and accuracy of the reported figures could be test-checked.

(iv) No record was maintained in the divisions to show number of plantations, speciewise, on Government/ Panchayat land, the number of seedlings supplied to the farmers, vis-a-vis, school children. It could not, therefore, be known whether the plants supplied or planted were fast growing, useful as fuel, and at least 20 per cent fruit bearing.

(v) Department was not aware of the survival percentage of plantations as no survey was conducted.

(c) Nurseries

(i) No record had been maintained to indicate the extent of seeds collected from the pre-selected 'Plus' trees. There was also no consolidated registers to indicate the source of receipt/collection/purchase of seeds from various sources for sowing in the nurseries. It could not, therefore, be verified in audit whether quality seeds were used and what was the percentage of seeds of 'Plus' trees therein.

(ii) In three nurseries of Nuh range of Gurgaon Division 9.81 lakh seedlings raised during 1981-82 to 1983-84 (value : Rs. 4.90 lakhs) remained unutilised (March 1985). These seedlings were rendered waste as they were not planted in time; the reasons for raising excessive seedlings were not on record.

3.9.6. (a) Soil, water and tree conservation in the Himalayas (Operation soil water)

The broad objectives of the scheme were survey of land, use and delineation of micro water sheds requiring various degrees and type of treatment and preparation of work plans, taking up of required soil and water conservation measures (engineering as well as vegetative) such as land shaping, gully plugging, construction of check-dams torrent control and plantation of soil binding plants species.

- (i) As per Government of India's sanction (1983-84) plantation on waste and degraded land was to be done on an area of 1,200 hectares (where advance earth work had already been done)

at a cost of Rs. 16.22 lakhs (Rs. 1,352 per hectare). However, actual expenditure incurred was Rs. 20.70 lakhs at the rate of Rs. 1,725 per hectare resulting in an extra expenditure of Rs. 4.48 lakhs reportedly due to increase of labour rate from Rs. 9.25 to Rs. 13 per day during 1983-84.

- (ii) Survey to identify the areas requiring a particular type of land treatment, viz., plantation, stabilization of slips, gully plugging, torrent control, grazing problems, check dams, etc. was not conducted, reasons for which are not on record.
- (iii) In Morni Division, Pinjore, the achievement (2,045 hectares) under afforestation shown in the physical progress reports was considerably higher than that recorded (993 hectares) in the diary report of DFO's. Reasons for variations in the two sets of figures were awaited (February 1986).

(b) Catchment area

(i) No pilot project for each mini catchment area was prepared nor was any survey conducted to identify the critically eroded areas of mini catchments to find out the type of treatment a particular land needed. Reasons for non-observance of the requirement were awaited (February 1986).

(ii) Against the total area of 1,29,000 hectares identified in 1979-80 for land treatment, the coverage was only 8,395 hectares (6.5 per cent) during the Sixth Plan period.

(c) Raising of seedlings

(i) During 1979-80 to 1984-85, 121.50 lakh seedlings were raised by Morni Division, Pinjore. Per plant cost of raising was more than the prescribed rate of Re. 0.25 in 1980-81, 1982-83 and 1983-84 resulting in an extra expenditure of Rs. 1.91 lakhs. The Divisional Forest Officer while admitting (November 1985) the extra expenditure has not advanced any reasons thereof.

(ii) Against the total sanction of 120 lakh seedlings (65 lakhs at the cost of Rs. 16.25 lakhs and 55 lakhs at Rs. 13.75 lakhs) to be raised under the scheme during 1983-84 and 1984-85, 143 lakh seedlings were raised at a cost of Rs. 35.75 lakhs resulting in extra expenditure of Rs. 5.75 lakhs. The division has not so far (February 1986) given any reply.

(iii) Basis for working out the demand for plantation in the areas having critically eroded soil (identified project area) by individual farmers, panchayats or by the Department were not on record.

(iv) In Morni Division, Pinjore, the number of seedlings raised in nurseries during 1979-80 to 1984-85 (121.50 lakhs) was less than the number of seedlings planted departmentally and those sold to farmers, panchayats, etc. (133.41 lakhs). Deficiency was made good by taking plants raised under Farm Forestry Scheme. During 1982-83, 50 lakh seedlings were raised but only 29.40 lakhs were planted/sold. Out of the balance of 20.60 lakhs, 10.60 lakhs were reportedly sold to farmers in 1983-84. Seedlings raised were not based on requirements.

(v) During 1982-83 to 1984-85, 83.11 lakh seedlings were sold to farmers but the Division was not aware as to how much area had been planted with these seedlings and to what extent the requirement of the farmers/panchayats was met. Schemewise records were also not kept. The amount of sale proceeds of the seedlings for the entire State was also not available on record.

(d) Plantation

(i) A test check of nursery journal (Panchkula, Hameshpur, Nada and Kona) revealed that supply of plants in certain years was either less or more than the availability of plants during 1978-79 to 1984-85. By way of illustration in Hameshpur Nursery 3.00 lakh and 2.04 lakh seedlings were raised during 1983-84 and 1984-85 respectively. Against this, the number of seedlings supplied to farmers during this period was 10.32 lakhs and 2.58 lakhs respectively which was more than the number of plants available in the Nursery. Reasons for variations in the number of plants raised and those supplied to farmers were awaited (February 1986).

(ii) There was no system to assess the mortality of plants at the end of 1st, 2nd and 3rd year in Morni Division, Pinjore. The division could not supply the information regarding percentage of survival of plants planted departmentally over an area of 3,460 hectares during 1980-81 to 1984-85. However, according to figures furnished by the Division in regard to the number of plants used for new plantation and maintenance works, the mortality worked out to 25.14 per cent as indicated below :

| Year | Plants used for | | Percentage of plants used for maintenance works to plants used for new plantation |
|--------------------|-----------------|-------------------|---|
| | (a) | (b) | |
| | New plantation | Maintenance works | |
| (Figures in lakhs) | | | |
| 1980-81 | 4.50 | 1.15 | 25.56 |
| 1981-82 | 9.00 | 2.25 | 25.00 |
| 1982-83 | 7.10 | 1.80 | 25.35 |
| 1983-84 | 6.80 | 1.70 | 25.00 |
| 1984-85 | 8.00 | 2.00 | 25.00 |
| Total | 35.40 | 8.90 | 25.14 |

Reasons for high rate of mortality of plants were not analysed by the department.

(e) Follow up action

Seedlings numbering 262 lakhs had been raised during 1979-80 to 1984-85 at a cost of Rs. 65.29 lakhs in various nurseries under this scheme. No follow up action had been taken to ascertain the number of seedlings used for plantation carried out departmentally and the number supplied to farmers, panchayats, local bodies, etc., for planting them in their lands. Whether all the seedlings were actually utilised could not be verified due to non maintenance of records.

(f) Extra expenditure

(i) Under the following 3 schemes the expenditure incurred on plantation and maintenance was more than the norms prescribed by the Government which resulted

in an extra expenditure of Rs. 8.78 lakhs as indicated against each :

| Name of scheme | Period | Per hectare cost of plantation and maintenance | Prescribed | Actual | Area covered (in hectares) | Excess expenditure (in lakhs of rupees) |
|--|---------|--|-------------|--------|----------------------------|---|
| | | | (In rupees) | | | |
| 1. Plantation of quick growing species | 1981-82 | Plantation | 2,000 | 3,343 | 165 | 2.22 |
| | 1983-84 | Maintenance | 400 | 742 | 445 | 1.52 |
| 2. Plantation of forest species for industrial and commercial uses | 1981-82 | Plantation | 1,960 | 2,182 | 750 | 1.66 |
| 3. Re-afforestation degraded forests including Civil forests | 1981-82 | Plantation | 1,280 | 1,313 | 1,000 | 0.33 |
| | 1983-84 | Do | 2,060 | 2,679 | 470 | 2.91 |
| | 1984-85 | Do | 2,060 | 2,096 | 390 | 0.14 |

(ii) Similarly, under the forestry scheme also an expenditure of Rs. 19.02 lakhs was incurred in 2 Divisions test checked in audit (Ambala and Rewari) due to non observance of the prescribed rates for plantation and maintenance as under :

| Name of scheme | Period | Per hectare cost of plantation and maintenance | | | | Area covered (In hectares) | Excess expenditure (In lakhs of rupees) |
|--|---|--|--------------|---------------------------|----------------|----------------------------|---|
| | | Prescribed | | Actual | | | |
| | | Mini- mum | Maxi- mum | Mini- mum | Maxi- mum | | |
| | | (in rupees) | | | | | |
| (a) Village wood lots (Model 6 and 7) | 1982-83 to 1984-85 | 2,320 | 3,217 | 3,015 | 5,914 | 139.45 | 1.30 |
| (b) Sand dunes stabilization (Model 9) | 1983-84 to 1984-85 | 2,067 | 2,134 | 2,160 | 4,793 | 162.5 | 2.14 |
| (c) Strip plantation (Model 1 & 2) | 1982-83 to 1984-85 | 2,650 | 3,750 | 3,079 | 5,353 | 61.5 | 0.49 |
| (d) Rural fuel wood plantation | 1981-82 to 1984-85 | | | | | | |
| | (i) Raising of seedlings | 500 per thousand plants | | 1,000 per thousand plants | | 16 lakh plants | |
| | (ii) Plan- tation and main- te- n- ance (including advance earth work) | 1,700 800 | 2,000 800 | 1,700 800 | 2,000* 800* | 2,052 950 RKM | } 15.09 |
| | Total | | | | | | |

* Plus additional expenditure of Rs. 15 lakhs on advance earth work.

Department stated (March 1986) that reasons for extra expenditure are being looked into.

3.9.7. Impact

The Forest Department/Board had not conducted any survey so far (July 1985) to assess the impact of various schemes on the programme involving expenditure of Rs. 26,88.41 lakhs during the Sixth Plan period.

3.9.8. Summing up

An expenditure of Rs. 26,88.41 lakhs had been incurred during the Sixth Plan period. Funds amounting to Rs. 28.56 lakhs remained unutilised at the end of the Plan. Against the target of 33½ per cent of the total area under forests, the area under forests in the State increased from 3.68 to 3.81 per cent during the Sixth Plan period. The area brought under forests was 59 square kilometres.

Mortality of plantation was very high ranging between 25 and 100 per cent.

The World Bank aided Social Forestry Project involving expenditure of Rs. 11,43.06 lakhs targeted plantation in 67,000 hectares, creation of seasonal employment of 170 lakh mandays and 1,420 permanent jobs over five years period ending on March 1985. Against this, the area stated to have been planted was, however, only 28,628 hectares and seasonal employment generated was only 38.22 lakh mandays.

Under the scheme of Social Forestry executed at a cost of Rs. 4,23.57 lakhs (1980-81 to 1984-85), 215.50 lakh seedlings were stated to have been raised but record of their distribution/disposal was not maintained.

The scheme of Soil, Water and Tree conservation entailing an expenditure of Rs. 3,51.47 lakhs stipulated land treatment of 1,29,000 hectares during the Sixth Plan period against which an area of only 8,395 hectares was covered.

Departmental figures of physical achievement were inflated, publicity, training, research, community participation, survey, monitoring and evaluation remained neglected.

Matter was reported to Government in August 1985; reply was awaited (February 1986).

LABOUR AND EMPLOYMENT DEPARTMENT

3.10. Working of employment exchanges

3.10.1. Introductory

Employment Exchanges came into existence in July 1945 with a view to rehabilitating the army personnel demobilized during the Second World War. Consequent upon partition of the country in 1947, the exchanges were entrusted with the resettlement of a large number of displaced persons. In early 1948, the exchanges were thrown open to all categories of job seekers.

The main functions of these exchanges are to (a) assist the employment seekers in securing suitable jobs, both skilled and unskilled; (b) assist the employers in providing suitable personnel; and (c) collect, compile and disseminate employment market information for the benefit of planners, employment seekers, educational institutions etc. All these services are voluntary and free of any charge.

As per the 1981 census, the State had a total population of 1,29.23 lakhs of which 88.95 lakhs were non-workers. The department had not conducted any survey to ascertain the number of unemployed in the State.

The number of employers, as on 31st March 1985, was 8,642 representing Central Government Offices (137), State Government Offices (3,360), Private sector establishments (3,097) and Public sector undertakings (2,048).

Employment services through Employment Exchanges is a joint concern of the Central and State Governments. The Central Government was to establish employment services in consultation with the State, Co-ordinate the work in the State, plan and formulate programmes for the expansion and development, etc. The State Government was to exercise full control over the Employment Exchanges, carry out inspections, collect/compile/analyse/interpret statistical and employment market data, organise vacancy and labour clearing at the State level and to Co-ordinate with the Control machinery, etc.

The Government of India enacted the Employment Exchanges (compulsory notification of vacancies) Act, 1959 (hereinafter referred to as Act) which came into force from 1st May 1960.

The functions of the Exchanges largely rest on this Act and the Rules made thereunder such as National Employment Service Manual, instructions and procedures issued by the Director General of Employment, Government of India, etc.

All vacancies, barring those which are filled in by Public Service Commission, occurring in both Public and Private Sectors are to be notified to the employment exchanges. The Act/Manual also provide prosecution of defaulters who fail to notify the vacancies.

3.10.2. Organisational set up

At the State level, the organisation of employment exchanges is headed by the Director of Employment. He is assisted by the Joint Director, four Deputy Directors and four Assistant Directors at the Headquarters and Divisional/District Employment Officers in the field.

At the time of formation of Haryana in November 1966 there were only 10 district level and 2 rural level employment exchanges. Their growth during the subsequent period was enormous and the number of various categories of employment exchanges in the State was 89 in March 1985 as detailed below:

| Particulars | Number as on 31st March 1985 |
|--|------------------------------------|
| Divisional/District employment exchanges | 15 |
| Rural employment exchanges | 52 |
| Town employment exchanges | 13 |
| Vocational guidance unit, Gurgaon | 1 |
| University employment information and guidance bureau, Kurukshetra (May 1977), Rohtak (December 1978) and Hissar (December 1971) | 3 |
| Employment Office for physically handicapped, Manimajra (June 1974) | 1 |
| Professional and executive employment office, Manimajra (February 1968) | 1 |
| Mobile employment exchange, Hissar (February 1982) | 1 |
| Coaching-cum-guidance centre for scheduled Castes, Hissar (July 1983) | 1 |
| Special Cell for physically handicapped, Sonapat (April 1984) | 1 |

3.10.3. Financial

Budget provisions and expenditure both in plan and non-plan sectors, for the period 1974-75 to 1984-85 were as under :

| Year | Plan | | Non-Plan | |
|-----------------------|-----------|-------------|-----------|-------------|
| | Provision | Expenditure | Provision | Expenditure |
| (In lakhs of rupees) | | | | |
| 1974-75 to 1979-80 | 5.22 | 3.07 | 1,67.40 | 1,71.05 |
| 1980-81 | 5.90 | 5.30 | 39.92 | 47.26 |
| 1981-82 | 7.76 | 7.52 | 45.21 | 59.12 |
| 1982-83 | 8.85 | 8.68 | 58.39 | 65.77 |
| 1983-84 | 10.10 | 9.73 | 71.51 | 71.20 |
| 1984-85 | 10.14 | 10.41 | 72.00 | 88.74 |
| | 47.97 | 44.71 | 4,54.43 | 5,03.14 |

Department attributed (May 1985) the excess expenditure over provision to revision of pay scales, frequent increase in dearness allowance, hiring of buildings for office use and purchase of furniture. Savings under plan were due to vacant posts and lesser number of tours. The entire expenditure was on staff establishment and contingencies.

3.10.4. Scope of review

The working of employment exchanges was reviewed in audit (March—July 1985) by test check of records of the Directorate of Employment and field study in Ambala, Faridabad and Kurukshetra districts, University Bureau, Rohtak and Mobile Employment Exchange, Hissar. Some of the important points noticed are as follows:

(i) Efficiency of employment exchanges

During the years 1980 to 1984 (records were maintained calendar year-wise) 11.94 lakh job-seekers were registered in the employment exchanges and, as may be seen from the following table, during the same period 2.70

lakh vacancies were notified by various employers to employment exchanges. The number of candidates placed in employment was, however, only 1.40 lakhs which was only 11.73 per cent of the candidates registered and 51.85 per cent of vacancies notified by the employers.

| | 1980 | 1981 | 1982 | 1983 | 1984 | Total |
|---|-------------------|------|------|------|------|-------|
| | (Number in lakhs) | | | | | |
| (i) Persons registered | 2.23 | 2.23 | 2.64 | 2.31 | 2.43 | 11.94 |
| (ii) Vacancies notified | 0.69 | 0.62 | 0.56 | 0.45 | 0.38 | 2.70 |
| (iii) Number of candidates sponsored | 4.23 | 4.13 | 3.98 | 3.49 | 2.39 | 18.22 |
| (iv) Persons placed in jobs | 0.37 | 0.31 | 0.27 | 0.25 | 0.20 | 1.40 |
| (v) Persons on live register at the close of the year | 3.59 | 3.77 | 4.50 | 4.40 | 4.69 | .. |
| (vi) Percentage of persons placed in jobs to persons in live register | 10.31 | 8.22 | 6.00 | 5.68 | 4.26 | .. |
| (vii) Percentage of persons placed in jobs to persons sponsored | 8.75 | 7.51 | 6.78 | 7.16 | 8.37 | 7.68 |

As may be seen from the above (a) percentage of persons placed in employment to the persons sponsored was between 6.78 and 8.75 and (b) percentage of persons placed in jobs to those registered in the live register was only from 4.26 to 10.31. The reasons for the poor performance of employment exchanges were neither analysed by the department nor effective steps taken to improve the situation.

The total expenditure on employment exchanges, all field units and Directorate during the period from 1980-81 to 1984-85 (both in Plan and Non-Plan sectors) was Rs. 3,73.73 lakhs. The number of persons provided employment almost during the same period (1980 to 1984) was, however, only 1.40 lakhs. The average cost of employment provided, thus, works out to Rs. 267 per person.

(ii) Waiting list

As per the preceding table 10.54 lakh candidates on the live register could not be provided with any employment to end of 1984. Of them, 5.85 lakhs either did not

renew their registration on year to year basis or got employment through their own sources without intimation to employment exchanges or left the area of their abode. The remaining 4.69 lakhs were on waiting list as on 31st December 1984 of which 7 per cent were waiting for more than five years, 20 per cent from two to five years, 27 per cent for one to two years and 46 per cent for less than one year.

The number of persons waiting for employment is on the increase; their number stepped from 3.59 lakhs in 1980 to 4.50 lakhs in 1982 and 4.69 lakhs in 1984.

(iii) Employment market information

Under the Employment Information (EMI) Scheme, introduced in July 1969, each divisional/district employment exchange has an Employment Market Information unit. All employers (Government Departments, Public and Private Sector Undertakings) employing more than 25 persons are required to notify vacancies to Employment Market Information units, every quarter. The units are also authorised to inspect the premises of the employers to see that vacancies are not filled up without notification and that suitable candidates were actually not available for unfilled jobs. During 1980 to 1984, only 666 inspections were conducted by Employment Market Information units against the required number of 960. Department stated (December 1985) that shortfalls in inspections were due to employment officers being on leave, shortage of staff and increase in workload in the employment exchanges.

(iv) Staff training

The National Employment Service Manual provides that staff engaged in EMI programme should be properly trained in methodology and techniques of collection of returns and various other operations relating to the programme. It was seen that no such training was imparted to any officer or staff during 1980, 1981 and 1984. During the years 1982 and 1983, however, in all twenty five officials were trained. The EMI units were thus, functioning mostly through untrained staff. The reasons for not imparting training are awaited (February 1986).

(v) Notification of vacancies

For not notifying vacancies, employment exchanges are authorised under the Act to impose, on the defaulting employers, a penalty up to Rs. 250 for the first offence and up to Rs. 500 for the subsequent offences. During the period 1980 to 1984 as many as 9,357 offences were committed (Central Government Department: 124; State Government Department: 5,403; Private Sector Undertakings: 889; and Public Sector Undertakings: 2,941). Had penalty been imposed by the employment exchanges, the same would have amounted to Rs. 23.39 lakhs (approximately). Instead the employers were let off with an advice to comply with the provisions of the Act.

Again, under the Act filling up of posts direct without notifying vacancies to employment exchanges attracts a penalty up to Rs. 500 for first offence and Rs. 1,000 for subsequent offences. In Manimajra, Ambala, Kurukshetra, Sonapat and Faridabad 140 employers (private/public sector undertakings) committed the offence of filling up the posts direct. In none of the cases penalty was imposed which works out to Rs. 0.70 lakh. Thus, it could be gathered that the Department did not take any effective steps for enforcement of the provisions of the Act. The department stated (December 1985) that for not notifying vacancies or filling up of vacancies without notification only persuasive measures are adopted against the defaulters and legal action is required to be initiated only against such employers who violate the provisions of the Act, persistently. The Department, however, did not spell out as to how many of 9,497 (9,357 + 140) offences were of persistent nature and why penalty was not imposed.

(vi) Mobile employment exchange, Hissar

A metador van was purchased by the department in February 1982 at a cost of Rs. 0.76 lakh to serve as a mobile employment exchange in the villages situated outside a radius of 10 KMs. from nearest employment exchange in the districts of Hissar, Bhiwani and Sirsa. The staff of five officials consists of one each Assistant Employment Officer, Assistant Clerk, Driver and Peon. The following points were noticed:

- (a) No targets for area and number of villages to be covered, persons to be registered and persons

to be provided with employment were fixed by the department.

- (b) The van was to serve as a mobile exchange for a week only, per month, and for the remaining days the staff was to do general work and the van was to remain stationary in the Divisional Employment Exchange, Hissar. Up to March 1985 an expenditure of Rs. 3.84 lakhs was incurred on this mobile exchange which registered 4,600 persons for employment of whom only 28 were placed in jobs. The average cost per person placed in employment, thus, works out to Rs. 0.14 lakh.
- (c) During February 1982-March 1985 the van covered total 33,673 KMs. of which 8,584 KMs. were for miscellaneous activities. The information regarding the number of villages actually covered is not available with the department (February 1986). Department stated (December 1985) that due to certain administrative difficulties encountered the unit has been closed down from 1985-86.

(vii) Special facilities for Scheduled Castes

Apart from normal employment facilities available to Scheduled Castes in various employment exchanges, the following two units were set up exclusively for them :

- (a) A special cell was set up in the Directorate at Chandigarh in February 1979 to keep a record of the particulars of all scheduled castes candidates registered in employment exchanges in the State and to expedite their placement in jobs. During the period 1980 to 1984 as many as 11,408 persons were enlisted of which only 1,716 were placed in jobs. The expenditure incurred during 1981 to 1985 on this special cell was Rs. 8.56 lakhs; the average cost of employment per person works out to Rs. 499. Reasons for such low performance were awaited (February 1986).
- (b) To give vocational guidance in any particular trade or profession both for enhancing employability and self employment and also to disseminate career information, a Coaching-cum-Guidance Centre was set up by the Government

of India at Hissar mainly to cater to the needs of unemployed Scheduled Castes population of the district in July 1983 with a staff of six officials headed by Sub-Regional Employment Officer. Up to March 1985 the centre incurred an expenditure of Rs. 1.11 lakhs and, out of 4,703 candidates registered, provided guidance to only 182. The average cost per person works out to Rs. 610. Department stated (December 1985) that inadequacies in the coaching-cum-guidance centres were mainly due to non-availability of proper building, staff and equipment for a considerable time.

(viii) Inspections

The National Employment Service Manual stipulates periodical inspection of employment exchanges to (a) ensure that agreed policies and procedures are being implemented, standards maintained and programme followed and (b) assess the effectiveness of the work and to suggest improvements. During 1980 to 1984 out of 621 inspections due only 493 inspections were carried out by the officers of the Directorate and Divisional/District Employment Officers. Shortfalls were attributed by the Department (April 1985) to inspecting officers having remained busy with other items of work. The small number of persons placed in job and vocational guidance provided are however, indicative of the fact that inspections were not constructive.

(ix) Assessment and evaluation

District Manpower and Employment Generation Councils were constituted in all the districts of the State during 1982-83. These councils, headed by Deputy Commissioners with Divisional/District Employment Officers as Member Secretary, were to assess the existing employment opportunities and make forecast for future. The recommendations of these councils and follow-up action taken by the Department were not available with the latter. The Department stated (May 1985) that information regarding the number of meetings held by the councils is being obtained.

There was, however, no monitoring cell in the Directorate to watch, evaluate and report the functioning of employment exchanges.

3.10.5. Summing up

During the years 1980-81 to 1984-85, the department incurred an expenditure of Rs. 3,74.07 lakhs (plan and non-plan), registered 11.94 lakh unemployed persons in employment exchanges in urban and rural areas and provided employment to only 1.40 lakh persons. The number of unemployed registered but waiting for jobs increased from 3.59 lakhs in 1980 to 4.69 lakhs in 1984.

Despite provision in the Employment Exchange (Compulsory Notification of vacancies) Act, 1959, the employers did not notify vacancies to employment exchanges. In none of the cases penalty was imposed by the department on the defaulting employers.

The mobile employment exchange, Hissar provided employment to only 28 persons at a cost of Rs. 3.84 lakhs incurred during 1983-85.

MEDICAL AND HEALTH DEPARTMENT

3.11. Strengthening of existing and opening of new Ayurvedic dispensaries

3.11.1. Introductory

The programme launched in 1980-81 aimed at developing indigenous system of medicines in order to make available adequate health services within easy reach and at a cheaper cost to rural population by continuing the existing 310 dispensaries and opening of 60 new Ayurvedic dispensaries. For this purpose grant-in-aid to the village panchayats was paid for construction of dispensary buildings, setting up of Ayurvedic Pharmacy/Drug Testing Laboratory, supplying adequate medicines and equipments, and strengthening of existing Ayurvedic colleges in the State.

3.11.2. Financial

Sixth Plan outlay was Rs. 3,00 lakhs against which actual expenditure during the plan period aggregated

Rs. 2,79.80 lakhs, as per the Scheme-wise* details given below:

| Serial Number | Scheme | Sixth Plan outlay | Budget allotment | Expenditure |
|----------------------|---|-------------------|------------------|--------------|
| (1980-81 to 1984-85) | | | | |
| (In lakhs of rupees) | | | | |
| 1 | Opening and continuance of Ayurvedic dispensaries | 1,75.50 | 2,30.54 | 2,31.36 |
| 2 | Opening of 25 bedded Ayurvedic wing in Civil Hospital, Bhiwani | 9.70 | 10.55 | 10.25 |
| 3 | Strengthening of Ayurvedic dispensaries | 5.26 | 6.22 | 5.04 |
| 4 | Construction of building for Shri Krishna Government Ayurvedic College, Kurukshetra | 50.00 | 17.50 | 24.23 |
| 5 | Re-organisation of Ayurvedic Department at Headquarters | 4.50 | 3.50 | 1.99 |
| 6 | Establishment of Ayurvedic offices in the districts | 12.70 | 9.80 | 2.22 |
| 7 | Development of existing private Ayurvedic Colleges | 13.00 | 7.10 | 4.71 |
| 8 | Improvement of existing Ayurvedic dispensaries | 7.23 | | |
| 9 | Establishment of Ayurvedic Pharmacy/Drug testing laboratory | 17.11 | | Not executed |
| 10 | Construction of building for Ayurvedic Unanai dispensary | 5.00 | | |

Savings were attributed mainly to non-posting of medical/para-medical staff and non-purchase of medicines. Reasons for excess under the scheme at Sr. No. 1 and 4 above, were awaited (February 1986).

3.11.3. Physical

The programme envisaged setting up of twenty new Ayurvedic dispensaries during 1980-81 and ten each from 1981-82 to 1984-85. Against 60 dispensaries, 54 dispensaries were set up to end of 1982-83. No new dispensary was set up during 1983-84 and 1984-85.

3.11.4. Audit findings

Test check (October-November 1984 and July-August 1985) of records of the Directorate of Ayurvedic and Chief

*No non-plan expenditure was incurred on any of these schemes.

Medical Officers, Rohtak, Karnal and Ambala revealed the following :

A-Opening and continuance of Ayurvedic dispensaries

New dispensaries were to be set up in or around harijan bastis. No survey was conducted by the Department to assess the actual requirement of new dispensaries or to identify the areas where these were to be set up. Government stated (August 1985) that formal survey was not considered necessary. According to Director of Ayurveda, however, each dispensary was to serve a population of 29,260 persons and the factors to be taken into account for opening new dispensaries were (a) non-availability, within a radius of 8 KMs., of any dispensary/health centre under any system of medicine and (b) willingness of village panchayats to provide building for dispensaries and residential accommodation for staff free of charge. It was seen that :

- in all 22 dispensaries were opened without obtaining applications from panchayats and as such their willingness to provide free buildings/accommodation was not known;
- dispensaries numbering 22 were located within a radius of 2 to 7 KMs of the existing ones;
- twenty nine dispensaries served population of about 5,000 to 20,000 only;
- requests of 243 villages which did not have any dispensary within a distance of 8 KMs were willing to provide building/accommodation had been ignored; and
- there was nothing on the record to show whether all or any of the 54 new dispensaries were located in or around harijan bastis.

Government stated (August 1985) that only those villages were given priority where medical facilities for the people were not adequate. During the Sixth Plan period Rs. 2.30 lakhs were released as grant to 16 village

panchayats on matching basis for construction of dispensaries but not a single panchayat utilised the grant. Government stated (November 1985) that the question of housing the dispensaries in better premises through different sources is under their careful consideration.

B-Strengthening of Ayurvedic dispensaries

(i) Out of 364 dispensaries existing as on 31st March 1985 only 4 were housed in proper buildings, the remaining 360 were housed either in private houses, Chaupals, School buildings, Dharamsalas, or in Gurdwaras.

(ii) The number of patients treated for complete year prior to implementation of the programme and during the Sixth Plan in all the dispensaries vis-a-vis expenditure incurred were as under :

| Year ending December | Number of patients treated (In lakhs) | Expenditure (Financial year-wise) | | |
|--|--|-----------------------------------|----------|---------|
| | | Plan | Non-Plan | Total |
| (In lakhs of rupees) | | | | |
| 1979 (prior to implementation of the Programme) | 28.39 | 14.60 | 60.23 | 74.83 |
| 1980 | 28.21 | 29.30 | 70.62 | 99.92 |
| 1981 | 29.28 | 55.34 | 82.93 | 1,38.27 |
| 1982 | 15.42 | 52.92 | 1,05.53 | 1,58.45 |
| 1983 | 15.46 | 62.94 | 1,13.89 | 1,76.83 |
| 1984 | Awaited | 79.30 | 1,38.34 | 2,17.64 |

Although the number of patients treated decreased from 28.39 lakhs in 1979 to 15.46 lakhs in 1983 despite opening of 54 dispensaries, the expenditure increased from Rs. 74.83 lakhs in 1979-80 to Rs. 1,76.83 lakhs in 1983-84. The medical officers stated (July-August 1985) that decrease in number of patients was due to (i) introduction of purchase fee of paise 25 from December 1982 and further enhancement to paise 50 from April 1984, (ii) non-availability of medicines for general use, emergency and first aids in adequate quantities and (iii) substandard quality of medicines.

(iii) The purchase of medicines was centralised in the Directorate and distribution to various dispensaries was

made in each district through Chief Medical Officers. Each dispensary was to be supplied medicines worth Rs. 4,000 per year against which the actual supply ranged from Rs. 2,112 to Rs. 3,477 per year. Indents from dispensaries and supplies by Directorate/Chief Medical Officers were not in tune with each other as exemplified below:

- (a) Against total 364 dispensaries, the number of dispensaries from whom demand for medicines were received during 1982-83 to 1984-85 ranged between 186 and 201.
- (b) No medicines were purchased and supplied against demands raised by 186 dispensaries during 1984-85 for 14,067 packets and 5,626 bottles of 31 different medicines.
- (c) In all 4,015 packets and 1,825 bottles of 5 different medicines were purchased (Rs. 0.74 lakh) in 1984-85 though not indented by any dispensary.
- (d) Out of 40 dispensaries test checked, in 22 dispensaries at Ambala, Karnal and Rohtak, the stock of medicines (Rs. 0.18 lakh) was far in excess of requirement so much so that, at the present consumption rate, these stock would last up to 14 years.

In 40 dispensaries test checked, physical verification of stocks of medicines had not been conducted since 1980-81 in Ambala and Karnal and since 1982-83 in Rohtak. Further, in 4 dispensaries (Sikar-Khas, Pakasma, Sahlawas and Rohad) of district Rohtak records indicating daily consumption of medicines were not maintained for 4 to 5 years.

C-Construction of building for Shri Krishna Government Ayurvedic College, Kurukshetra

The following points were noticed :

- (a) During 1977-78 to 1979-80, grants aggregating Rs. 16.14 lakhs were given to Maharishi Dayanand University, Rohtak for the development of Shri Krishna Ayurvedic College,

Kurukshetra. The administration of the college was taken over by the State Government during 1980-81. Out of the unspent balance of Rs. 11.80 lakhs, the University, without approval of the Government, retained Rs. 3.80 lakhs for its future needs and transferred the balance of Rs. 8 lakhs to Shri Mastnath Ayurvedic College, Asthal Bohar (Rs. 7 lakhs) and Mahila Degree College, Kanpur (Rs. 1 lakh). Transfer of Rs. 8 lakhs to these colleges was regularised, ex-post-facto, by the State Government in September 1984. Position of utilisation of the balance Rs. 3.80 lakhs was awaited (February 1986).

- (b) Against Rs. 50 lakhs outlay in the Sixth Plan for the construction of hospital and hostel buildings in Shri Krishna Ayurvedic College, Kurukshetra, only land measuring about 37.45 acres (Rs. 24.23 lakhs) has been acquired to end of March 1985 and no construction work has been started. The Government stated (August 1985) that the Scheme had been included for execution during the Seventh Five Year Plan period and steps for approval of the design of the buildings were under way.

D-Development of existing private Ayurvedic College

In April 1980, a grant of Rs. 2 lakhs was released by the Government to Shri Mastnath Ayurvedic College, Asthal Bohar without any formal application or request from the grantee and also without specifying the purpose for which it was to be utilised. The utilisation certificate (September 1981) also did not indicate the purpose. No steps were taken by the Department to enquire the details of utilisation.

E-Establishment of Ayurvedic pharmacy/drug testing laboratory

Land measuring 40 acres was donated (August 1981) to the Department by village panchayat, Tajepur for the setting up of Ayurvedic Pharmacy and Drug Testing laboratory for which a provision of Rs. 17.11 lakhs was available in the Sixth Plan period. The scheme was, however, not executed. The State Government stated

(August 1985) that this scheme had been abandoned as no funds were allocated during any year of the Plan period. Reasons for not allocating funds were, however, not stated.

F-Establishment of Ayurvedic offices in the districts

District level Ayurvedic offices were to be set up in 4 districts each during 1980-81 to 1984-85 so as to cover all the twelve districts during the Sixth Plan period. Though provision of Rs. 9.80 lakhs was made in the budget the offices were not set up. Government stated (August 1985) that the scheme had been carried over to the Seventh Plan.

3.11.5. Summing up

Out of 10 schemes approved for execution during the Sixth Plan with a provision of Rs. 3,00 lakhs, only 7 were executed at a cost of Rs. 2,79.80 lakhs.

Out of targeted 60 new dispensaries only 54 were set up. No survey was conducted to determine suitability of the areas for the location of these dispensaries.

Out of total 364 Ayurvedic dispensaries in the State, as many as 360 were located in unsuitable buildings.

Medicines supplied to dispensaries were either much in excess or short of requirements. While there was sharp decline in the number of patients treated in these dispensaries during the Sixth Plan period, the expenditure incurred increased considerably.

The Medical Officer, Government Ayurvedic dispensaries, Garhi-Birbal, Gheer, Gondor and Kalsaura (Karnal/Ambala districts) admitted that quality of medicines used in dispensaries was substandard.

3.12. Embezzlement

In Civil Hospital at Ambala Cantt. departmental receipts aggregating to Rs. 0.25 lakh were misappropriated by a clerk-cum-cashier during March and July 1984 while receipts aggregating to Rs. 1.09 lakhs realised during September 1981 and November 1984 were remitted into

treasury late by one week to six months. The *modus operandi* for misappropriation was by preparation of fictitious treasury challans by affixing bank stamps. The delayed remittances were due to diversion of receipts towards departmental expenditure on family planning activities which was irregular.

Forged challans came to notice of audit (November 1984-January 1985) at the time of test check of reconciliation of departmental remittances with the treasury receipts of the Hospital. When pointed out Rs. 0.25 lakh were at once deposited by the clerk-cum-cashier into the treasury in November 1984. He was placed under suspension in December 1984. Embezzlement was facilitated due to non-observance of the financial rules which stipulate that (a) all departmental receipts collected during the day should be credited into treasury on the same day or at the most, the following day, and (b) remittances into treasury should be reconciled every month with the treasury figures by the head of the office.

The Department confirmed (August 1985) the above facts and stated that inquiry against the official was in process.

TOURISM DEPARTMENT

3.13. Blockade of funds

To attract tourists, the Department purchased (March 1975) 70/35 mm six track double sound projector equipment at a cost of Rs. 2.40 lakhs for installation of a 150-cars drive-in-cinema at Suraj-kund tourist complex. The site at Suraj-kund was later dropped as it was an area for protected monuments and an alternate site measuring 24.5 acres at the nearby Badkhal tourist complex was acquired in January 1977 at a cost of Rs. 2.84 lakhs. So far (February 1986) neither the equipment has been installed nor drive-in-cinema commissioned. The Department stated (June 1985) that immediately after acquisition of land, the landowners went into litigation on grounds of inadequate compensation and the matter was sub-judice. The Government also stated (July 1985) that change of site and delay were beyond control and cinema will be commissioned soon. Further developments were awaited (February 1986).

Incorrect selection of site at Suraj-kund and purchase of disputed land at Badkhal, thus, resulted in (i) blockade of Rs. 5.24 lakhs for over ten years, (ii) loss of shelf life of projector equipment and (iii) loss of revenue which the Government would have earned from tourists had the cinema been commissioned in 1975 as initially planned.

3.14. Wasteful expenditure on tourist complex

For setting up a tourist complex near village Abub-shehr in Sirsa district, land measuring 8.25 acres was purchased in May 1978 and the complex, comprising a motel with four double bedded residential suites, restaurant, staff quarters, parking space etc., at a total cost of Rs. 21.96 lakhs was commissioned in 1979. The complex was finally closed down in August 1983 as it did not prove to be financially viable.

As a policy matter of the Department, tourism development activities in a State are concentrated (a) around Delhi to cater to the needs of Delhi-based population, (b) along the principal highways to provide amenities to highway travellers, (c) in important towns and cities for recreational facilities to local population and (d) in wild life tourism. The Abubshehr tourist complex did not fall in any of these categories. Its site was located at a deserted place at the inter-section of Rajasthan and Bhakra canal on the Haryana border, 2 KMs away from the main highway and 15 KMs off the nearest Dabwali township. Due to dis-advantageous location, the tourist clientage was very nominal, occupancy of the motel was as low as 9 to 15 per cent and as a result after its commissioning in August 1979 till it was closed in August 1983 the complex suffered losses to the tune of Rs. 4.67 lakhs. Its movable assets like furniture, etc., costing Rs. 3.25 lakhs were transferred to other tourist complexes.

Government admitted (July 1985) that setting up of this complex proved a bad experience and resulted into losses to the Haryana Tourism but such decisions if taken at the highest level have to be implemented. Government also stated that efforts were being made to make use of the complex as a school, hospital or for some other purpose. Further developments in the matter were awaited (February 1986).

Non-selection of suitable site for setting up a tourist resort resulted in operational losses (Rs. 4.67 lakhs) besides unfruitful investment (Rs. 18.71 lakhs).

3.15. Uneconomical running of luxury bus

To arrange conducted tours, Chassis for a luxury mini-bus was purchased by the Department in March 1975 for Rs. 0.60 lakh, body was fabricated at the cost of Rs. 0.62 lakh in April 1976. A stereogram (Rs. 0.04 lakh) was also installed in the bus in March 1977. Tourist permit for this vehicle, applied for in May 1976, was granted by Transport Department in February 1977 and the bus was, thus, pressed into service from March 1977 i.e., after two years of the purchase of chassis.

As the bus could not attract required tourists at Chandigarh it was transferred to the Department's regional office, Delhi in March 1977, where too it failed to attract tourists and, as such, it was sent back to Chandigarh in August 1977. Thereafter, the bus was used only intermittently and during March 1977 to April 1979 it covered, in all 20,117 KMs (less than 30 KMs per day, on an average) which included a trip to Kathmandu in connection with an exhibition in March-April 1979. During the course of running it was heavily repaired twice at a cost of Rs. 0.16 lakh, due to engine bursts in July 1978 and again in April 1979. In January 1980, the Government advised the Department that as the bus had become uneconomical the same should either be disposed of or transferred to Haryana Tourism Corporation. The Department informed Audit (July 1985) that the bus was not acceptable to the Corporation and its condemnation was also not possible as it had not covered prescribed kilometres.

The purchase proposal framed by the Department in February 1975, envisaged keeping the bus on road for 25 days in a month and to earn Rs. 220 to Rs. 240 per day against daily operational expenses of Rs. 200. Instead, the bus suffered loss to the tune of Rs. 1.90 lakhs up to June 1983 (Operational expenses: Rs. 3.13 lakhs; Income: Rs. 1.23 lakhs). The particulars of use of the bus from April 1979 onwards and its income/expenditure accounts from July 1983 onwards were not made available to audit by the Department (February 1986). Government stated

(October 1985) that running of the Mini Bus proved uneconomical as:

- (i) The Transport authorities took about two years to issue permit for plying this bus all over India.
- (ii) This was totally a new experience for the Department and it was not easy to find ready market for the vehicle especially in the face of tough competition from the private sector.
- (iii) There were disturbed conditions in the north from early eighties which also affected business considerably.

The Government further stated that bus is being disposed of soon to save further losses. Further developments were awaited (February 1986).

GENERAL

3.16. Mis-appropriations, defalcations, etc.

Cases of mis-appropriations, defalcations, etc., of Government money reported to Audit up to the end of March 1985, on which final action was pending at the end of August 1985 were as follows :

| | Number | Amount |
|--|--------|----------------------|
| | | (In lakhs of rupees) |
| Cases reported up to the end of March 1984 and outstanding on 31st August 1984 | 150 | 24.45 |
| Cases reported between April 1984 and March 1985 | 11 | 1.93 |
| Cases closed between September 1984 and August 1985 | 4 | 0.40 |
| Cases pending as on 30th September 1985 | 157 | 25.98 |

Forty four cases (Rs. 4.73 lakhs) were outstanding for more than 5 years. One hundred thirty eight cases (Rs. 20.43 lakhs) were outstanding with the Irrigation, Buildings and Roads, Transport, Public Health and Education Departments. Appendix III.4 shows department-wise analysis of cases in which final action was pending at the end of August 1985.

FOOD AND SUPPLIES/EDUCATION DEPARTMENTS**3.17. Write-off losses, revenue, etc.**

During 1984-85, Rs. 0.14 lakh representing losses due to theft, fire, irrecoverable revenue, duties, etc., were written off/or recoveries were waived. Details are given in Appendix III.5.

INDUSTRIES DEPARTMENT**3.18. Idle staff**

Industries department incurred an expenditure of Rs. 13.76 lakhs on staff the services of which were not fruitfully utilised. Details are given in Appendix III.6.

CHAPTER IV

WORKS EXPENDITURE

IRRIGATION DEPARTMENT

4.1. Major and medium irrigation projects

4.1.1 Introductory

The State has an area of 4.4 million hectares of which 3.9 million hectares is culturable command area (CCA). The CCA has no perennial river, rainfall is low and un-dependable and, therefore, depends to a large extent on availability of Inter-State river water. There are two major canal systems namely Bhakra Canal system fed from stored water at Bhakra Dam (Punjab) and Western Jamuna Canal system, which receives supply from river Jamuna (through U.P. State).

Twenty four major/medium irrigation projects were taken by the State since its formation in November 1966. According to revised classification of the Planning Commission formulated in the year 1978, projects having CCA of more than 10,000 hectares were categorised as Major and those having less than 10,000 hectares as Medium. The number of projects taken up, completed and in progress is given below:

| | Major | Medium | Total |
|---|-------|--------|-------|
| (a) Projects taken up in the State up to March 1980 | 9 | 9 | 18 |
| (b) Number of projects completed up to March 1980 | — | 7 | 7 |
| (c) Number of projects spilled over to Sixth Plan | 9 | 2 | 11 |
| (d) Number of new Projects taken up during Sixth plan (1981-85) | 6 | — | 6 |
| (e) Number of Projects completed from 1980 to March 1985 | 3 | — | 3 |
| (f) Total number of Projects under completion | 12 | 2 | 14 |

4.1.2. Financial outlay vis-a-vis expenditure

The total plan outlay for the entire State vis-a-vis outlay for major and medium irrigation projects is given below:

| Annual Plan | Total plan outlay | Outlay on major and medium projects | Percentage on irrigation to total Plan outlay |
|-----------------------|-------------------|-------------------------------------|---|
| (1) | (2) | (3) | (4) |
| (In lakhs of rupees) | | | |
| Annual Plan (1966-67) | 24,44 | 1,65 | 6.76 |
| Annual Plan (1967-68) | 26,09 | 1,60 | 6.13 |
| Annual Plan (1968-69) | 26,59 | 1,13 | 4.25 |
| Fourth Plan (1969-74) | 2,25,00 | 30,50 | 13.56 |
| Fifth Plan (1974-79) | 6,01,35 | 1,42,62 | 23.72 |
| Sixth Plan (1980-85) | 18,00,00 | 3,62,25 | 20.13 |

The year-wise position of budget provision and expenditure incurred up to 1979-80 and from 1980-81 to 1984-85 is given below:

| Year | Budget provision | Expenditure | (+ Excess (-) Shortfall) |
|----------------------|------------------|-------------|-----------------------------|
| (In lakhs of rupees) | | | |
| Up to 1979-80 | 2,39,98 | 2,52,68 | (+)12,70 |
| 1980-81 | 41,57 | 43,14 | (+)1,57 |
| 1981-82 | 45,71 | 45,76 | (+)5 |
| 1982-83 | 70,31 | 57,16 | (-)13,15 |
| 1983-84 | 37,66 | 40,38 | (+)2,72 |
| 1984-85 | 80,66 | 59,63 | (-)21,03 |
| Total | 5,15,89 | 4,98,75 | |

The reasons for excess/saving were awaited (February 1986).

Under the instructions of the Planning Commission if the estimated cost exceeds by 10 per cent or Rs. 2 crores, which ever is less, the project is required to be revised for obtaining approval of the Central Water Commission/

Planning Commission. However, the cost of the following projects was revised but the approval of Central Water Commission/Planning Commission was awaited (February 1986).

| Name of project | Original cost | Revised cost | Actual increase |
|--------------------------|---------------|--------------|-----------------|
| (In lakhs of rupees) | | | |
| 1. Loharu Canal Project | 11,24 | 34,53 | 23,29 |
| 2. J.L.N. Project | 33,75 | 1,19,29 | 85,54 |
| 3. W.J.C. Remodelling | 7,57 | 12,49 | 4,92 |
| 4. Sewani Canal Project | 19,60 | 27,53 | 7,93 |
| 5. W.J.C. Feeder Project | 3,40 | 16,88 | 13,48 |

4.1.3. Irrigation aspect

The irrigation potential created and utilised is summarised below:

| Year | Ultimate irrigation potential | Irrigation potential created | Utilisation of potential created | Shortfall |
|------------------------|-------------------------------|------------------------------|----------------------------------|-----------|
| (In thousand hectares) | | | | |
| Up to | | | | |
| 1979-80 | 3,000 | 1,769 | 1,630 | 139 |
| 1980-81 | 3,179 | 1,785 | 1,658 | 127 |
| 1981-82 | 3,179 | 1,816 | 1,680 | 136 |
| 1982-83 | 3,179 | 1,856 | 1,700 | 156 |
| 1983-84 | 3,179 | 1,893 | 1,720 | 173 |
| 1984-85 | 3,179 | 1,923 | 1,745 | 178 |
| (Tentative) | | | | |

The reasons for shortfall were awaited (February 1986).

The performance of 8 major irrigation projects up to 1983-84 is given below :

| Serial Number | * Name of the project/ Year of commissioning | Area covered by the Project | | | Potential created | Potential utilised | Percentage of potential utilised to potential targeted |
|------------------------|---|-----------------------------|--------|--------------------|-------------------|--------------------|--|
| | | Gross area | C.C.A. | Potential targeted | | | |
| ** | | | | | | | |
| (In lakhs of hectares) | | | | | | | |
| Major | | | | | | | |
| 1. | Loharu Canal project 1970-71 | 1.42 | 1.22 | 0.75 | 0.62 | 0.11 | 14.67 |
| 2. | Jui Canal Project 1969-70 | 0.37 | 0.30 | 0.19 | 0.19 | 0.12 | 63.16 |
| 3. | Western Jamuna Canal including remodelling (not available) | 12.60 | 11.04 | 10.45 | 8.13 | 6.80 | 65.07 |
| 4. | Gurgaon Canal Project 1967-68 | 1.45 | 1.31 | 0.81 | 0.61 | 0.16 | 19.75 |
| 5. | Bhakra Canal Project 1954-55 | 13.40 | 11.66 | 6.76 | 6.76 | 8.58 | 1,26.92 |
| 6. | Jawahar Lal Nehru (including Jhajjar Lift Scheme) canal Project 1972-73 | 3.12 | 2.50 | 1.55 | 0.65 | 0.19 | 12.26 |
| 7. | Sewani Lift Irrigation Scheme 1971-72 | 0.97 | 0.74 | 0.46 | 0.43 | 0.13 | 28.26 |
| 8. | Nagal Lift Irrigation Scheme 1975-76 | 0.26 | 0.23 | 0.14 | 0.14 | 0.03 | 21.42 |

Except Bhakra Canal Project the targets achieved in respect of other projects were very low and varied from 12.26 to 65.07 per cent.

4.1.4. Financial results of irrigation projects

Out of the eight irrigation projects for which water was released for irrigation, capital and revenue accounts are being kept only for the Western Jamuna Canal. The total revenue from these projects during 1983-84 was Rs. 6,84.70 lakhs while the working expenses were Rs. 17,84.37 lakhs. Taking into account the interest of Rs. 15,56.27 lakhs on capital account the deficit during the

*Projects at serial No. 2, 5 and 7 have been completed. The remaining five projects have been commissioned but not completed.

**Source : Blue print of utilisation of major and medium irrigation Schemes, Government of Haryana..

year 1983-84 was Rs. 26,55.94 lakhs which worked out to 10.60 per cent of the capital against 10.50 per cent in the year 1982-83.

Comparative figures in respect of eight projects mentioned above for the last three years are shown below:

| | 1981-82 | 1982-83 | 1983-84 |
|---|----------------------|--------------|--------------|
| | (In lakhs of rupees) | | |
| Capital outlay to the end of year | 2,23,42.87 | 2,40,54.24 | 2,50,44.32 |
| Revenue realised during the year | 9,80.13 | 7,94.18 | 6,84.70 |
| Working expenses during the year | 17,92.03 | 18,32.19 | 17,84.37 |
| Net Profit (+)/Losses(-) during the year excluding interest | (-)8,11.90 | (-)10,38.01 | (-)10,99.67 |
| Interest on capital | 13,80.34 | 14,88.80 | 15,56.27 |
| Losses after incurring interest | (-)21,92.24 | (-)25,26.81 | (-)26,55.94 |
| Percentage of losses on capital outlay after meeting interest | 9.81 | 10.50 | 10.60 |

4.1.5 Revenue and financial returns

The Central Water Commission suggested (1975) that the irrigation rates should be so fixed so as not to leave any irrigation potential unutilised and to bring the State an appropriate share of net benefits as a part of contribution or irrigation for further investment for development. However, the State Government had not revised the water rates since Kharif 1975 although the rates of agricultural produce had considerably increased.

Outstanding revenue at the end of 1978-79 stood at Rs. 1,66.00 lakhs. During the years 1979-80 to 1983-84 demands of Rs. 57,68.20 lakhs were raised against which recoveries were only Rs. 5,105.62 with the result that arrears in March 1984 amounted to Rs. 8,28.58 lakhs.

During various years, the realisation constituted 44 to 93.38 per cent of the amount due for recovery as shown below:

| Year | Balance of previous year | Amount assessed | Total due for collection | Amount realised | Percentage of realisation of total due | Balance |
|--------------|--------------------------|-----------------|--------------------------|-----------------|--|---------|
| | (In lakhs of rupees) | | | | | |
| as on 1-4-78 | | | | | | 1,66.00 |
| 1978-79 | 1,66.00 | 9,57.10 | 11,23.10 | 8,84.95 | 78.80 | 2,38.15 |
| 1979-80 | 2,38.15 | 8,21.80 | 10,59.95 | 7,51.51 | 70.90 | 3,08.44 |
| 1980-81 | 3,08.44 | 9,67.38 | 12,75.82 | 10,12.74 | 93.38 | 2,63.08 |
| 1981-82 | 2,63.08 | 10,46.05 | 13,09.13 | 9,95.23 | 76.02 | 3,13.90 |
| 1982-83 | 3,13.90 | 10,24.99 | 13,38.89 | 8,10.22 | 60.51 | 5,28.67 |
| 1983-84 | 5,28.67 | 9,50.87 | 14,79.54 | 6,50.96 | 44.00 | 8,28.58 |

4.1.6. Scope of review

Two projects namely 'Modernisations of existing channel Phase-I' and 'Loharu Lift Irrigation Project' were reviewed and the points noticed during test check (March—July 1985) are discussed in the succeeding paragraphs.

4.1.7. Modernisation of existing channel

(i) The project estimate for the first phase (original cost: Rs. 58,60 lakhs, revised cost: Rs. 77,11 lakhs) included (i) modernisation of 250 million square feet existing channels including lining of channels; (ii) modernisation of structures; (iii) replacement of karries with regulators; (iv) modernisation of communication system for improving regulation efficiency; and (v) saving 1,058 cusecs of supplies lost through seepage for bringing additional area of 96,377 hectares under irrigation.

(ii) A comparative study of original and revised estimate revealed that although after revision, the cost of the project estimate was increased from Rs. 58,60 lakhs to Rs. 77,11 lakhs (i.e. 31.58 per cent) the benefit derived was not positive as tabulated below:

| Serial Number | Salient features | As per original estimate (1979) | As per revised estimate (August 1981) |
|---------------|--|---------------------------------|---------------------------------------|
| 1 | Length of channels to be lined (in KMs) | 2,490.13 | 2,680.00 |
| 2 | Area to be lined (in M.S. Ft.) | 250.12 | 250.00 |
| 3 | Wetted perimeter (in M.S.Ft.) | 210.17 | 176.30 |
| 4 | Water saved on account of seepage (in cusecs) | 1,500.00 | 1,058.00 |
| 5 | Additional area to be irrigated (in hectares) | 1,37,195.00 | 96,377.00 |
| 6 | Additional value of produce (in lakhs of rupees) | 25,73.00 | 13,36.00 |
| 7 | Benefit cost ratio with 10 per cent interest | 3.67:1 | 1.6:1 |

From the above table it is evident that the quantity of water saved was reduced to 29.47 per cent. Similarly additional area to be irrigated and the value of additional produce was reduced to 29.75 per cent and 48 per cent respectively. Benefit cost ratio was reduced from 3.67:1 to 1.6:1 (56.40 per cent).

It was observed that revision was necessitated due to the fact that saving of 1,500 cusecs assumed in the original project was not prepared correctly as saving with 210.17 million square feet of wetted perimeter worked to 1,261* cusecs and consequently the figures of additional area and additional crops stood inflated.

(iii) Financial targets and actual expenditure

The annual budget allotment and actual expenditure were as under :

| Year | Budget allotment | Annual expenditure | Variation (+)Excess (-)Saving |
|-----------------------|------------------|--------------------|-------------------------------------|
| (In crores of rupees) | | | |
| 1978-79 | 11.50 | 11.35 | (-)0.15 |
| 1979-80 | 17.71 | 21.31 | (+)3.60 |
| 1980-81 | 21.10 | 20.99 | (-)0.11 |
| 1981-82 | 20.00 | 19.24 | (-)0.76 |
| 1982-83 | 20.83 | 14.51 | (-)6.32 |
| Total | 91.14 | 87.40 | 3.74 |

The works amounting to Rs. 2,39.91 lakhs (cattle ghats: Rs. 68.80 lakhs; remodelling of outlets: Rs. 39.15 lakhs; regulators: Rs. 48.47 lakhs; falls: Rs. 5.89 lakhs; and bridges: Rs. 77.60 lakhs) were remaining to be executed. No target date for completion of work has been fixed.

Reasons for variations awaited (February 1986).

Approval for the revised cost of the Central Water Commission/Planning Commission was awaited (February 1986).

(iv) Physical targets and achievements

The execution of the project was taken up in August 1978 and was claimed to have been completed in February 1983. Against the targeted 250 million square feet lining

*Saving as assumed in the project estimate was 6 cusecs of water per M.S. ft. of wetted perimeter.

of the channels the achievement was 265 million square feet. It was, however, noticed in test check that 32 channels with a length of 346.06 KMs provided in the project estimate were not lined at all, while 43 channels with length of 5,16.79 KMs, which had not been included in the project were taken up for lining.

Further, the project contemplated 96,377 hectares of additional land to be brought under irrigation by saving 1,058 cusecs water through lining of channels. Against this, actual coverage up to March 1983 was only 73,000 hectares; reasons for shortfall were not on record. Year-wise position of potential created and utilised is given below:

| Year | Potential (in hectares) | | |
|---------|-------------------------|----------|-----------|
| | Created | Utilised | Shortfall |
| 1980-81 | 34,000 | 26,000 | 8,000 |
| 1981-82 | 51,000 | 42,000 | 9,000 |
| 1982-83 | 73,000 | 57,000 | 16,000 |

These figures are tentative, not based on any survey. Department stated (June 1985) that it was not possible to identify the actual additional area brought under irrigation by saving water through lining of channels.

(v) Maintenance cost

Working cost of the project showed increasing trend even after lining. The percentage of reduction in maintenance cost was neither assessed in the project estimate nor in the evaluation study made after the completion of the project. In two divisions (I.B. Division Narwana and I.B. Division Kaithal test checked) it was noticed that the maintenance cost had increased after lining as detailed below:

| Year | Irrigation Branch Narwana. Expenditure during the year | Irrigation Branch Kaithal. Expenditure during the year |
|---------|--|--|
| | (In lakhs of rupees) | |
| 1979-80 | 25 | N.A. |
| 1980-81 | 23 | 21 |
| 1981-82 | 25 | 23 |
| 1982-83 | 34 | 23 |
| 1983-84 | 35 | 24 |
| 1984-85 | 38 | 20 (Up to February 1985) |

The department intimated (May 1985) that the saving in maintenance cost which resulted as a consequence of lining of the system had been absorbed in the escalation of the maintenance cost. The amount of saving in maintenance cost as a result of lining and the extent to which these savings were absorbed in the escalation of maintenance cost were not, however, analysed by the department.

(vi) Cuts and breaches

The project estimate envisaged that after lining the number of cuts and breaches would be minimised, contrary to this, the number of cuts and breaches had increased after lining.

| Name of Division | Year | Number of cuts and breaches | Expenditure |
|------------------------|----------------------------|-----------------------------|-------------|
| (In lakhs of rupees) | | | |
| I.B. Division, Narwana | 1979-80 prior to lining | } 6 | 0.35 |
| | 1982-83 1983-84 | | |
| | 1984-85 | 11 | 0.51 |

The reasons for increase in cuts and breaches, even after lining, were not analysed by the department.

(vii) Performance of outlets

The department in its evaluation of benefits (August 1984) claimed that water conveyance efficiency had considerably improved after lining of channels and had helped in providing better water supply in tails. A performance of few outlets in Narwana, I.B. Division, Narwana test checked, however, revealed that the tail outlets were still having lesser intensity as compared to the head outlets as per details given below:

| Name of channel | Outlet RD/Head Tail | Intensity (per cent) | |
|--------------------------|---------------------------|-----------------------------|----------------------------|
| | | Before lining 1978-79 | After lining 1983-84 |
| New Sacha Khara Minor | 250/R | 108.23 | 138.75 |
| | 6200/T | 79.58 | 56.62 |
| Badhana Minor | 61000/L | 36.26 | 60.56 |
| | 67075/T | 37.18 | 46.90 |
| Barsola | 5650/R | 86.54 | 112.57 |
| | 82500/T | 24.88 | 67.44 |
| Ghoso Minor | 7500/R | 128.89 | 160.05 |
| | 25000/T | 66.30 | 39.44 |

The Executive Engineer, Narwana Division I.B., Narwana stated (September 1985) that lining of New Sacha Khera Minor was defective and could not draw its authorised discharge in head reach resulting in shortages at tail end. It was further stated that lining work on most of the channels was defective, as the lining authorities had designed the channel with flatten slope resulting in silting of the channels in bed as well as of side slope which caused shortages at tail.

(viii) Water logging

It was envisaged in the project estimate that water logged area adjacent to canals will be reclaimed after lining of the channels. There was, however, no mention in the estimate as to how much area is water logged and on which channel it existed.

After lining of channels, the Department carried out a study in a portion of Bhiwani Sub-Branch under W.J.C. system from RD 36000 to RD 40000 and it was claimed that 76 per cent of the water logged area was reclaimed after lining. Instead of finding out the exact area reclaimed by the method of testing soil in laboratories to find out the density of earth, the department after conducting survey through interviews with land owners of the area stated that 76 per cent area, has been reclaimed.

(ix) Assessment of water rates

As envisaged in the project estimate a new system for levying water rates on the *wari* metric basis was introduced (Kharif 1980) on some channels of Bhakra Canal systems on experimental basis. Under this system the area irrigated and the amount realised from the cultivators on each outlet on the basis of irrigation during the last three years is assessed and this amount is realised from the cultivators in subsequent years — irrespective of the area irrigated and crops sown.

As the area under irrigation increases year after year, the revenue on the average of three years works out less than year-wise dues. The new system was, therefore, inherently defective. The Executive Engineer, Fatehabad Division, Hissar stated (July 1985) that assessment of

revenue under the new system on experimental basis on four channels (Sothra, Nara and Pinhani distributaries and Kapro minor) resulted in a loss of Rs. 3.90 lakhs from Kharif 1980 to Rabi 1984-85. Despite losses, the assessment on new system was still continuing.

(x) Other points

(a) Excess issue of coal

In Canal Lining Division No. 11, Narwana the work of setting up of departmental kiln near village Kathana for manufacturing and supply of 35 lakh tiles and 2 lakh bricks was allotted to a contractor in February 1981. As per the contract agreement the contractor was to supply tiles/bricks from April 1981 to April 1982. The department was to supply slack coal at a scale not exceeding 25 tonnes per lakh of accepted bricks and 30 tonnes per lakh of accepted tiles. The grade of coal to be supplied was not specified in the agreement. For coal consumed within norms, recovery was to be made at Rs. 500 per tonne. In case consumption exceeded up to 10 per cent recovery was to be made at the rate of 50 per cent extra and beyond 10 per cent, recovery was to be made at the rate of 100 per cent extra on the excessive consumption.

The contractor supplied 1.97 lakh bricks and 16.91 lakh tiles up to May 1982 and thereafter stopped further supplies on the plea that he was not in a position to supply at the agreed rate as the coal supplied to him was of lower grade. Slack coal required for the supplies made as per norms worked out to 556.643 tonnes only against 945.455 tonnes issued to the contractor, resulting in excess issue of 388.812 tonnes of coal to the contractor. The total amount recoverable from the contractor worked out to Rs. 6.67 lakhs out of which Rs. 2.84 lakhs had already been recovered after adjusting Rs. 0.97 lakh (security: Rs. 0.30 lakh, amount payable on other works: Rs. 0.67 lakh). The net amount recoverable from the contractor works out to Rs. 2.86 lakhs.

The department stated (January 1985) that the contractor had requested for the appointment of arbitrator. No action has been taken so far (February 1986).

(b)(i) Injudicious purchase

Original project estimates envisaged lining of existing channels with single/double tile lining. Contrary to this provision, the Engineer-in-Chief took a decision in the Revised estimate to resort to precast cement concrete block lining (PCC) during 1979-80. For the purpose of manufacturing PCC blocks, the department purchased 208 concrete mixers for Rs. 36.58 lakhs. These mixers were put to use in 1979-80 only. Thereafter the department stopped PCC block lining due to scarcity of cement with the result that the entire fleet of 208 concrete mixers had been rendered idle since 1980-81. No steps were also taken to transfer the idle machinery to divisions where the same could not be put to use.

(ii) The Canal Lining Mechanical Division No. 3, Sirsa purchased 32 items of pipe fitting costing Rs. 1.39 lakhs during the period 1979-80 to 1981-82 for laying pipe lines for making water arrangement for lining etc. Out of these purchases not even a single item had been issued to the works executed during Phase-I of Modernisation of existing channels. These items are still lying unused.

(iii) In Canal Lining Division No. 11, Narwana, barbed wire valuing Rs. 0.60 lakh was purchased during March 1982 for constructing enclosure of the departmental store. The work was, however, not taken up and the material was still (March 1985) lying unutilised in stock. The Sub-Divisional Officer, Canal Lining Sub-Division No. 8, Narwana declared the material surplus (February 1984). Further developments are awaited.

4.1.8. Loharu lift irrigation project

A mention of certain aspects of the Loharu lift irrigation project was made in the paragraph 4.1 of Audit Report (Civil) for the year 1974-75. Further points noticed in test check (May—July 1985) are given in the succeeding paragraphs.

(a) The original project estimate costing Rs. 11.24 crores sanctioned in June 1971 was first revised to Rs. 21.72 crores in 1977 and again to Rs. 34.53 crores in 1983. The

revised project estimate envisaged irrigation facilities to 1.22 lakh hectares (CCA), and, with 62 per cent intensity of irrigation, the area planned to be irrigated was 0.75 lakh hectares (Kharif: 0.29 lakh hectares and Rabi: 0.46 lakh hectares) in Mohindergarh district and Dadri tehsil of Bhiwani district.

The main increase in cost was in the following sectors of the project :

| Particulars of Sectors/sub heads | Provisions in the project estimate 1977 | Provision made in project estimate 1983 | Increase | Percentage |
|---|---|---|----------|------------|
| (In lakhs of rupees) | | | | |
| Regulators VI special T&P and buildings | 4,70.14 | 7,72.47 | 3,02.33 | 64.30 |
| Bridges | 1,57.76 | 1,76.54 | 18.78 | 11.90 |
| Escape | 5.22 | 7.37 | 2.15 | 41.18 |
| Earthwork | 4,54.47 | 5,84.87 | 1,30.40 | 28.69 |
| Lining | 4,93.32 | 8,42.39 | 3,49.07 | 70.76 |
| Miscellaneous | 1,60.34 | 2,55.53 | 95.19 | 59.37 |

The increase in cost was attributed to the following factors :

(In lakhs of rupees)

| | |
|--|----------|
| (i) Increase in the scope of work and new provisions : | |
| (a) Construction in link channel | 2,84.00 |
| (b) Excess in remodelling of Nai-Nalla and drain No. 8 | 22.00 |
| (c) New provision for lining of Loharu Feeder and Badhwana distributary | 4,72.00 |
| (d) Construction of additional buildings, telephone lines and wire-less sets | 50.00 |
| (ii) Price escalation of Labour and material | 4,53.00 |
| Total | 12,81.00 |

It was observed that (a) though the increase in cost of the project in 1983 was 207 per cent the rise in the net culturable command area was only marginal from 0.66 lakh hectares to 0.75 lakh hectares representing 13.63 per

cent and (b) though under the instruction of the Planning Commission, whenever there is increase in the cost of the project by 10 per cent or Rs. 2 crores, whichever is less, the project estimate should be revised for obtaining fresh approval of the Central Water Commission. The same has been not obtained so far (February 1986).

(b) Financial outlay and expenditure

The plan outlay and actual expenditure during Fifth Plan (1974—79) and Sixth Plan (1980—85) on this project are as under :

| Period | Outlay | Actual expenditure | Progressive expenditure |
|----------------------|---------|--------------------|-------------------------|
| (In lakhs of rupees) | | | |
| (a) Upto 1973-74 | | | 12,15.00 |
| (b) Fifth Plan | 9,56.00 | 9,58.00 | 21,73.00 |
| (c) 1979-80 | 1,00.00 | 1,41.00 | 23,14.00 |
| (d) Sixth Plan | 6,85.00 | 8,68.00 | 31,82.00 |

The year-wise details of budget allotment and expenditure during Sixth Plan are given below :

| Year | Budget allotment | Expenditure | (—) Saving (+) Excess |
|----------------------|------------------|-------------|--------------------------|
| (In lakhs of rupees) | | | |
| 1980-81 | 1,55.00 | 1,53.00 | (—)2.00 |
| 1981-82 | 1,68.00 | 1,70.00 | (+)2.00 |
| 1982-83 | 1,62.00 | 1,66.00 | (+)4.00 |
| 1983-84 | 1,57.00 | 2,17.00 | (+)60.00 |
| 1984-85 | 2,50.00 | 1,62.00 | (—)88.00 |

Reasons for heavy excess during 1983-84 and saving during 1984-85 were awaited (February 1986).

(c) Physical progress

No time schedule for completion of the project had been envisaged. Due to increase in the scope of project,

the target date for completion was extended from time to time and was still undecided (February 1986). Physical progress achieved during the period 1981-82 to 1984-85 is given below :

| Particulars | Estimates | Achievements | Percentage of achievement to targets |
|--|-----------|--------------|--------------------------------------|
| (a) Earth work (in lakhs cft.) | 10,73.14 | 2,27.93 | 21.24 |
| (b) Lining of the channel (in lakhs cft.) | 3,72.66 | 34.28 | 9.20 |
| (c) Construction of pump houses, rest houses, staff quarters etc. (in numbers) | 187 | 46 | 24.60 |

Slow progress of work and consequential slippage in the construction schedule were attributed by the Department to:

- shortage of cement during 1981-82;
- non-execution of earth work due to non-co-operation of land owners during 1981-82; and
- non-availability of funds during 1983-84 and 1984-85.

It was further observed that :

- (a) Irrigation potential created in March 1980 was 1.14 lakh hectares which was raised to 1.22 lakh hectares in March 1985. Against this, the area actually irrigated ranged from 4 per cent in 1984-85 to 14.66 per cent in 1981-82.
- (b) For most of the period the channel remained dried and the average running of water in the channel ranged between nil and 18 days, per month, during 1984-85.

The Department attributed the shortfall in irrigation to non-availability of water from Ravi-Beas river of Punjab.

- (d) The area brought under different crops ranged between 0.2 and 30 per cent (Kharif) and 0.6 and 43 per cent (Rabi) of the envisaged cropped

area. The benefit cost ratio worked out to 0.42:1 against 1.2:1 envisaged in the project during 1978-79 when irrigation was maximum (18 per cent).

- (e) Working expenses during 1982-83 and 1983-84 were Rs. 27.45 lakhs and Rs. 26.14 lakhs against revenue of Rs. 1.72 lakhs and Rs. 5.85 lakhs respectively. After taking into account interest on capital of Rs. 2,01.90 lakhs (1982-83) and Rs. 2,10.19 lakhs the net loss for these two years worked out to Rs. 2,27.63 lakhs and Rs. 2,30.48 lakhs respectively. The department stated (April 1985) that there was no proposal to cover the deficit as the scheme was intended to combat drought in that area and was not a commercial project.
- (f) Against the total demand of revenue of Rs. 14.30 lakhs during the period 1980-81 to 1984-85, the actual realisation was Rs. 10.26 lakhs leaving Rs. 4.04 lakhs (28.25 per cent) to be recovered.

(g) Shortages

- (i) During physical verification of stores of Loharu Canal Division No. I, Charkhi Dadri (July 1981) it was reported that wooden sleepers valuing Rs. 0.50 lakh were eaten up by white ants. The show cause notice against the negligent official prepared in August 1984 was awaiting approval of the Superintending Engineer (February 1986).
- (ii) Cement bags numbering 18,118 were received from Madhopur (Rajasthan) at Railway station Rohtak on 30th July 1982. The cement unloaded from the railway wagons was placed on the open platform though adequate storage space was available. Heavy rains on the night of 31st July 1982 caused damage to 1984 cement bags valuing Rs. 0.63 lakh. The claim lodged in August 1982 with the Railways was rejected on the plea that safe custody of material was the responsibility of the consignee.

The Department stated (July 1985) that the concerned Executive Engineer and the Sub-Divisional Officer who failed to arrange protection of cement had been served with show cause notices in July 1984. The Executive Engineer informed (July 1985) that concerned officers had not yet furnished replies to the show cause notices. Further developments were awaited (February 1986).

- (iii) Stores valuing Rs. 0.58 lakh were found short during physical verification of stores (September 1981) in Mechanical Sub-Division, Charkhi Dadri. The explanation of concerned Junior Engineer was called in September 1983. The Executive Engineer stated (April 1985) that reply of the official received in November 1984 was under process. Further developments were awaited (February 1986).

(h) **Monitoring**

The Department claimed in the progress report submitted to Central Water Commission that 98 per cent of the ultimate potential has been created (June 1981). It was, however, noticed that the actual potential created was only 68 per cent as capacity of the lift pumps installed up to 1982 was 946 cusecs against ultimate requirement of 1,379 cusecs. Shortfall in capacity of pumps was due to delay in procurement, installation and energisation of additional pumps. Out of 61 pumps procured and installed at site in 1982-83, 42 could not be energised as the transformers, high tension panels and other equipments installed at site by the Haryana State Electricity Board were defective and required rectification before releasing power. Further developments were awaited (February 1986).

4.1.9. **Summing up**

(i) **Modernisation of existing channels**

Of the 28 major/medium irrigation projects taken up by the State since its formation in November 1966, 14 projects were incomplete at the end of March 1985.

In case of five major projects the estimated cost had increased by two crores, but the revised approval of CWC/Planning Commission was awaited (February 1986).

The irrigation potential created was not fully utilised and shortfall was ranging from 127 to 178 thousand hectares during 1978-79 to 1984-85.

The performance of 8 projects revealed that while the achievement in respect of Bhakra Canal System and Western Yamuna Canal System during 1983-84 were 126.92 and 65.07 per cent respectively, achievements in remaining 6 projects were between 12.26 and 63.16 per cent.

Financial results of eight irrigation projects for the year 1983-84 revealed that, the total revenue earned was Rs. 6,84.70 lakhs, while the working expenses and interest on capital outlay were Rs. 17,84.37 lakhs and Rs. 15,56.27 lakhs, respectively, leaving a deficit of Rs. 26,55.94 lakhs.

The State Government had not revised the water rates fixed since Kharif 1975, though the rates of agricultural produce had considerably increased.

Outstanding revenue of Rs. 1,66.00 lakhs at the end of 1978 increased to Rs. 8,28.58 lakhs at the end of 1982-83.

A new system for levy of water rates introduced by the Department on experimental basis on few channels resulted into a loss of Rs. 3.90 lakhs from Kharif 1980 to Rabi 1984-85.

In Canal Lining Division No. 11, Narwana, a sum of Rs. 2.86 lakhs is due to be recovered from a contractor on account of issue of coal in excess of requirement.

In all 208 concrete mixtures valuing Rs. 36.58 lakhs were lying idle since 1980-81 in Canal Lining Division No. 3, Sirsa.

Pipe fittings costing Rs. 1.39 lakhs were lying unutilised since their purchase in 1979-80.

Barbed wire valuing Rs. 0.60 lakh was lying unutilised since its purchase in March 1982 and was declared surplus in February 1984.

(ii) Loharu lift irrigation project

The cost of the Project increased from Rs. 11.24 crores to Rs. 34.53 crores (207 per cent) but increase in CCA was negligible being only 0.66 lakh hectares to 0.75 lakh hectares (13.63 per cent). For increased cost, necessary approval of Central Water Commission to the revised estimate had not been obtained.

The Project though taken up in 1970, no time schedule for its completion has so far (February 1986) been prescribed.

The area actually irrigated during the period 1980 to 1985 was merely 4 to 14.26 per cent of the planned area.

The matter was referred to the Government in August 1985; reply was awaited (February 1986).

4.2. Loss of Rs. 6.77 lakhs due to faulty execution of lining

Based on an L-section approved in December 1981, by the Superintending Engineer, Canal Lining Circle No. 6, Rohtak, earth work and single layer tile lining in RD 0 to 24 of Rewari Khera Minor (estimated cost : Rs. 8.48 lakhs) was taken up by Canal Lining Division, Rohtak, during January—March 1983 on work order basis (cost : Rs. 4.05 lakhs). When the progress of earth work in different reaches of the channel was ranging between 15 and 80 per cent and lining work between 14 and 60 per cent, the Executive Engineer (Running and Maintenance) reported in March 1983 to Superintending Engineer that :

- labour employed by the Lining Division was found cutting the bank of the channel and spreading the earth in the bed of the channel in RD 0 to 1,000 due to which the channel was rendered unfit to take its authorised full supply discharges; and
- lining of the channel appeared to be one foot above the designed bed resulting in non-feeding of authorised full supply discharge at the head.

The lining work was stopped in November 1983. The Executive Engineer on checking the levels in December 1983 found that lined bed level of channel was 1'-3" higher than that of the designed bed. Faulty lining executed at a cost of Rs. 6.15 lakhs had to be ultimately dismantled departmentally in the reaches RD 0 to 22.5 during June—September 1984 at a cost of Rs. 0.15 lakh. Dismantling after taking into account the value of damaged material resulted in a net loss of Rs. 4.20 lakhs besides rendering an expenditure of Rs. 2.57 lakhs infructuous on account of water-supply arrangements made in connection with lining works.

The execution of lining at faulty levels was due mainly, to non-observance of codal requirements that Sub-Divisional Officer must either make all measurements personally or test check 50 per cent of the measurements recorded by Junior Engineer. The Engineer-in-Chief stated (February 1985) that an enquiry in the matter had been ordered in December 1984 by the Government and further developments were awaited (February 1986).

4.3. Overpayment due to incorrect measurement of works

In Kaithal Division, Kaithal nine works relating to strengthening and protecting banks of Sirsa branch from RD 1,80,000 to RD 2,25,610 (estimated cost : Rs. 2.71 lakhs) were allotted to three contractors on 16th June (seven works) and 9th July 1984 (two works). The Sub-Divisional Officer who completed the works (June-July 1984) was transferred (August 1984). His successor after taking over charge inspected the site as a part of his day-to-day normal duty and found that quantities of earth work and brick bats for which payments were made to the contractors exceeded the quantities actually executed. The Executive Engineer to whom the matter was reported deputed two Sub-Divisional Officers (including the successor) to check the works. The Sub-Divisional Officers reported (January 1985) that the quantities of earth work and brick bats actually executed during June-July 1984 were 3,435.15 cum and 761.90 cum against 17,724.41 cum and 2,360.79 cum paid for to the contractors, respectively, resulting in an over-payment to the extent of Rs. 1.72 lakhs to all the three contractors. On this report, the

Superintending Engineer ordered (January 1985) to get the works check measured through a Committee of two Sub-Divisional Officers in the presence of the Executive Engineer. The Committee on inspection of the works in June 1985 pointed out in their report the difference between the levels of banks as designed and actually existing but expressed inability to work out the difference between the quantities paid and actually payable stating that as the works were executed a year back it was difficult to distinguish between the old and the new works.

It was noticed that measurement for earth work of 9,441.58 cums (estimated cost : Rs. 0.63 lakh) relating to execution of work from top to bottom on inner slopes of the bank were recorded during 6th—26th June and 9th—25th July 1984 when there was a regular discharge of water in the channel. The Department could not explain how the earth work could be executed when there was a regular discharge of water in the channel.

The matter was reported to Government in July 1985; reply was awaited (February 1986).

4.4. Excess payment to contractors

In Augmentation Canal Division, Karnal, 25 earth works for completing banks of a channel in reaches K.M. 54 to 75,250 were taken up through 17 contractors during November 1979 to January 1980 at an estimated cost of Rs. 21.09 lakhs. The works were completed during February 1980 to May 1980. While the works were in progress and payments aggregating to Rs. 17.37 lakhs had been made to the contractors, a Karnal based local newspaper reported (May 1980) some instances of suspected fraud in the execution of these works. On the basis of these news item the Chief Engineer directed (June 1980) the Superintending Engineer to have the matter investigated by an Executive Engineer.

Investigations made by the Executive Engineer during June 1980 to March 1981 revealed excess payments of Rs. 13.93 lakhs to contractors due to measurements involving excess earth work of 32,34,421 cft in all the 25 earth works (Rs. 8.69 lakhs) and allowing excess lead in 13 works than actually admissible (Rs. 5.24 lakhs). After

adjusting security deposit of Rs. 0.60 lakh, the amount recoverable from the contractors in respect of 14 works worked out to Rs. 8.66 lakhs which has been held under 'Miscellaneous Public Works Advances'.

Engineer-in-Chief stated (November 1984) that for forfeiture of security deposit and non-payment of final bills the contractors had gone into arbitration, action against officials at fault was in process and contractors bills for the remaining 11 works were being finalised. Further developments are awaited (June 1985).

Excess payment of Rs. 13.93 lakhs was facilitated due to non-observance of the following codal provisions:

- (i) Financial rules provide that payment exceeding Rs. 4,000 should be made after the bill is pre-audited from the Divisional Office. It was, however, noticed that the payments of last running bills for all works were made by the Sub-Divisional Officer at his own level without pre-audit from Divisional Office.
- (ii) Executed works exceeding Rs. 1 lakh are required to be check measured by the Executive Engineer to the extent of 5 per cent. The requirement was not observed by the Executive Engineer in eleven cases where the estimated amount exceeded Rs. 1 lakh.

The matter was referred to the Government in July 1985; reply was awaited (February 1986).

4.5. Purchase of low grade coal

F-Grade slack coal weighing 1,719.400 tonnes at Rs. 6.16 lakhs was purchased by Jawahar Lal Nehru Canal Division No. 1, Rohtak, from Jhuigurda Colliery (Bihar) during July—December 1982 for use in kilns. The division had in stock 894.714 tonnes of coal on 26th June 1982 (value : Rs. 3.21 lakhs). Out of a total stock of 2,614.114 tonnes, 38.760 tonnes was used on works in JLN Division No. 1 and 2 (March 1985), 93.756 tonnes (Rs. 0.38 lakh) was found short (January 1985) and 2,481.598 tonnes (Rs. 8.90 lakhs) remained unutilised (July 1985).

In test check (July 1983) it was noticed that :

- (i) The above quantity of coal was purchased under a rate contract (March 1981) entered into by the Food and Supplies Department with the colliery. The grade of coal was neither mentioned in the requirement placed by the Department nor was it indicated by the Food and Supplies Department while allocating the quota of coal to the Department.
- (ii) Although 'F' grade coal has a very low calorific value as compared to 'A', 'B' or 'C' class coal (which was considered most suitable) yet supply of 'F' grade coal was approved by the Chief Engineer (Projects) Irrigation Department.

The Executive Engineer of the Division concerned stated (July 1985) that balance quantity of coal (2,481.598 tonnes; cost : Rs. 8.90 lakhs) was awaiting condemnation, burning of kiln was left half-way as the consumption of coal was on higher side and to meet the requirement, bricks/tiles were purchased from the market.

The matter was referred to the Government in July 1985; reply was awaited (February 1986).

4.6. Misappropriation

Irrigation Department, Haryana had from May 1979 to May 1983 a Division at Ranchi (later shifted to Chandigarh in June 1983) which was engaged in the procurement of coal from collieries and its subsequent supply, against advance payments, to various indenting irrigation divisions in Haryana. Between June and September 1981, a Junior Engineer of the Division lifted 739.660 tonnes of coal from a colliery (cost : Rs. 1.39 lakhs) and, instead of despatching it to consignees misappropriated the entire quantity. The misappropriation came to notice at the time of reconciliation of Divisional accounts of coal with those of the colliery in August 1982. Report was lodged with the Police (September 1982) and simultaneously the Junior Engineer was placed under suspension; his services were later terminated in June 1983.

The Department informed Audit (February 1985) that the Police have since completed their investigations and the case was now pending in a court; further developments in the matter were awaited (February 1986).

It was noticed that contrary to requirements :

—Divisional accounts were not reconciled with those of the collieries from May 1979 to July 1982;

—daily report of procurement of coal were submitted by Junior Engineer but the reports relating to stock misappropriated were not submitted to Divisional Office;

—no specific procedure was laid down for obtaining deliveries of coal from the collieries, despatching the same to the consignee and maintaining their accounts; and

—procurement and despatch of coal was entrusted to the Junior Engineer, who was only an *ad-hoc* employee of the Division.

Matter was referred to Government in April 1985; reply was awaited (February 1986).

BUILDINGS AND ROADS DEPARTMENT

4.7. Unfruitful expenditure

Five bridges on Pinjore Nalagarh road were to be constructed at a cost of Rs. 81.40 lakhs by March 1983 of which 4 bridges costing Rs. 50.25 lakhs were completed during December 1981, two in April 1983 and one in January 1984. The 5th bridge was not taken up though administrative approval was accorded in May 1979. The department decided (November 1983) to construct two separate bridges on different creeks instead of one bridge but the construction of these bridges was not started as approval to the structural design and technical sanction of the Chief Engineer was awaited (February 1986).

The Department attributed (November 1985) the delay in construction of the bridge to non-finalisation of

the hydrological data and investigation regarding duration of closure of traffic on the *nadi* during the year.

Due to non-construction of the 5th bridge the expenditure of Rs. 50.25 lakhs incurred on 4 other bridges has remained unfruitful ranging from two to five years besides not providing convenience to the public in rainy season.

4.8. Loss due to an injudicious decision

In Provincial Division, PWD (B&R) Nuh, thirteen tenders for earth work in embankment on the road Khor to Dhulkote (quantity : 30,912 cum; estimated cost : Rs. 2.46 lakhs) were opened on 24th March 1982. All these tenders were valid up to 21st June 1982. The lowest tendered rate of Rs. 6.39 per cum (total tendered cost : Rs. 1.98 lakhs) of contractor 'A' (a co-operative society) against the Departmental estimated rate of Rs. 7.95 per cum was accepted and allotment letter was issued on 6th May 1982. The contractor, however, did not start the work and the contract agreement was rescinded by the Executive Engineer on 8th June 1982. Fresh tenders were then invited on 11th June 1982, and in response, six tenders were received. The negotiated rates of contractor 'X' at Rs. 11.75 per cum (total tendered cost : Rs. 3.63 lakhs), being lowest, was approved and work was accordingly allotted to him.

In test check (November 1983) it was noticed that at the time of rescinding contract agreement of contractor 'A' on 8th June 1982, the offer of contractor 'B' (out of thirteen tenders) at Rs. 7.20 per cum valid up to 21st June 1982 was available with the Division for acceptance. Thus, by inviting fresh tenders and allotting the work to 'X' at a higher rate of Rs. 11.75 per cum instead of allotting the work to available contractor 'B' at a lower rate of Rs. 7.20 per cum, the Department incurred an extra expenditure of Rs. 1.41 lakhs on 30,912 cum of earth work. The Engineer-in-Chief in his reply (February 1986) did not state the reasons for ignoring the available offer of contractor 'B' while inviting fresh tenders.

The matter was referred to Government in July 1985; reply was awaited (February 1986).

PUBLIC HEALTH DEPARTMENT

4.9. Avoidable expenditure

For the construction of suction well, scour well, pump chamber, filter beds, etc., (estimated cost : Rs. 6.00 lakhs) for two water supply schemes, tenders were invited by Public Health Division, Sonapat in July 1983 (tendered cost : Rs. 5.63 lakhs). The tenders, valid for ninety days, were forwarded in July 1983 by the Executive Engineer to the Superintending Engineer for approval with clear indication that requisite funds were available with the Division. The Superintending Engineer initially declined his approval on grounds of paucity of funds. The Executive Engineer clarified (September 1983) to the Superintending Engineer that (i) adequate funds were available with the Division not only to meet the expenditure in question but also to spend on other schemes in hand and (ii) if these tenders are not accepted there is a possibility of escalation of tender-cost. To these clarifications, the Superintending Engineer after protracted correspondence, agreed only in April 1984 and advised the Executive Engineer in vague terms to take action subject to financial regularities. By then, the validity period of the tenders had expired and fresh tenders had to be invited and the works were finally allotted to lowest tenderer at a cost of Rs. 7.06 lakhs in August 1984.

A comparison of the rates of both the tenders showed that, based on actual executed quantities of work up to March 1985, the rates of the latter tender were in excess by Rs. 0.72 lakh, which could have been avoided had the earlier tenders been finalised within the validity period; the works are still in progress (April 1985).

The matter was reported to the Government in May 1985; reply was awaited (February 1986).

IRRIGATION/PUBLIC HEALTH/BUILDINGS AND ROADS DEPARTMENTS

4.10. Cash settlement suspense account

Cost of materials supplied or services rendered by one Public Works Division to another (Receiving Division)

is initially debited to the head "Cash Settlement Suspense Account" by the Division Supplying material or rendering services (originating Division). The receiving Division has to make payment by issuing cheque/bank draft within a period of 10 days of the receipt of claim from the originating division and clear thereby the balance outstanding under the suspense head. There should normally be no balance outstanding under this suspense head at the end of the year. The outstanding balances represent the outstanding liabilities of the receiving divisions and their non-adjustment indicates that expenditure to this extent has remained unaccounted for under the final heads and, consequently, the excesses and surrenders against grants/appropriations do not represent the true position. The items, if not settled in time, may conceal frauds and verification of the receipt of materials etc., is rendered difficult with the passage of time.

(ii) Department-wise analysis of balances at the end of 1984-85 was as follows :

| Serial Number | Name of Department | Total number of Divisions | Balance as on 31st March 1985 |
|----------------------|---------------------|---------------------------|-------------------------------|
| (In lakhs of rupees) | | | |
| 1. | Irrigation | 123 | 1,16.18 |
| 2. | Buildings and Roads | 55 | 1,57.80 |
| 3. | Public Health | 36 | 2,76.72 |
| | Total | 214 | 5,50.70 |

(iii) The information was received from 90 divisions (60 Irrigation, 17 Buildings and Roads and 13 Public Health) that Rs. 2,35.18 lakhs were outstanding at the end of March 1985. Year-wise details are given below :

| Year | Irrigation Department | Buildings and Roads Department | Public Health Department | Total |
|----------------------|-----------------------|--------------------------------|--------------------------|---------|
| (In lakhs of rupees) | | | | |
| Up to 1979-80 | 4.91 | 16.99 | 53.92 | 75.82 |
| 1980-81 | 0.83 | (-)-1.29 | 8.11 | 7.65 |
| 1981-82 | 10.37 | 6.32 | 48.44 | 65.13 |
| 1982-83 | 13.03 | 1.24 | 9.04 | 23.31 |
| 1983-84 | 16.93 | 8.95 | 20.06 | 45.94 |
| 1984-85 | (-)-0.18 | 12.81 | 4.70 | 17.33 |
| Total | 45.89 | 45.02 | 1,44.27 | 2,35.18 |

(iv) A test check (March—July 1985) of outstanding balances in 18 divisions (7 Irrigation, 5 Buildings and Roads and 6 Public Health) disclosed as on 31st March 1985, the following :

- (a) In 12 divisions claims for Rs. 70.17 lakhs (2 Irrigation : 5.42 lakhs; 5 Buildings and Roads : Rs. 8.41 lakhs and 5 Public Health : Rs. 56.34 lakhs) were preferred after a time lag of one month to three years.
- (b) Minus balances of Rs. 1,19.20 lakhs were appearing in 11 divisions (6 Irrigation : Rs. 72.74 lakhs; 2 Buildings and Roads : Rs. 2.25 lakhs; and 3 Public Health : Rs. 44.21 lakhs) due to advance payments received for works to be executed, non-adjustments of outturns of different kinds of machinery, less supply of material against advance payments, non-posting of debits and mis-classifications.
- (c) In three divisions balances of Rs. 47.36 lakhs (one Irrigation : Rs. 1.37 lakhs; one Buildings and Roads : Rs. 4.89 lakhs; and one Public Health : Rs. 41.10 lakhs) were outstanding being disputed amounts as the liabilities were not accepted by the receiving divisions due to change in the jurisdiction of works.
- (d) In four divisions claims amounting to Rs. 10.44 lakhs (2 Buildings and Roads : Rs. 7.34 lakhs and 2 Public Health : Rs. 3.10 lakhs) pertaining to the years 1975-76 to 1984-85 were not preferred.
- (e) In three divisions, Rs. 1.09 lakhs were outstanding (2 Public Health : Rs. 0.67 lakh and 1 Irrigation : Rs. 0.42 lakh) against such divisions which are now under the Punjab Government. These balance relates to the period prior to 1966-67.
- (f) Original documents relating to claims received for Rs. 52.30 lakhs by 8 divisions (Rs. 5.92 lakhs in 2 Irrigation; Rs. 1.39 lakhs in 2 Buildings

and Roads and Rs. 44.99 lakhs in 4 Public Health) from other divisions between October 1972 and February 1985 were pending settlement for want of (a) non-verification of claims, (b) sanction of estimates, (c) non-provision in the estimates and (d) details from the originating divisions.

- (g) Complete details of the balances amounting to Rs. 9.27 lakhs (Rs. 7.19 lakhs in one Irrigation Division and Rs. 2.08 lakhs in one Buildings and Roads Division) and of minus balances Rs. 4.35 lakhs (one Buildings and Roads : Rs. 0.85 lakh and in one Public Health : Rs. 3.50 lakhs) were not known to the Division concerned.
- (h) In March 1984, Provincial Division, B&R, Charkhi Dadri made an advance payment of Rs. 10.28 lakhs to a supplier. The material had, however, not been received and the Division booked Rs. 6.05 lakhs to Cash Settlement Suspense Account against Provincial Division, Bhiwani and Rs. 4.23 lakhs to Miscellaneous Public Works Advances.

It was noticed that (i) these amounts were transferred from suspense head to family planning head in March-Supplementary 1984 and (ii) the entire amount was reversed from family planning to suspense heads in April 1984. The Executive Engineer stated (July 1985) that these adjustments were made to exhibit utilisation of funds under the family planning head to avoid lapse of appropriation during the financial year 1983-84.

- (i) In 8 divisions (3 Irrigation, 4 Public Health and 1 Buildings and Roads) the media of Cash Settlement Suspense Account was used for transfer of Cash by one Division to another which is not permissible under the rules.
- (j) In 5 Divisions (2 Irrigation, 2 Buildings and Roads and 1 Public Health) the suspense head was wrongly used for transactions with autonomous bodies and offices other than Public Works Offices.

- (k) The division-wise register of transactions/register of claims received were not maintained in 9 divisions (5 Irrigation and 4 Buildings and Roads) in the absence of which it could not be ascertained that all the claims raised by originating divisions were received in the receiving divisions and vice-versa.

The matter was referred to Government in August 1985; reply was awaited (February 1986).

4.11. Miscellaneous Public Works Advances

(i) The balances under this suspense head represent value of stores sold on credit, expenditure incurred on deposit works in excess of deposits received, losses of cash or stores and advances and dues awaiting recovery from Government servants, contractors. Items under this head are to be cleared either by actual recovery or by transfer under proper sanction or authority to appropriate head of account. Non-adjustment or non-recovery of these balances over long periods results in the works accounts remaining under-charged and/or the dues becoming eventually, irrecoverable.

(ii) At the end of March 1985, Rs. 17,28.69 lakhs were outstanding in 214 divisions (123 Irrigation, 55 Buildings and Roads and 36 Public Health) under this head as shown below :

| Serial Number | Description | Irrigation Division | Buildings and Roads Division | Public Health Division | Total |
|----------------------|---|---------------------|------------------------------|------------------------|----------|
| (In lakhs of rupees) | | | | | |
| 1. | Sales on credits | 8.75 | 0.35 | 2.29 | 11.39 |
| 2. | Expenditure on deposit works in excess of deposits received | 55.27 | 10.98 | 45.75 | 1,12.00 |
| 3. | Losses, retrenchment, errors etc. | 14.57 | 6.80 | 5.29 | 26.66 |
| 4. | Other items | 10,73.69 | 2,39.63 | 2,65.32 | 15,78.64 |
| | Total | 11,52.28 | 2,57.76 | 3,18.65 | 17,28.69 |

(iii) In 82 Divisions, from whom information was collected, outstanding balance, as on 31st March 1985, were Rs. 8,26.74 lakhs, (48 Irrigation : Rs. 5,75.15 lakhs, 20 Buildings and Roads : Rs. 93.23 lakhs and 14 Public Health : Rs. 1,58.36 lakhs). Year-wise/Department-wise break up of balances is given below :

| Year | Irrigation | Buildings and Roads | Public Health | Total |
|----------------------|------------|---------------------|---------------|---------|
| (In lakhs of rupees) | | | | |
| Up to | | | | |
| 1979-80 | 26.65 | 18.87 | 45.54 | 90.06 |
| 1980-81 | 1,95.27 | 2.04 | 3.27 | 2,00.58 |
| 1981-82 | 1,61.40 | 5.86 | 6.61 | 1,73.87 |
| 1982-83 | 56.93 | 17.61 | 16.01 | 90.55 |
| 1983-84 | 26.09 | 13.33 | 11.84 | 51.26 |
| 1984-85 | 1,09.81 | 35.52 | 75.09 | 2,20.42 |
| Total | 5,75.15 | 93.23 | 1,58.36 | 8,26.74 |

(a) Rupees 2,73.42 lakhs were outstanding in 60 divisions (29 Irrigation : Rs. 1,36.11 lakhs; 18 Buildings and Roads : Rs. 52.68 lakhs and 13 Public Health : Rs. 84.63 lakhs) against contractors, suppliers, private parties and Government servants for the period ranging from one year to ten years on account of advance payments, material received short, demurrage charges and shortages of material.

(b) Rupees 10.27 lakhs remained unrecovered in 23 Divisions (8 Irrigation : Rs. 2.29 lakhs; 9 Buildings and Roads : Rs. 6.27 lakhs and 6 Public Health : Rs. 1.61 lakhs) on account of losses, retrenchments etc., for the period ranging from 1 to 10 years.

(c) Rupees 4,59.40 lakhs in 70 Divisions (40 Irrigation : Rs. 4,08.07 lakhs, 17 Buildings and Roads : Rs. 32.88 lakhs and 13 Public Health : Rs. 18.45 lakhs) were outstanding for the period 1 to 10 years on account of shortages, advance payment to other divisions for supply of material, telephone charges, water charges, etc.

(d) An excess expenditure of Rs. 77.75 lakhs incurred on deposit works was awaiting recovery from local/autonomous bodies in 6 Divisions (4 Irrigation : Rs. 24.70 lakhs and 2 Public Health : Rs. 53.05 lakhs).

(iv) A test check (April—July 1985) by Audit of the outstanding items pertaining to 18 divisions (7 Irrigation : 5 Buildings and Roads and 6 Public Health) disclosed the following :

(a) Value of stores/excess consumption of material/irregular expenditure, irregular purchases, demurrage charges amounting to Rs. 21.38 lakhs in 14 Divisions (Rs. 7.16 lakhs in 5 Irrigation, Rs. 5.73 lakhs in 3 Buildings and Roads and Rs. 8.49 lakhs in 6 Public Health) pertaining to the period from 1963-64 to 1984-85 were outstanding against Government officials.

(b) A sum of Rs. 0.15 lakh in three Divisions (2 Irrigation : Rs. 0.11 lakh and 1 Buildings and Roads : Rs. 0.04 lakh) has become irrecoverable due to resignation, retirement, death or the names of officials against whom recoveries were due are not known.

(c) Advance payments made to firms/suppliers/Departments by 13 divisions amounting to Rs. 1,13.79 lakhs (3 Irrigation : Rs. 57.56 lakhs; 4 Buildings and Roads : Rs. 14.76 lakhs and 6 Public Health : Rs. 41.47 lakhs) were outstanding since 1962-63 for either non-receipt of material from the suppliers or non-adjustment of receipt of material from them (February 1986).

(d) Rupees 0.95 lakh outstanding in 3 Irrigation Divisions were recoverable from 19 officials/officers who were allocated to other states viz. Punjab and Himachal Pradesh due to reorganisation of the States in 1966.

(e) Rupees 22.77 lakhs were outstanding in 8 divisions (Rs. 7.95 lakhs in 2 Irrigation; Rs. 10.42 lakhs in 2 Buildings and Roads and Rs. 4.40 lakhs in 4 Public Health) since 1965-66 to 1984-85 against contractors on account of (i) minus bills, (ii) works got done at their risk and cost and (iii) cost of material and wharfage charges.

The Executive Engineer, Public Health Division, Panchkula intimated (July 1985) that the whereabouts of

4 contractors against whom Rs. 1.40 lakhs were outstanding are not known and recoveries cannot be effected.

(f) Rupees 2.34 lakhs were outstanding in 3 divisions (1 Irrigation : Rs. 0.72 lakh; 1 Buildings and Roads : Rs. 0.90 lakh and 1 Public Health : Rs. 0.72 lakh) since 1964-65 to 1984-85 against officials whose whereabouts were not known to the division.

(g) Decretal charges of Rs. 0.32 lakh in WJC Division, Karnal, were debited (April 1982) to this suspense head instead of obtaining budget provisions under final head of account. Sanction of the Government to regularise these charges was awaited (February 1986).

(h) In three divisions Rs. 90.75 lakhs (One Irrigation : Rs. 14.89 lakhs, One Buildings and Roads : Rs. 3.39 lakhs and One Public Health : Rs. 72.47 lakhs) being expenditure on deposit works in excess of deposits were not debited to this head.

The above matter was referred to the Government in August 1985; reply was awaited (February 1986).

CHAPTER V

STORE AND STOCK

MEDICAL AND HEALTH DEPARTMENT

5.1. Sub-standard medicines/drugs

5.1.1. (a) Under the National Malaria Eradication Programme (NMEP) an order for the supply of 2,800 tonnes of B.H.C. 50 per cent insecticide costing Rs. 2,08.06 lakhs was placed by the Director, Health Services, Haryana, in January 1984 (1800 tonnes) and by Director NMEP, New Delhi on behalf of the State Government in May 1984 (1000 tonnes) on M/s Southern Pesticide Corporation Limited, Hyderabad. Out of the total quantity ordered, only 1257.450 tonnes were received in different consignments by different District Malaria Officers in the State up to August 1984 and the balance quantity was not supplied.

On receipt of these consignments, the quality of the insecticide was tested by an approved chemical analyst Sri Ram Test House, Delhi and out of 17 random samples taken, 14 were found sub-standard. The department issued telegraphic instructions (June 1984) to all the District Malaria Officers to suspend spray of the insecticide and simultaneously reported the matter to the Director, NMEP and the supplier. The samples tested in the laboratory of the Director, NMEP too were found sub-standard. In September 1984, the department again informed the Director, NMEP that the method of testing as adopted was prescribed by the ISI authorities and even after adding rectificatory agents, the quality had not improved.

The supplier, however, declined (December 1984) to replace the material stating that the method adopted for testing was not acceptable to them. The Director, NMEP suggested (April 1985) joint sampling/testing by the State Government and the supplier but the suggestion was turned down by the State Government as it was felt that

the same would not prove useful particularly when results did not conform to ISI specification even after adding rectificatory agents. Up to the time of issue of telegraphic instructions to District Malaria Officers in June 1984, 527.634 tonnes (Rs. 39.21 lakhs) had been consumed and the balance quantity of 729.716 tonnes (Rs. 54.22 lakhs) was lying un-replaced/unconsumed with the department (July 1985). The shelf-life of the insecticide being 24 months will expire between December 1985 and April 1986.

(b) Between 1980-81 and 1984-85, 62 samples of different drugs in stock of Chief Medical Officer, Karnal were taken by Drug Inspector for testing and of them, 25 samples were declared sub-standard. There was nothing on record to show that action was taken against the defaulting manufacturers. In all, medicines worth Rs. 2.59 lakhs were thus declared sub-standard of which medicines worth Rs. 0.37 lakh were awaiting replacement from the suppliers (July 1985) and medicines worth Rs. 2.22 lakhs had been consumed during the period intervening the dates of taking samples and test reports.

5.1.2. Purchase and disposal of medicines/drugs

(i) Rules prohibit rush of expenditure during March to avoid lapse of appropriation. During 1979-80 to 1984-85, the central store of the Department, Karnal purchased medicines and drugs valuing Rs. 2,45.21 lakhs of which purchases to the tune of Rs. 1,46.23 lakhs were made in the months of March (1980-81 : Rs. 37.05/23.09 lakhs; 1981-82 : Rs. 20.49/6.52 lakhs; 1982-83 : Rs. 34.71/19.92 lakhs; 1983-84 : Rs. 1,23.64/83.82 lakhs and 1984-85 : Rs. 29.32/12.88 lakhs).

During 1983-84 heavy stock of medicines and drugs was purchased (Rs. 1,23.64 lakhs) for prevention and cure of diseases caused by floods during that year. While the floods had occurred during July-September 1983, a large chunk of medicines were purchased only in March 1984 (Rs. 83.82 lakhs) and the stock was issued to hospitals and dispensaries all over the State only during 1984-85.

(ii) In March 1982 the Departmental Central Store, Karnal already had a stock of 20 lakh tablets of paracetamol. A further stock of 28.24 lakh tablets (Rs. 3.83 lakhs)

was purchased in the same month bringing the total stock at 58.24 lakh tablets. However, not even a single tablet was issued to any hospital/dispensary up to June 1983.

(iii) The department purchased (March 1984) 2,096 kits of allopathic medicines (Rs. 1.96 lakhs) for use by Chief Medical Officer, Gurgaon despite 2,325 kits were already available in stock. Out of total 4,421 kits only 2,091 kits were put to use up to October 1985.

(iv) Under the departmental purchase rules the Chief Medical Officer can in emergent situations, make local purchase of medicines up to 2 per cent of the allotment of funds under medicines. In test check of Rohtak and Karnal districts this limit was found to have not been observed, while in Rohtak the excess local purchase of medicines ranged between Rs. 0.45 lakh (1981-82) and Rs. 0.60 lakh (1983-84) whereas in Karnal the excess varied from Rs. 0.06 lakh (1983-84) to Rs. 0.47 lakh (1981-82). Further, contrary to rules justification for local purchases was not sent by the Chief Medical Officers to the directorate.

(v) Medicines worth Rs. 0.26 lakh were damaged in Rohtak district due to floods in August 1983. An enquiry was ordered by the Government in August 1983 to fix responsibility; the results of enquiry were awaited (February 1986).

5.1.3. Idle equipment

(a) Two dental machines (Rs. 0.20 lakh) purchased in Civil Hospital, Jind (July 1980) and Karnal (September 1980) went out of order within a month of purchase due to their use without voltage stabilizers. The supplier refused to rectify the defects stating that these should not have been used without stabilizers. Both the machines were still lying idle (February 1986).

(b) One, 100 MM X-Ray plant purchased in August 1967 (Rs. 0.39 lakh) had outlived its life and was condemned in Civil Hospital, Karnal in May 1983. The plant had, however, not so far been disposed of (February 1986). In Civil Hospital, Hissar and Panipat three X-Ray plants purchased in March 1968 (Rs. 0.28 lakh); March 1978 (Rs. 0.32 lakh), and July 1976 (Rs. 0.26 lakh) went out of order

in June 1982, September and October 1984 respectively but there was nothing on record to show the reasons due to which these were rendered idle or the steps taken to repair them. Another X-Ray plant costing Rs. 0.58 lakh was awaiting repair in T.B. Clinic, Sonapat since October 1984; its date of purchase and reasons due to which it went out of order were not made available.

5.1.4. Non-disposal of condemnable vehicles

(i) In March 1980, the Department had a fleet of 294 vehicles and during the subsequent five years period it acquired 123 new vehicles (Rs. 1,08.76 lakhs). Out of these 417 vehicles in March 1985, as many as 134 had either run the requisite period of 5 years and/or 1.20 lakh Kms. or were damaged due to accidents, engine bursts etc. but no action for condemnation/auction has been taken so far (February 1986).

(ii) Condemned vehicles were allowed for use subject to annual repair charges not exceeding Rs. 1,800. In Rohtak district four such vehicles were used but repair charges during 1984-85 far exceeded the limit resulting in excess expenditure of Rs. 19,493.

5.1.5. Physical verification.

(i) No physical verification of stores and stock was done in Civil Hospital, Rohtak (1983-84 and 1984-85), Karnal (1980-81 and 1981-82) and Primary Health Centre, Nilokheri (1980-81 onwards).

(ii) Spare parts (Rs. 1.08 lakhs) on stock of Central Workshop of the Health Transport Organisation were not physically verified during the period test checked from 1980-81 onwards. Department stated (June 1985) that physical verification can not be done, reasons for which have not been stated.

The matter was reported to the Government (August 1985); reply was awaited (February 1986).

BUILDINGS AND ROADS DEPARTMENT

5.2. Store and stock

As on 31st March 1985 there were 55 Buildings and Roads Divisions in Haryana who were handling stores.

The receipt and issue of stores during the year 1984-85 were as under:

| (In lakhs of rupees) | |
|----------------------|-------------|
| Opening Balance | (—) 4,56.46 |
| Receipt | 68,95.36 |
| Total | 64,38.90 |
| Issue | 68,74.25 |
| Closing balance | (—) 4,35.35 |

The following points were noticed:—

(a) Information received from 47 Divisions revealed that the Reserve Stock Limit of 21 Divisions had not been sanctioned. Stock held by these 21 Divisions as on 31st March 1985 was to the tune of Rs. 1,59.20 lakhs. In respect of 2 Divisions, the stock held by them exceeded the Reserve Stock Limit by Rs. 10.5 lakhs.

(b) There were minus balances amounting to Rs. 1,81.78 lakhs under the Suspense had "STOCK" in 17 Divisions at the end of March 1985. The minus balances were mainly due to non-accountal of the value of stock material received from the Director General of Supplies and Disposals and profit on "STOCK-STORAGE" due to higher issue rates. Delays in adjustment of transactions and non clearance of minus balances are indicative of the fact that store accounts do not reflect the true position.

(c) Rules provide that balance of stores should not be held in excess of requirement and stores remaining in stock for more than one year should be considered surplus unless there are sufficient reasons. In 19 Divisions material valuing Rs. 53.05 lakhs since 1976-77 to date was lying surplus. No action had been taken by the respective divisions to dispose of or to transfer the surplus material to other divisions.

(d) On the basis of requirement intimated by the Executive Engineer, Electrical Division, Rohtak, the Superintending Engineer, PWD, B & R (Electrical Circle),

Karnal placed an order (October 1980) for the supply of 2 feet long box type (20 watts) 710 electric fittings valuing Rs. 0.54 lakh. The supplies were received in March 1981 when 335 such fittings were already lying in store. Up to February 1985, 160 fittings were issued to different works and 85 fittings were transferred to Electrical Division, P W D, B & R, Hissar in March 1982 leaving a balance of 800 fittings unutilised (February 1986). Thus the purchase of 710 fittings valuing Rs. 0.54 lakh was unwarranted.

(e) On physical verification of store by the Sub-Divisional Engineer, Provincial Sub-Division, Gurgaon (March 1984) of Provincial Division, Nuh, it was reported that material worth Rs. 0.47 lakh (empty bitumen drums) was found short. No action to fix responsibility was taken (February 1986).

(f) Against a supply order placed by the Executive Engineer, Provincial Division, Faridabad, 10,427 bitumen drums were supplied by Bharat Petroleum Corporation Limited to Faridabad by rail. Of these, 1,463 bitumen drums valuing Rs. 6 lakhs were received short/in damaged condition. Accordingly, a claim for Rs. 6 lakhs was lodged with Central Railway (July 1981) which on re-assessment was subsequently reduced to Rs. 4.03 lakhs.

The Railways, however, accepted the claim for Rs. 3.44 lakhs only and rejected the claim for Rs. 0.59 lakh attributing the damage to the negligence of the labour of the handling contractor and also claimed Rs. 1.05 lakhs on account of wharfage/demurrage charges. The Executive Engineer stated (November 1985) that the concerned Sub Divisional Officer has been held responsible for the loss and the amount has been placed in Miscellaneous Public Works Advances against him.

(g) In 20 divisions, tools and plants returns were either not prepared or not got audited (February 1986). Of these, seven cases are more than 10 years old and eight cases more than 5 years old.

(h) Rupees 4.74 lakhs (Provincial Division, Naraingarh : Rs. 1.19 lakhs, Provincial Division, Chandigarh : Rs. 3.55 lakhs) charged to works (March 1985) on account of cost of material, was subsequently written back (May 1985).

The fictitious adjustment was intended to avoid lapse of funds during the financial year 1984-85.

The above matter was referred to Government in August 1985; reply was awaited (February 1986.)

IRRIGATION DEPARTMENT

5.3. Shortages in stores

(a) In J. L. N. Feeder Division No. IV, Bhiwani a Junior Engineer pilfered 35 bags of cement by tampering 400 cement bags on 9th February 1984 and carried them away in a truck without giving any indent or challan. This was reported by the Chowkidar to his superior officer on the same day. He was placed under suspension by the Superintending Engineer on 25th February 1984. As the official refused to hand over the charge, the Executive Engineer deputed two Sub Divisional Officers for a special physical verification of the stores held by him. Physical verification conducted during March—June 1984 revealed shortages of stores costing Rs. 1.39 lakhs. The Junior Engineer handed over the charge on 15th June 1984 and he was deemed to have been suspended from 9th February 1984. He was re-instated in December 1984.

In test check it was noticed that neither any report was lodged with the police for the shortages/tampering of cement bags nor any charge sheet was served on the concerned official so far (August 1985). Physical verification of stock was also not conducted by the Division after 1982-83.

The Engineer-in-Chief stated (August 1985) that the official was re-instated in December 1984 and charge sheet for disciplinary proceedings was being prepared against the official. Further developments were awaited (February 1986).

The matter was reported to the Government (May 1985); reply was awaited (February 1986).

(b) A Junior Engineer incharge of stores in J. L. N. Feeder Construction Sub-Division No. V, Rohtak did not handover charge of tools and plants and store articles on

orders for transfer in September 1982. A special physical verification of the material by two Sub-Divisional Officers as per orders of the Superintending Engineer concerned in January 1983, revealed shortages of stores worth Rs. 1.57 lakhs which, on re-verification in January 1984, were found worth Rs. 1.07 lakhs.

A test check (August 1983 and July 1985), revealed that no action has been taken against the Junior Engineer so far and a draft show cause notice submitted by the Executive Engineer in December 1984 was awaiting approval of the Chief Engineer (July 1985). Annual physical verification of stores since 1981-82 has not so far been conducted by the divisional office. Annual tool and plants returns since September 1980 to May 1984 the date of winding up of the division had not been prepared in respect of the charge held by the Junior Engineer.

The Engineer-in-Chief intimated (November 1985) that the charge sheet received from circle office is under process and the amount of shortages will be recovered from the official during his service period.

The matter was reported to the Government in August 1985; reply was awaited (February 1986).

ANIMAL HUSBANDRY/POLICE/AGRICULTURE DEPARTMENTS

5.4. Shortages

The details of five cases of shortages of material valuing Rs. 0.92 lakh noticed by audit in test check are given below :

| Name of the Office | Period of Audit | Audited during | Value (In lakhs of rupees) | Remarks |
|--|-----------------------------|----------------|----------------------------|---|
| (1) | (2) | (3) | (4) | (5) |
| ANIMAL HUSBANDRY | | | | |
| Sector Superintendent Sector-1, Government Live Stock Farm, Hissar | February 1982 to April 1984 | March-May 1984 | 0.16 | On 28th January 1982, there was a balance of 22.80 quintals of Raya Parkash-Rape Seed as per store ledger. The Assistant Store Keeper Incharge made fictitious entry in January 1982 for issue of 20 quintals of seed valuing Rs. 8,100 in the name of a firm and reduced the balance to 2.80 quintals. The matter was stated to be under investigation (September 1985). |

(1) (2) (3) (4) (5)

(b) The Assistant Store Keeper issued to himself during the period from December 1979 to June 1983 various store items valuing Rs. 8,086 without sanction of competent authority. Matter was reported to be under investigation (February 1985).

POLICE

| | | | | |
|---|------------------------|----------|------|--|
| Senior Superintendent of police, Bhiwani. | May 1981 to April 1982 | May 1982 | 0.25 | Non consumable store articles valuing Rs. 25,353 issued to various police stations were not accounted for in the store register of recipient police station. The S.P. Bhiwani stated (July 1985) that the matter was being looked out. |
|---|------------------------|----------|------|--|

AGRICULTURE

| | | | | |
|-------------------------------------|---------------------------------|--------------|------|---|
| Deputy Director Agriculture, Hissar | September 1983 to December 1984 | January 1985 | 0.21 | Agriculture produce worth Rs. 0.15 lakh and Rs. 0.06 lakh was found short against two Agriculture Development Officers (A.D.O), during physical verification in January 1984. The Department reported (July 1985) that one of the ADOs was placed under suspension from December 1984, while action to suspend the other was being taken. |
| Deputy Director Agriculture, Karnal | April 1981 to March 1982 | April 1982 | 0.10 | Shortage of stores worth Rs. 6,600 and Rs. 3,053 was found against two Farm Managers while handing over charge on 16th February 1981 and January 1982 respectively. The department stated in July 1985 that matter was under investigation. |
| Deputy Director Agriculture, Karnal | April 1981 to March 1982 | April 1982 | 0.20 | At the time of transfer of an ADO in May 1981, store articles worth Rs. 12,608 were short in stock and hence not handed over. The department stated (July 1985) that the matter was under investigation of Vigilance Department. |

The matter was reported to the Government in August 1985; reply was awaited (February 1986).

CHAPTER VI

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

6.1. Grants

During the year 1984-85 Rs. 69.23 crores (about 9.10 per cent of revenue expenditure) were paid as grants as shown below :

| | Amount (In crores of rupees) |
|---|---------------------------------|
| Educational institutions (including Universities) | 16.24 |
| Panchayati Raj institutions | 1.00 |
| Municipal Councils/Corporations | 5.33 |
| Other institutions (including statutory bodies) | 46.66 |

The broad purposes for which the grants were given were as under :

| | Amount (In crores of rupees) |
|---|---------------------------------|
| (i) Social Community Services— | |
| (a) Education | 16.25 |
| (b) Urban Development | 5.33 |
| (c) Social Security and Welfare | 1.86 |
| (d) Public Health | 0.15 |
| (e) Others | 0.07 |
| (ii) Economic Services—Industry | 0.22 |
| (iii) Agriculture and Allied Services— | |
| (a) Agriculture | 5.23 |
| (b) Community Development | 1.00 |
| (c) Animal Husbandry | Nil |
| (d) Area development | 5.46 |
| (iv) Transport and Communication-Civil Aviation | Nil |

6.2. Utilisation certificates

The financial rules of the Government require that certificates of proper utilisation of grants should be furnished to Audit by the departmental officers within 18

months from the date of payment of grants. Utilisation certificates had not been received (August 1985) for Rs. 1,17.58 crores (1,657 cases) out of Rs. 1,33.80 crores (1,902 cases) paid by the Government during 1966-67 to 1983-84. Of these, certificates for Rs. 21.59 crores (741 cases) were due for over three years. The department-wise break-up of pending utilisation certificates is given in Appendix VII. In the absence of these certificates, it is not possible to verify as to what extent the recipient bodies had spent the grants for the purpose(s) for which these were given.

6.3. Unspent balances of grants paid to Local bodies

According to the information received from the Examiner, Local Fund Accounts Rs. 11,42.50 lakhs remained unutilised as on 30th September 1985, out of grants given by the Government to the local bodies up to the end of March 1984. Age-wise break-up of unspent balances is given below :

| Department which paid the grant | For more than 10 years | For more than 5 years but less than 10 years | For more than 3 years but less than 5 years | For 3 years or less | Total |
|---------------------------------|------------------------|--|---|---------------------|-----------------|
| (In lakhs of rupees) | | | | | |
| 1. Sanitary Board | 1,28.40 | 1,24.16 | 98.87 | 1,94.96 | 5,46.39 |
| 2. Local Government | 8.03 | 31.04 | 1,09.68 | 2,85.35 | 4,34.10 |
| 3. Development and Panchavat | 19.93 | 3.20 | 6.89 | 52.21 | 82.23 |
| 4. Miscellaneous | 5.74 | 4.86 | 2.11 | 67.07 | 79.78 |
| Total | 1,62.10 | 1,63.26 | 2,17.55 | 5,99.59 | 11,42.50 |

The unspent balances included Rs. 6,49.67 lakhs deposited by the local bodies with the P.W.D. for execution of works for which accounts of expenditure had not been rendered by the P. W. D. to the local bodies (September 1985). These also included Rs. 53.55 lakhs which were utilised on the expiry of prescribed period without approval of the sanctioning authority or was reported to have been spent but accounts thereof were not made available to Examiner, Local Fund Accounts.

Section I**6.4. Bodies and Authorities substantially financed by Government grants and loans**

For purposes of audit under Section 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, information about bodies/authorities which received grants/loans of not less than Rs. 5 lakhs (for the year up to 1982-83)/not less than Rs. 25 lakhs (for the year 1983-84 and 1984-85) in a year, were required to be furnished by the Government. The same is awaited (February 1986). On the basis of information about grants/loans available with the Audit, 21 bodies/authorities for 1977-78, 36 for 1978-79, 52 for 1979-80, 74 for 1980-81, 76 for 1981-82 and 77 for 1982-83 received grants/loans of Rs. 5 lakhs or more and 6 bodies for 1983-84 and 7 bodies for 1984-85 received grants/loans for Rs. 25 lakhs or more. These bodies/authorities were asked to submit their accounts to the audit. However, accounts had not been received from 1 body for 1977-78, 3 bodies for 1978-79, 7 bodies for 1979-80, 11 bodies for 1980-81, 17 bodies for 1981-82, 24 bodies for 1982-83, 4 bodies for 1983-84 and 7 bodies for 1984-85 (February 1986) vide Appendix VI.2.

Matter is under correspondence with the State Government.

Important point noticed during audit of some of the bodies and authorities are given in the succeeding paragraphs:

DEVELOPMENT DEPARTMENT**6.5. Desert Development Programme****6.5.1. Introductory**

The Centrally sponsored 'Desert Development Programme' (DDP) which aimed at integrated development of desert areas through arresting the desert conditions and

simultaneously conserving, harnessing, developing and utilising the resources in an integrated manner was started in Sirsa, Bhiwani, Rohtak and Hissar districts in 1977-78. The programme was being implemented in these districts through District Rural Development Agencies (DRDAs) and expenditure was shared on 50 : 50 basis by the Central and the State Governments. No survey was conducted to ascertain the extent of desert in the State before commencement of the Programme and the area so far reclaimed as a result of implementation of the Programme had not been identified by the State Government.

6.5.2. Financial outlay

(a) Rupees 3,46.60* lakhs remained un-utilised on the programmes at the end of 1978-79. During 1979-80 to 1983-84, grants aggregating Rs. 9,40.85 lakhs were released to the agencies of which central assistance received was Rs. 5,58.11 lakhs as under;

| Year | Allocation | | | Funds released by State Government to DRDAs | Expenditure by DRDAs |
|----------------------|------------|---------|----------|---|----------------------|
| | Central | State | Total | | |
| (In lakhs of rupees) | | | | | |
| 1979-80 | 48.75 | 48.75 | 97.50 | Nil | 1,86.38 |
| 1980-81 | 1,29.89 | 1,29.89 | 2,59.78 | 1,81.91 | 2,02.78 |
| 1981-82 | 1,52.50 | 1,52.50 | 3,05.00 | 3,05.00 | 3,12.25 |
| 1982-83 | 1,11.97 | 1,11.97 | 2,23.94 | 2,15.44 | 2,86.01 |
| 1983-84 | 1,15.00 | 1,15.00 | 2,30.00 | 2,38.50 | 2,53.52 |
| | 5,58.11 | 5,58.11 | 11,16.22 | 9,40.85 | 12,40.94 |

Out of total allocation of Rs. 11,16.22 lakhs, the State Government released only Rs. 9,40.85 lakhs. The less release of Rs. 1,75.37 lakhs was due to the fact that during 1978-79, the State Government had released excess funds to the tune of Rs. 1,75.37 lakhs.

*Rs. 1,52.34 lakhs with the DRDAs and Rs. 1,94.26 lakhs advances with implementing departments.

(b) The receipts and expenditure of the agencies for the years 1979-80 to 1983-84 were as under :

| Receipt | Name of the Agencies | | | | |
|---------------------------------------|----------------------|----------------|----------------|----------------|-----------------|
| | Hissar | Rohtak | Bhiwani | Sirsa | Total |
| | (In lakhs of rupees) | | | | |
| 1. Opening Balance | 41.78 | 10.07 | 8.22 | 92.27 | 1,52.34 |
| 2. Grant-in-aid | 3,23.50 | 2,15.36 | 2,30.86 | 1,71.13 | 9,40.85 |
| 3. Other Receipts | 3.19 | 16.73 | 3.69 | 6.08 | 29.69 |
| Total | 3,68.47 | 2,42.16 | 2,42.77 | 2,69.48 | 11,22.88 |
| Payment | | | | | |
| 1. Revenue | 3,77.03 | 2,10.59 | 2,11.99 | 3,42.09 | 11,41.70 |
| 2. Capital | 1.08 | 24.50 | 70.67 | 2.99 | 99.24 |
| 3. *Advances to implementing Agencies | (—)9.73 | (—)1.85 | (—)44.06 | (—)80.01 | (—)1,35.65 |
| 4. Closing Balances | 8.09 | 8.92 | 4.17 | 4.41 | 17.59 |
| | 3,68.47 | 2,42.16 | 2,42.77 | 2,69.48 | 11,22.88 |

Sector wise break up of expenditure was Forest: Rs. 6,59.95 lakhs; Agriculture: Rs. 25.63 lakhs; Animal Husbandry: Rs. 2,32.93 lakhs; Irrigation: Rs. 61.89 lakhs; Dairy Development: Rs. 2,25.22 lakhs; Fisheries: Rs. 1.26 lakhs and Project Administration: Rs. 52.46 lakhs (Total: Rs. 12,59.34 lakhs).

It was noticed that:

—The variations in the figures of actual expenditure (Rs. 12,40.94 lakhs) as per audited accounts of the Agencies and those depicted in the progress reports (Rs. 12,59.34 lakhs) submitted by the Project Cell to the Government had not been reconciled (February 1986).

*Minus figures under the Head "Advances to implementing agencies" represent adjustment of advances given to them in the previous years (1977-78 and 1978-79).

—Rupees 1.80 lakhs (1982-83 : Rs. 0.30 lakh; 1983-84 : Rs. 1.50 lakhs) had been diverted to meet establishment charges in respect of IRDP and DPAP.

—Rupees 24.20 lakhs given as advances to implementing Agencies were treated as final expenditure in the accounts for 1982-83 by the DRDA Hissar without obtaining any utilisation certificates.

Mention regarding implementation of the programme during 1977-78 and 1978-79 was made in para 7.5 of the Audit Report for the year 1981-82 (Civil). Further test check of the accounts of the Agencies from 1979-80 to 1983-84 was conducted in February—May 1985 and the points under each sector noticed are mentioned in the succeeding paragraphs.

6.5.3. Forestry sector

Rupees 6,59.95 lakhs were spent during 1979-80 to 1983-84 under this sector on different schemes. Four schemes as under were test-checked :

| Serial Number | Scheme | Financial allotment | Expenditure | Physical | |
|----------------------|---------------------|---------------------|-------------|------------------|---------------------|
| | | | | Target | Achievements |
| (In lakhs of rupees) | | | | | |
| 1. | Afforestation | 1,10.01 | 83.21 | 6833 Hectares | 6479 Hectares |
| 2. | Sand Dunes Fixation | 44.85 | 39.19 | 2955 Hectares | 3019.50 Hectares |
| 3. | Shelter Belts | 2,19.58 | 2,11.78 | 24432 RKMs | 26170 RKMs |
| 4. | Pasture Development | 4.97 | 2.83 | 542 Hectares | 466 Hectares |

As may be seen from the above table, while expenditure in respect of sand dunes fixation and shelter belts was less than the financial allotment while physical achievements were more than targets. Financial allotment was, thus, not based on reliable estimates.

(i) Under the scheme, plantation was to be raised on public as well as on private land. For plantation on

private lands, cash subsidy at the rate of 25 and 33½ per cent of the total cost was payable to small and marginal farmers, respectively. Instead of paying subsidy in cash, plants were raised by the Forest Department during 1980-81 to 1983-84 on private lands in Bhiwani, Hissar and Sirsa at a cost of Rs. 29.74 lakhs. Categorisation of beneficiaries into small and marginal farmers was not identifiable in departmental records. Even assuming that all the plants were raised on the land of marginal farmers, the maximum amount of subsidy at the rate of 33½ per cent works out to Rs. 9.91 lakhs thus resulting in unauthorised expenditure of Rs. 19.83 lakhs due for recovery from beneficiaries.

(ii) (a) DRDA, Bhiwani approached the revenue authorities for measurement of the area actually covered by Forest Department as correctness of the same done by official of DRDA was not reliable. Physical measurements conducted by the Revenue Authorities (April 1984) at the instance of DRDA revealed that in village Mankawas (Bhiwani) actual area covered and plantation done were 98 hectares (1.07 lakh plants) against 310 hectares (3.41 lakh plants) claimed to have been done by the Forest Department, resulting in excess payment of Rs. 3.93 lakhs to the Forest Department. The claim for refund lodged by the Agency (July 1984) with the Forest Department was under investigation with the State Vigilance Department (February 1985).

(b) Similarly, physical verification conducted by the DRDA, Bhiwani (March 1984) revealed that in four villages of Bhiwani the actual area covered (42.5 hectares) was much less than the area reported to have been covered (68.5 hectares) by the D.F.O. Bhiwani resulting in excess payment of Rs. 0.50 lakh. Although the Chief Executive Officer, Bhiwani ordered (June 1984) physical re-verification of the area by the Revenue Authorities neither such re-verification had been done nor was any responsibility fixed for not conducting the same (February 1986).

(iii) Although the programme was to be restricted to rural areas, Rs. 2.71 lakhs were spent (Bhiwani: Rs. 2.53 lakhs and Hissar: Rs. 0.18 lakh) during 1981-82 to 1983-84 on afforestation of 86 hectares, raising of shelter belts in 82 Row kilometres and pasture development in 22 hectares in urban areas.

(iv) While passing 1,216 muster rolls amounting to Rs. 30.29 lakhs relating to work of raising nurseries, plantation and their maintenance in Bhiwani, Hissar, Rohtak and Sirsa, the Divisional Forest Officers reduced the value of the work done to Rs. 25.69 lakhs due to less work or poor quality of work done. As per record, however, full amount of Rs. 30.29 lakhs was shown as paid to the labourers during 1982-83 and 1983-84 and Rs. 4.60 lakhs were shown as recovered ranging from Rs. 100 to Rs. 11,000 from each guard. Reasons as well as source of recovery of such a huge amount from Guards/foresters were neither enquired nor any departmental action initiated against the delinquent officials (February 1986).

As a result of sub-standard work carried out at the time of plantation, the success of plantation raised, as physically verified by the Agencies, ranged from 50 to 75 per cent against the norms of 80 per cent.

(v) Rupees 1.09 lakhs intended for afforestation, sand dunes fixation and raising of shelter belts had been utilised by the District Forest Officer, Sirsa for the purchase of tyres/tubes, store articles and building materials during 1982-83 and 1983-84.

6.5.4. Minor irrigation

The main objective of the programme under this sector was to provide minor irrigation facilities by utilising maximum ground water resources through installation of tube-wells.

(a) (i) The Agency at Bhiwani advanced Rs. 26.60 lakhs (Rs. 13.60 lakhs in February/March 1981 and Rs. 13.00 lakhs in January 1982) to Haryana State Minor Irrigation Tubewell Corporation (HSMITC) Rewari for installation of 15 tubewells. The Corporation installed only 10 tubewells at a cost of Rs. 26.83 lakhs against the approved outlay of Rs. 22.66 lakhs. The excess (Rs. 4.17 lakhs) occurred because the HSMITC had charged departmental charges at the rate of 27½ per cent instead of 12½ per cent as provided in approved estimate and had laid underground pipes of increased length. Besides, the Corporation had also used PVC pipes of 6" dia and 17½ H.P. Motor as provided in the approved out-lay. No action to recover the excess

expenditure of Rs. 3.16 lakhs representing the difference on account of departmental charges and proportionate cost on account of use of pipe and motor of different specification, had been taken (February 1986). Besides, the percentage of area irrigated (72 to 80 acres) to area targeted for irrigation (576 acres during each year) ranged between 13 to 14 per cent during the years 1983-84 and 1984-85.

(b) The Sirsa agency placed a sum of Rs. 70.50 lakhs (Rs. 10 lakhs in January 1978, Rs. 55 lakhs in March 1978 and Rs. 5.50 lakhs in March 1981) at the disposal of HSMITC, Fatehabad for installation of 40 Tubewells in Rania block of Sirsa district. Out of these 40 tubewells installed, the percentage of area irrigated (1,058 to 2,868 acres) to area targeted for irrigation (4,030 to 9,766) ranged between 20 per cent and 30 per cent during 1979-80 and 1983-84.

The shortfall in achievements was attributed (March 1985) by HSMITC to less power supply by the HSEB; higher rate of water charges; installation of own tubewells by the beneficiaries; existence of sand dunes on the chak of certain tubewells; existence of irrigation facilities through canal water and unsuitability of water of some tubewells for irrigation.

In a State level meeting (August 1984) it was, however, decided that the Agency at Sirsa would investigate the causes of low achievement of the project by taking over one of the tubewells as a pilot case. The decision had not been implemented by the Agency so far (February 1986).

6.5.5. Agriculture

As against the total outlay of Rs. 77.08 lakhs for agricultural schemes under the programme during 1979-80 to 1983-84, the actual expenditure was Rs. 25.63 lakhs.

(i) Installation of shallow tubewells

Subsidy of Rs. 6.65 lakhs was disbursed against the target of Rs. 13.47 lakhs during 1979-80 to 1983-84 under the scheme. Against the target of 449 shallow tubewells, 301 tubewells were installed during this period. The shortfall was attributed to non-availability of cement and other

construction material. The agencies did not have any information about the additional land brought under irrigation and annual increase in agriculture production as a result of implementation of the scheme.

In Sirsa, subsidy of Rs. 0.30 lakh was released in favour of 10 beneficiaries to whom only first instalment of the loan had been released. There was nothing on record with the Agency as to the verification of the completion of work and adjustment of the subsidy against the loan in the bank's accounts.

(ii) A sum of Rs. 0.60 lakh was placed in February/March 1981 at the disposal of Chief Training Officer, Rohtak by the Agency at Rohtak, for the training of 500 farmers in adopting new technology in farming under this scheme. In all 345 farmers were taken on study tour to various places and Rs. 0.53 lakh were spent. The Agency did not have any information about the impact of training and number of meetings held, demonstrations organised and number of farmers induced by these trained farmers to adopt the new technology, as envisaged in the programme.

(iii) Raising of fruits and vegetable nursery at Balaur

The scheme envisaged free supply of fruit plants and vegetable seedlings to the small and marginal farmers and to the big farmers at the subsidised rate of 50 per cent. An expenditure of Rs. 4.69 lakhs was incurred on raising and maintaining the nursery during 1982-83 to 1984-85.

Against the target of 1 lakh plants, only 0.20 lakh plants were raised. Again, out of 55,250 fruit plants raised during 1982-83 to 1984-85 only 3,530 (6.39 per cent) were sold to farmers during this period. Shortfall in raising of plants during 1982-83 was attributed to non-handing over of good land by the Gram Panchayat. Shortfall in sale/distribution of fruit plants to the farmers was due mainly to non-availability of mother plants for grafting. It was, however, noticed in audit that out of 10 acres of land acquired for the nursery only three acres had been utilised for nursery and the remaining 7 acres were utilised for raising of peas seed, bajra, wheat, etc. No vegetable nursery had been raised. Thus, Rs. 4.69 lakhs

spent on raising of vegetable and fruit nursery did not yield any fruitful results.

6.5.6. Dairy development

With a view to enhancing milk production and its quality in such a way that producer at village level gets quick and maximum returns, the programme envisaged development on co-operative lines with three tier system viz., (a) primary co-operatives at village level to provide better services, inputs and health care for better production and collection of milk; (b) Co-operative unions at district level to arrange maximum remunerative price for milk produced by village co-operatives ; and (c) to promote and monitor the activities of village and district level co-operatives through Haryana Dairy Development Co-operative Federation.

During 1979-80 to 1983-84, a sum of Rs. 2,41.48 lakhs was placed by the agencies at the disposal of the Federation for execution of the scheme in Hissar, Rohtak, Sirsa and Bhiwani districts. Of this, Rs. 2,30.78 lakhs were utilised leaving an unspent balance of Rs. 10.70 lakhs as on 31st March 1984.

The objectives could not be achieved as may be seen from the following :

- (i) Rupees 9.83 lakhs were paid during 1979-80 to 1983-84 as managerial subsidy to 278 village milk co-operative societies (Bhiwani: 105, Hissar: 79; Sirsa: 29; and Rohtak: 65) against the target of 800 co-operative societies in these four districts. Out of 278 societies only 73 were functioning (March 1984). The closing down of a large number of societies was attributed to late payment of milk cost by the milk plants, heavy drought during last five years, villages not being on milk routes and heavy expenses on transportation of milk.

Average milk collection from these societies during the period from 1979-80 to 1983-84 was Bhiwani: 2,391 Kg. to 8,634 Kg., Hissar : 2,126 Kg. to 6,997 Kg. and Sirsa: 995 Kg. to 6,413 Kg. per

day, against the estimated collection of 20,000 Kg. per day. Information in respect of Rohtak district was not made available.

- (ii) Under this programme, the society secretaries were to be trained for doing artificial insemination and also for providing first aid. A sum of Rs. 1.30 lakhs was spent on training of 235 secretaries at Rohtak and Bhiwani by the Federation during 1979-80 to 1983-84. Animals numbering 7,798 were given artificial inseminations during this period resulting in birth of 1,201 calves (cows: 502 and buffaloes: 699). Thus the failure was 84 per cent. The reasons for high failure, as noticed in audit, were due to use of ineffective and time expired semen; lack of periodical check-up of animals inseminated and absence of fully-equipped laboratories.
- (iii) A milk plant with a capacity of 20,000 litres per day was set up by Haryana Dairy Development Corporation at Bhiwani in October 1972. With a view to diversifying its activities by production of condensed milk, HDDCF proposed to augment its capacity to 50,000 litres, per day, and for this purpose machinery and equipments valuing Rs. 36.91 lakhs was purchased during 1980-82. Of this, machinery and equipments valuing Rs. 30.84 lakhs were installed in Bhiwani plant during 1981-82 and the remaining valuing Rs. 6.07 lakhs not required at Bhiwani were transferred during 1982-84 to milk plants at Amabla, Jind and Rohtak for their use although Ambala and Jind plants were not covered by the project. The plant having additional installed capacity of 30,000 litres had, however, not been commissioned (February 1986) reportedly due to lack of demand for condensed milk.
- (iv) Land measuring about 20 acres (cost not known) was acquired in 1978 by the HDDCF at Sirsa for setting up a milk plant. Machinery and equipments costing Rs. 1,60.00 lakhs were purchased

by the Federation during 1980-84; of this, Rs. 66.03 lakhs were provided by the Agency during January-March 1979 and Rs. 93.97 lakhs were taken as loan by the Federation from banks. The entire machinery and equipments were lying un-installed in open for want of milk-plant building. HDDCF stated (October 1985) that, subject to availability of funds, the buildings will be constructed within a year's time.

Warranty period of 15 to 18 months from the date of supply or 12 months from the date of installation whichever is less has expired.

The purchase of the above equipments costing Rs. 1,60.00 lakhs included:

- (a) three boilers (Rs. 17.98 lakhs) for which an advance of Rs. 6.10 lakhs was paid to the supplier in May 1980. The boilers were received in April 1981. Rupees 4.59 lakhs, out of advance, were adjusted in final payments. The balance advance of Rs. 1.51 lakhs meant for accessories was, however, still outstanding as accessories had not been supplied by the supplier. The boilers were lying un-installed (February 1986); and
- (b) refrigeration equipments costing Rs. 22.71 lakhs for which supply order was placed on a Bombay based supplier in March 1980. Advance payment of Rs. 3.41 lakhs was released to the supplier in June 1980 stipulating delivery in February 1981. Equipments costing Rs. 6.95 lakhs were supplied between April 1981-October 1982 the bill was passed for payment after adjusting Rs. 0.97 lakh against the advance. The remaining equipment, though offered by the supplier, was not accepted by the Federation due to non-availability of milk plant building at Sirsa. In August 1983, the supplier increased the cost of equipment by Rs. 2.11 lakhs which was accepted by

the Federation (January 1984). The delivery of the equipment was, however, not yet obtained for want of building and balance advance of Rs. 2.44 lakhs was pending with the supplier (February 1986).

6.5.7. Animal husbandry

In all 26 Schemes with an outlay of 3,52.11 lakhs were implemented under the programme during 1979-80 to 1983-84 against which an expenditure of Rs. 2,32.93 lakhs was incurred.

(i) (a) Camel breeding centres

Twenty five Camel breeding centres were established (Bhiwani: 13; Rohtak: 4; Sirsa: 4; and Hissar: 4) during the period under review. These include 11 centres already functioning in Bhiwani district under the Drought Prone Area Programme merged in this scheme during 1983-84. Natural services numbering 907 (direct mating) were rendered during 1979-80 to 1983-84 against the targeted 2,640 services. The shortfall (66 per cent) was attributed to using camels for ploughing/transportation by farmers instead of for breeding purposes. It was, however, noticed that neither field survey had been conducted to ascertain the availability of camel population in the area nor were the farmers motivated to take up camel breeding on large scale although an expenditure of Rs. 6.66 lakhs had been incurred during 1979-80 to 1983-84 on the running of these centres.

(b) Charges at the rate of Rs. 20 per service are recovered at the time of rendering service. Against the service charges of Rs. 18,140 only Rs. 14,465 were recovered. The short recovery of Rs. 3,675 was due to rendering of unauthorised services, free of charges in 140 cases in Rohtak district during 1979-80, 1980-81 and 1982-83 and effecting of less recovery in 64 cases in Bhiwani district during 1980-81 and 1981-82. The maintenance of these centres was reviewed by a State Level Committee (January 1984) which had advised closure of those centres not found to be useful. Pursuant to this, 4 centres in Rohtak district had been closed (April 1984) and the camels were auctioned for Rs. 0.08 lakh (May 1984) and

the remaining centres were transferred (April 1984) to the State Animal Husbandry Department.

(ii) Piggery extension centres

Four piggery centres (2 each in Hissar and Rohtak districts) with a capacity of five boars in each centre were established during 1981-82 and 1982-83 under the programme. A sum of Rs. 10.40 lakhs had been spent on the running of these centres to end of 1983-84. Against the target of 2,040 natural services (1982-83: 1,060; 1983-84: 980), only 688 services (1982-83: 231; 22 per cent, 1983-84: 457; 47 per cent) were rendered. The shortfall was attributed to purchase of underage boars, for which no responsibility was fixed.

(iii) (a) Mule breeding centres

Nine Mules breeding centres (6 in Sirsa and 3 in Hissar) were established during 1979-80 to 1983-84. A sum of Rs. 1.38 lakhs was spent to end of 1983-84 on maintenance and running of the centres in Hissar. Under the scheme, Rs. 5 were to be charged for one natural service and each mule was required to render 40 services in a year.

Against the target of 280 Natural services (1981-82: 40; 1982-83: 120; and 1983-84: 120), only 168 services (1981-82: 44 — 110 per cent, 1982-83: 59 — 50 per cent, and 1983-84: 65 — 54 per cent) were rendered. Shortfall was attributed to the purchase of underage stud donkeys for which no responsibility was fixed.

(b) In Sirsa an expenditure of Rs. 0.96 lakh incurred during 1979-80 on the construction of 6 Mule buildings was rendered unfruitful due to non-availability of stud donkeys for these centres. The manner in which these buildings were now being used was not found on the records of the department.

(iv) Sheep shearing scheme

(a) Three electric sheep shearing machines costing Rs. 4.42 lakhs (Bhiwani: one for Rs. 1.67 lakhs and Sirsa: two for Rs. 2.75 lakhs) were imported from England during

1982—84 for modernising the orthodox method of sheep shearing and saving avoidable loss of wool. All the three machines could not be put into operation due to non-receipt of some of the spare parts. In case of Bhiwani, non-receipt of spare parts came to notice in December 1982 at the time of taking delivery of the machine and in case of Sirsa it came to notice in February 1984 at the time of installation of machinery. While spare parts for Sirsa were received in July 1984 no steps were taken to procure spare parts for Bhiwani (February 1986).

(b) Five listers sheep shearing machines (cost Rs. 3.43 lakhs) ordered in March and May 1982 reached Bombay port from London on 10th September 1982. The Shipping Corporation of India asked the Agency on 17th November 1982 to take delivery of the material promptly to avoid payment of demurrage charges. The Agency representative was deputed only on 19th December 1982 to take the delivery. The delay in obtaining the delivery resulted in an infructuous expenditure of Rs. 0.20 lakh on account of demurrage charges, responsibility for which had not been fixed by the Agency (February 1986).

While taking delivery one case containing one grinder (cost Rs. 0.10 lakh excluding custom duty) was found missing from the dock. The supplier advised the Agency (March 1984) to lodge the claim for the shortage with the Insurance Company. No claim had, however, been lodged by the Agency (February 1986). Reasons for not lodging the claim with the Insurance Company were also not on record.

6.5.9. Summing up

The DRDAs had an unspent balance of Rs. 3,46.60 lakhs at the end of 1978-79 and during 1979-80 to 1983-84 grants aggregating Rs. 9,40.85 lakhs (including central assistance of Rs. 5,58.11 lakhs) were released by the State Government. Out of total funds (Rs. 12,87.45 lakhs), Rs. 12,40.94 lakhs were spent by the Agencies on development of forestry, dairy, animal husbandry, minor irrigation, agriculture and fisheries in Bhiwani, Rohtak, Hissar and Sirsa districts. Major chunk of expenditure was on forestry (Rs. 6,59.95 lakhs), followed by animal husbandry (Rs. 2,32.93 lakhs) and dairy development (Rs. 2,30.78 lakhs).

In forestry sector, there was an unauthorised/excess expenditure of Rs. 26.47 lakhs on plantation on private lands (Rs. 19.83 lakhs), inflated coverage of area under plantation (Rs. 3.93 lakhs) and plantation in urban areas (Rs. 2.71 lakhs).

There was a shortfall in irrigation area anticipated to be covered. Ten deep irrigation tubewells (Rs. 26.93 lakhs) provided 13 to 14 per cent irrigation in Bhiwani district and Forty tubewells (Rs. 70.50 lakhs) provided only 20 to 30 per cent irrigation in Sirsa district.

Machinery purchased by Haryana Dairy Development Co-operative Federation worth Rs. 36.91 lakhs for milk plant, Bhiwani and Rs. 1,60.00 lakhs for milk plant, Sirsa remained un-utilised for want of demand of condensed milk at Bhiwani and non-construction of milk plant building at Sirsa.

Expenditure of Rs. 32.96 lakhs on raising of fruit/vegetable nurseries (Rs. 4.69 lakhs), mule breeding and piggery extension centres (Rs. 11.78 lakhs), camel breeding centres (Rs. 6.66 lakhs) and village milk co-operative societies (Rs. 9.83 lakhs) failed to yield fruitful results.

Agriculture Department had no information about area irrigated and crop raised out of subsidy of Rs. 6.65 lakhs paid to 301 beneficiaries for installation of shallow tubewells.

Evaluation of the programme had not been done.

The matter was reported to Government in August 1985; their reply was awaited (February 1986).

EDUCATION DEPARTMENT

6.6. Extra expenditure on construction of staff quarters

Work for the construction of ten quarters (estimated cost: Rs. 14.52 lakhs) for the staff of Maharishi Dayanand University, Rohtak was entrusted by the University to a contractor in March 1978, for completion by March 1979. When the construction reached plinth level at a cost of Rs. 0.42 lakh, further work was stopped in September 1978,

reportedly due to financial constraints. The work, was resumed, on the existing foundation, through another contractor only in October 1984 (estimated cost: Rs. 27.64 lakhs).

Test check of records (May 1984) supplemented by additional information furnished by the University (November 1984 to April 1985) revealed the following :

- (i) As per the audited accounts the University had a closing balance of Rs. 1.01 lakhs in March 1979 but during subsequent years financial position improved and closing balance ranged between Rs. 1.97.79 lakhs and Rs. 94.17 lakhs at the end of every year from 1979-80 to 1982-83. Financial constraints, adduced by the University as the reason for suspension of construction work was, therefore, not tenable from the year 1979-80 and onwards.
- (ii) Out of ten quarters, four were completed between October 1984 and April 1985 at a cost which was Rs. 5.25 lakhs more than the original estimates of March 1978 and construction work on six quarters was in process (February 1986).
- (iii) Due to delay of over 5 years in completion of four quarters and of about 7 years in respect of six quarters which remain (February 1986) to be completed, the University suffered a loss of Rs. 3.44 lakhs, approximately, on account of house rent allowance paid to staff (Rs. 2.72 lakhs) and non-recovery of rent (Rs. 0.72 lakh) therefrom.

In reply (September 1985), the University attributed the delay in resumption of work to a decision taken by the State Government to shift the University campus to another site on Rohtak-Gohana road and its subsequent decision to retain the campus on the original site.

It was noticed in audit that decision to retain the campus on the original site was taken by the Government in June 1980 and as such, there was no justification for postponing the work up to October 1984.

MEDICAL—EDUCATION DEPARTMENT**6.7. Extra expenditure**

Construction of ten quarters of 9-J type (estimated cost: Rs. 10.39 lakhs) and sixteen quarters of 11-J type (estimated cost: Rs. 6.80 lakhs) for the staff of Medical College, Rohtak was allotted by Maharishi Dayanand University, Rohtak to two contractors in March 1978 for completion in March 1979 and November 1978 respectively. When the construction reached plinth level at a cost of Rs. 0.39 lakh and Rs. 0.61 lakh, respectively, the administrative control of the college was taken over, in September 1978, by the Government and further construction was stopped by the contractors of their own.

A test check (November 1983-May 1984) of the accounts of the University and the College revealed the following developments in the matter of execution of incomplete works:

- (i) Between September 1978 and August 1979 the University repeatedly asked the college to take over charge of the incomplete works and to get them executed through the agency of the State Public Works Department but no action was taken by the college.
- (ii) In October 1979 the college enquired from the contractors, who had executed the works up to plinth level, whether they were willing to complete the works or not; the contractors declined to complete the works without assigning any reason.
- (iii) From October 1979 to September 1980 the matter remained under correspondence by the college with the Government/PWD/University and the Government decided only in September 1980 that these works be resumed and got completed through the Public Works Department.
- (iv) Between October 1980 and July 1981 revised estimates were prepared and tenders were invited by the PWD and works were allotted in

August 1981 to two contractors (different from earlier ones) at an estimated cost of Rs. 11.73 lakhs for ten quarters and Rs. 10.31 lakhs for the sixteen quarters.

All the ten quarters were completed in November 1983 (actual cost: Rs. 12.51 lakhs) and sixteen quarters in March 1984 (actual cost: Rs. 9.96 lakhs). Had the works been resumed by the college immediately after September 1978, these would have been completed at a cost of Rs. 7.86 lakhs and Rs. 6.41 lakhs on the rates approved in March 1978. The delay, thus, resulted in (a) extra expenditure of Rs. 4.65 lakhs (ten quarters) and Rs. 3.55 lakhs (sixteen quarters), (b) avoidable expenditure of about Rs. 3.95 lakhs on account of house rent allowance paid and (c) loss of revenue of approximately Rs. 1.43 lakhs by way of non-recovery of house rent from the staff concerned.

The Department in its reply of December 1985 and March 1986 accepted the facts.

6.8. Avoidable expenditure

In January 1977, work for construction of a workshop building for Medical College, Rohtak (College) was entrusted by Maharishi Dayanand University, Rohtak (University) to a contractor on agreement basis (estimated cost: Rs. 8.00 lakhs) for completion by December 1978. The University had also a proposal to construct a dharamsala in the college for the facility of patients and for this purpose, received a donation of Rs. 11.00 lakhs from Haryana State Agriculture Marketing Board (March 1977: Rs. 5.00 lakhs; March 1978: Rs. 5.00 lakhs) and from a Sugar Mill (March 1978: Rs. 1.00 lakh). While the construction of workshop building was in progress (expenditure incurred up to December 1978: Rs. 3.15 lakhs), the University decided (November 1977) to convert the workshop into dharamsala for providing accommodation to attendants of the patients admitted and obtained (June 1978) its detailed design and estimates prepared from a private architect at a cost of Rs. 0.60 lakh. Later, in September 1978, the administrative control of the college was taken over by the State Government and, therefore, neither the proposal of constructing dharamsala was proceeded with nor the donation of Rs. 11.00 lakhs was transferred by the University to the Government.

Meanwhile up to December 1978, an expenditure of Rs. 3.15 lakhs had been incurred on the construction of the workshop building. In July 1979, the University advised the college to take over the charge of the incomplete works. Upon this, the college asked the contractor (October 1979) to continue the work at original rates which the contractor declined (November 1979). At this stage, the matter was taken up by the college with the Government and later, on approval of the Government, the work was entrusted (November 1981) to another contractor through Public Works Department. The workshop building was completed in August 1983 at an extra cost of Rs. 3.57 lakhs, as compared to the rates approved in January 1977.

Thus, besides fruitless expenditure of Rs. 0.60 lakh incurred by the University on preparation of design and estimates for the dharamsala works never executed, there was an extra expenditure of Rs. 3.57 lakhs due to lack of timely follow-up on the part of the college for completing the workshop building immediately after transfer of its control to Government in September 1978.

The matter was referred to Government in September 1984. The Director-Principal of the College in his reply (July 1985) to the State Government and Audit admitted the facts and the extra expenditure.

Section II

Important points arising from scrutiny conducted under Section 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, of the procedure by which the sanctioning authorities satisfy themselves as to the fulfilment of the conditions subject to which specific purpose grants or loans were given by them are set out in the succeeding paragraphs.

SPORTS DEPARTMENT

6.9. Grants to sport organisations

Rules provide that grant-in-aid should not be paid to any association/organisation which (a) is not a registered body under the Registration of Societies Act, 1860 or any other appropriate Act and (b) does not submit utilisation

certificate of the previous grant. It was noticed that in violation of the Rules:

- (a) Grants aggregating Rs. 6.80 lakhs were released to 24 un-registered organisations during 1982-83 (Rs. 2.09 lakhs), 1983-84 (Rs. 2.00 lakhs) and 1984-85 (Rs. 2.71 lakhs).
- (b) The Stadium Committee, Sirsa was paid a grant of Rs. 0.64 lakh in March 1984 although utilisation certificate in respect of the previous grant of Rs. 0.74 lakh released in March 1983 had not been received.

Government stated (January 1986) that remedial steps are being taken.

Section III

The Comptroller and Auditor General of India undertakes the audit of accounts of statutory bodies established by law made by the State Legislature on the specific request of the State Government under Section 19(3) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. Important points emerging from such scrutiny are given in the following paragraphs:

HOUSING DEPARTMENT (HOUSING BOARD)

6.10. Shortage of store

A Junior Engineer, incharge of departmental stores of a Haryana Housing Board Division at Panchkula since July 1982, was transferred to another Sub-Division in March 1983. The charge of Stores was, however, actually handed over by him only in August 1983 and shortages amounting to Rs. 0.34 lakh came to notice of the division which, so far (February 1986), have not been made good. It was seen that:

- (a) in violation of Rules, the official was relieved on transfer without handing over charge of stores to his successor;

(b) physical verification conducted by an Assistant Engineer of the Board in February 1983 did not disclose any shortage. Thus, either physical verification was not conducted properly or pilferage occurred during the period intervening between the date of physical verification (2nd February 1983) and the date of actual handing over charge of stores (25th August 1983);

(c) the exact position was not investigated by the Board although shortages had come to notice in August 1983, charge sheet was served on the Junior Engineer as late as in October 1984; and for shortages, no report was lodged with the police.

The matter was reported to the Government in December 1984; their reply was awaited (February 1986).

TOWN AND COUNTRY PLANNING DEPARTMENT (HUDA)

6.11. Recoveries due from a contractor

Division No. II of Haryana Urban Development Authority entered into an agreement (October 1979) with contractor 'A' for the construction of 22 shopping booths at Panchkula at an estimated cost of Rs. 2.30 lakhs. The contract stipulated completion of work by August 1981 failing which the contractor was liable to pay compensation of an amount equal to 1 per cent of estimated cost for each day of delay subject to a maximum of 10 per cent. The contractor, after executing work to the extent of Rs. 2.15 lakhs, left the work (October 1981) and payment of pending bill for Rs. 0.26 lakh was released (October 1981).

In test check it was noticed that :

(a) for delay in execution of works from August 1981 to October 1981, the Division was required to levy a compensation of Rs. 0.23 lakh on the contractor. Instead of adjusting this amount in the payment of pending bill of Rs. 0.26 lakh

in October 1981, the claim for compensation was raised by the division in June 1982; and

(b) works were not measured by the division at the time of their execution. Instead, measurements were taken by the Division in February 1983 which revealed excess payment of Rs. 0.87 lakh on account of short supply and non-fixing of rolling shutters (Rs. 0.35 lakh), cost of penal rate of material issued in excess but not returned by the contractor (Rs. 0.40 lakh) and miscellaneous recoveries (Rs. 0.06 lakh). The left-over work of supply and fixing of rolling shutters etc. was got done (January—March 1984) through another contractor at a cost of Rs. 0.42 lakh.

Besides recovery of Rs. 1.10 lakhs from contractor 'A', the division, thus, also suffered loss of Rs. 0.42 lakh. The division informed Audit (January 1985) that for the above lapses (i) two Sub-Divisional Engineers and one Junior Engineer had been placed under suspension, (ii) claim for the recovery of Rs. 1.10 lakhs had been lodged with the arbitrator (September 1984) and (iii) Rs. 0.16 lakh (security deposit: Rs. 0.11 lakh; pending bills: Rs. 0.05 lakh) of contractor 'A' were available with the Division.

Further developments in the matter were awaited (February 1986).

CO-OPERATION DEPARTMENT

6.12. Irregular/excess payment of managerial subsidy

For sale of consumer articles, at a fair price, in rural areas, managerial subsidy is given by the co-operation Department, Haryana to Co-operative Societies, rural branches of stores and retail outlets of Haryana State Federation of Consumer Co-operative Wholesale Stores Limited for three years at a tapering scale of Rs. 2,500, Rs. 1,650 and Rs. 850 respectively. The assistance is intended to subsidise the cost of salary of one salesman and one helper. Under this scheme, subsidy of Rs. 51.90 lakhs (salesman: Rs. 31.14 lakhs, helper: Rs. 20.76 lakhs) was paid to 1,082 units during 1981-82 (Rs. 25.27 lakhs),

968 units during 1982-83 (Rs. 16.29 lakhs) and 1,029 units during 1983-84 (Rs. 10.34 lakhs).

A test check (September 1984) of the accounts of the department revealed the following :

- (a) Helpers were not employed by any of the societies retail outlets and, as such, the subsidy of Rs. 20.76 lakhs, on this account was not admissible.
- (b) Seventy one societies/retail outlets employed salesman only for a period from 2 to 9 months of the year whereas subsidy was paid for the full year resulting in excess payment of Rs. 0.45 lakh.
- (c) Utilisation certificates for Rs. 25.27 lakhs (1981-82 ; Rs. 14.47 lakhs (1982-83) ; and Rs. 0.40 lakh (1983-84) were not obtained by the Department from the beneficiaries (February 1986).

CHAPTER VII

COMMERCIAL ACTIVITIES

7.1. General

This chapter deals with the results of audit of departmentally-managed Government Commercial/quasi-commercial undertakings.

There are 6 departmentally managed Government Commercial and quasi-commercial undertakings in the State as on 31st March 1985. Proforma accounts for 1984-85 in respect of these undertakings had not been received (September 1985). The extent of arrears in submission of proforma accounts is shown below:

| Serial Number | Name of undertaking | Extent of Arrears |
|---------------|--|--|
| 1 | Colonization Department* | 1969-70 to 1983-84 (up to September 1983) |
| 2 | Agriculture Department (Purchase and Distribution of Pesticides) | 1973-74 to 1984-85 |
| 3 | Agriculture Department (Seed Depot Scheme) | 1975-76 to 1984-85 |
| 4 | Haryana Roadways | 1975-80 to 1984-85 |
| 5 | Printing and Stationery Department (Nationalised Text Book Scheme) | 1981-82 to 1984-85 |
| 6 | Food and Supplies Department (Grain Supply Scheme) | 1983-84 to 1984-85 |
| 7 | Haryana Veterinary Vaccine Institute | 1984-85 |

Summarised financial results of 4 undertakings on the basis of latest accounts made available during the year are given in Appendix VII.1.

TRANSPORT DEPARTMENT

7.2. Performance and utilisation of fleet and consumption of lubricants

7.2.1. Introductory

The Haryana Roadways was formed (with three depots) on 1st November 1966. As on 31st March 1985, the

*The Colonization Department had been wound up with effect from 30th September 1983 as per Government of Haryana Notification No. 18/43/82-2 TCP dated 19th September 1983.

Roadways had 15 depots (7 of TATA and 8 of LEYLAND chassis) with a total fleet strength of 2,893 buses. The proforma accounts of the department for 5 years up to 1984-85 were in arrears (October 1985).

The working of the Roadways was reviewed in audit during March to May 1985 with special reference to performance and utilisation of fleet and consumption of lubricants in seven 'TATA' depots and the results of test check are mentioned in the succeeding paragraphs.

7.2.2. Working results

The working results of the undertaking for 3 years up to 31st March 1984 are summarised below:

| | * | * | * | ** |
|----------------------|----------|----------|----------|----------|
| | 1981-82 | 1982-83 | 1983-84 | 1984-85 |
| (In lakhs of rupees) | | | | |
| A—Revenue | | | | |
| Operating | 56,38.36 | 63,59.70 | 70,83.69 | 77,64.07 |
| Non-operating | 2,30.31 | 2,60.52 | 2,43.12 | 3,41.94 |
| Total | 58,68.67 | 66,20.22 | 73,26.81 | 81,06.01 |
| B—Expenditure | | | | |
| Operating | 62,75.83 | 66,99.29 | 74,97.23 | .. |
| Non-operating | 8.56 | 10.58 | 32.77 | .. |
| Total | 62,84.39 | 67,09.87 | 75,30.00 | 82,65.07 |
| Net Loss | 4,15.72 | 89.65 | 2,03.19 | 1,59.06 |

The net loss had increased from Rs. 89.65 lakhs during 1982-83 to Rs. 2,03.19 lakhs in 1983-84 inspite of increase in revenue to the extent of Rs. 7,06.59 lakhs which was off set by increase in expenditure by Rs. 8,20.13 lakhs. The increase in loss during 1983-84 was attributed (April 1985) by the department to:

—increase in cost of diesel, oil, spares, tyres and tubes

*Figures are provisional as accounts have not been finalised.

**Figures for 1984-85 are tentative and are based on monthly returns of the department.

- increase in the administrative cost due to grant of additional dearness allowance, overtime allowance, etc.
- increase in incidence of interest from 9 to 10 per cent
- increase in the cost of chassis
- under utilisation of vehicles
- issue of concessional passes to students and cancellation of routes due to Punjab disturbances and heavy rains in Rohtak, Jind, Sonapat and Kaithal areas.

Reasons for loss during 1984-85 have not been analysed by the department (February 1986).

The reasons for loss, as analysed in audit were mainly due to excessive cancellation of scheduled operations, huge running of dead kilometres, delay in repair of vehicles, increase in break-downs and accidents resulting into excessive expenditure on repair and maintenance.

7.2.3. Operation performance

(i) Vehicle utilisation

The table below shows the average number of buses held in depots, buses on road, percentage of fleet utilisation and the average kilometres per bus on road per day for the 4 years ending 1984-85.

| | 1981-82 | 1982-83 | 1983-84 | 1984-85 |
|--|----------|----------|----------|----------|
| (1) Average number of buses held | 2,543 | 2,669 | 2,744 | 2,872 |
| (2) Average number of buses on road | 2,417 | 2,535 | 2,607 | 2,727 |
| (3) Percentage of fleet utilisation | 95.04 | 94.98 | 95.01 | 94.95 |
| (4) Percentage of buses off the road | 4.96 | 5.02 | 4.99 | 5.05 |
| (5) Number of new buses put in the fleet | 166 | 136 | 61 | 106 |
| (6) Number of buses condemned | 211 | 191 | 216 | 453 |
| (7) Average daily utilisation of each vehicles on road (in Kms.) | 284 | 279 | 280 | 292 |
| (8) Total kilometres operated (in lakhs) | 26,08.62 | 26,89.46 | 27,95.80 | 29,98.60 |
| (9) Effective KMs operated (in Kms) | 25,05.09 | 25,77.11 | 26,67.89 | 29,05.18 |
| (10) Dead KMs operated (in lakhs) | 1,03.53 | 1,12.35 | 1,27.91 | 93.42 |
| (11) Percentage of dead KMs to total KMs | 3.97 | 4.18 | 4.58 | 3.12 |

(ii) Operational efficiency

The particulars of carrying capacity against revenue earned per bus during the 4 years ending 1984-85 are indicated in the table given below:

| | 1981-82 | 1982-83 | 1983-84 | 1984-85 |
|---|-------------|-------------|-------------|-------------|
| (1) Total kilometres offered-effective kilometres (in lakhs) | 25,05.09 | 25,77.11 | 26,67.89 | 29,05.18 |
| (2) Average seating capacity per bus | 52 | 52 | 52 | 52 |
| (3) Total seat kilometres offered (in lakhs) | 13,02,64.68 | 13,40,09.72 | 13,87,30.28 | 15,10,69.36 |
| (4) Number of passengers carried during the year (in lakhs) | 33,29.75 | 34,97.73 | 38,09.96 | 39,48.78 |
| (5) Number of passengers carried per bus during the year (in lakhs) | 1.38 | 1.38 | 1.46 | 1.45 |
| (6) Average distance travelled by a passenger | 30.79 | 30.30 | 29.73 | N.A. |
| (7) Average number of seat kilometres offered per bus (in lakhs) | 53.90 | 52.86 | 53.21 | N.A. |
| (8) Average number of seat kilometres utilised per bus (in lakhs) | 42.41 | 41.81 | 43.45 | N.A. |
| (9) Occupancy ratio | 79 | 79 | 82 | N.A. |
| (10) Total traffic revenue (in lakhs of rupees) | 56,38.36 | 63,59.70 | 70,83.69 | N.A. |
| (11) Total cost of operation (in lakhs of rupees) | 62,75.83 | 66,99.29 | 74,97.23 | N.A. |
| (12) Average revenue per effective KM (in paise) | 225 | 247 | 266 | N.A. |
| (13) Average cost of operation per effective KM (in paise) | 251 | 260 | 281 | N.A. |
| (14) Loss effective per KM (in paise) | 26 | 13 | 15 | N.A. |
| (15) Number of operating depots | 14 | 14 | 14 | 15 |
| (16) Average number of break downs per lakh kilometres | 1.74 | 1.67 | 1.73 | 1.46 |
| (17) Average number of accidents per lakh kilometres | 0.18 | 0.18 | 0.16 | 0.18 |

No norms of fleet utilisation had been fixed (February 1986).

(iii) A comparison of vehicle utilisation per bus per day (KMs) in 1981-82 to 1983-84 with that of other undertakings revealed that the vehicles utilisation of the department during 1981-82 (284 KMs), 1982-83 (279 KMs), 1983-84 (280 KMs) and 1984-85 (292 KMs) was far less as indicated below:

| | * 1981-82 | * 1982-83 | * 1983-84 |
|---|--------------|--------------|--------------|
| Cholan Roadways Company Limited | 353 | 357 | 361 |
| Gujrat State Road Transport Corporation | 303 | 301 | 300 |
| Pandian Roadways Company Limited | 332 | 341 | 344 |
| Andhra Pradesh State Road Transport Corporation | 294 | 290 | 286 |

(iv) Dead kilometres

The percentage of dead kilometres to total kilometres during 1981-82 to 1984-85 varied from 1.34 to 7.92 in 7 TATA depots as detailed below:

| Name of depot | Percentage of dead kilometres to total Kilometres | | | |
|---------------|--|---------|---------|---------|
| | 1981-82 | 1982-83 | 1983-84 | 1984-85 |
| Ambala | 3.58 | 4.23 | 3.90 | 2.70 |
| Chandigarh | 7.92 | 7.51 | 7.61 | 6.38 |
| Karnal | 3.31 | 3.19 | 4.41 | 1.53 |
| Jind | 2.11 | 3.25 | 3.29 | 2.13 |
| Kaithal | 4.03 | 3.58 | 3.40 | 1.52 |
| Sonepat | 2.98 | 3.03 | 3.95 | 1.53 |
| Yamunanagar | 4.86 | 4.11 | 4.66 | 1.34 |

*Based on latest report of Association of Nationalised road transport undertakings.

The cause-wise analysis of dead kilometres is given below :

| | 1981-82 | | 1982-83 | | 1983-84 | | 1984-85 | |
|---|--------------|------------------------------|--------------|------------------------------|--------------|------------------------------|--------------|-------------------------------|
| | Kms in lakhs | Percentage of total dead KMs | Kms in lakhs | Percentage of total dead Kms | Kms in lakhs | Percentage of total dead Kms | Kms in lakhs | Percentage of total dead Kms. |
| (1) Bus stand to work-shop and back (adda KMs) | | | | | | | | |
| (a) Karnal, Yamunanagar, Jind, Kaithal and Sonapat depots | 4.56 | 8.23 | 6.27 | 11.19 | 7.20 | 11.26 | 0.25 | 0.67 |
| (b) Ambala and Chandigarh depots | 15.69 | 28.32 | 15.05 | 26.86 | 15.80 | 24.71 | 15.24 | 40.51 |
| (2) Diversion of routes/bye passes | 10.42 | 18.81 | 9.89 | 17.65 | 12.02 | 18.80 | 8.35 | 22.20 |
| (3) Services of vehicles | 2.50 | 4.51 | 2.32 | 4.14 | 2.46 | 3.85 | 0.81 | 2.15 |
| (4) Picking up including out shedding of vehicles | 8.06 | 14.55 | 9.18 | 16.39 | 8.87 | 13.87 | 1.84 | 4.89 |
| (5) Parking of vehicles at night | 2.20 | 3.97 | 1.70 | 3.03 | 2.25 | 3.52 | 0.55 | 1.46 |
| (6) Operation of trucks, Cranes and Jeeps, etc. | 1.67 | 3.01 | 1.49 | 2.66 | 1.78 | 2.78 | 1.21 | 3.22 |
| (7) Road and brake test | 8.68 | 15.66 | 8.30 | 14.81 | 11.09 | 17.34 | 7.09 | 18.85 |
| (8) Breakdown and accidents attending | 1.05 | 1.89 | 1.40 | 2.50 | 1.88 | 2.94 | 1.77 | 4.70 |
| (9) Passing duty | 0.36 | 0.65 | 0.33 | 0.59 | 0.45 | 0.70 | 0.22 | 0.58 |
| (10) Store and bank duty | 0.22 | 0.40 | 0.10 | 0.18 | 0.15 | 0.23 | 0.29 | 0.77 |
| Total | 55.41 | | 56.03 | | 63.95 | | 37.62 | |

The following points were noticed :

Due to non-functioning of kilometres in the buses, vehicle wise log books/sheets containing KMs run, H.S.D. oil consumed, etc. are not being maintained in all the depots of the transport department. The entire dead KMs were booked on *ad hoc* basis, and as such the authenticity of dead KMs operated could not, therefore, be

ascertained in audit. The major portion of dead KMs operated relate to the distance covered from workshop to bus stand and vice-versa which constitute 35.97 to 41.18 per cent during the 4 years up to 1984-85. Although the workshops in respect of 5 depots (Kaithal, Jind, Yamunanagar, Karnal and Sonapat) were situated within the bus stand premises, the dead KMs aggregated to 18.28 lakhs during the 4 years ending 1984-85. The running of buses within bus stand consumed 4.40 lakh litres of oil and lubricants worth Rs. 14.30 lakhs. The Department has not analysed the reasons for high percentage of dead kilometres so far (February 1986).

7.2.4. Breakdowns and accidents

The total number of breakdowns during the period from 1981-82 to 1984-85 was 18,245 and the number of accidents during this period was 1966. While the higher incidence of breakdowns was attributed by the depots to poor performance of workshop, engine failure, brake failure, tyre failure and transmission and gear box failure, the higher incidence of accidents was attributed to over-speeding of the vehicles by the drivers, bad road conditions and increase in traffic on highways.

It was, however, noticed in audit that large number of breakdowns was due to non-adhering to the schedules of servicing vehicles, in as much as against 61,178 vehicles due for service 42,411 vehicles were actually serviced during the period from 1981-82 to 1984-85.

7.2.5. Cancellation of scheduled operations

The table below indicates the extent of distance cancelled and the percentage of cancellation to scheduled route kilometres during 4 years ended 1984-85 :

| Year | Route kilometres | Distance cancelled | Percentage of cancellation to route KMs |
|---------|------------------|-----------------------|---|
| | | (Kilometres in lakhs) | |
| 1981-82 | 11,57.45 | 10.32 | 0.87 |
| 1982-83 | 12,09.93 | 31.80 | 2.63 |
| 1983-84 | 12,35.71 | 38.14 | 3.09 |
| 1984-85 | 12,67.34 | 54.53 | 4.30 |

The percentage of cancellation of scheduled operation increased from 0.87 in 1981-82 to 4.30 in 1984-85. The percentage of cancellation in scheduled operation in Sonapat depot 18.60 in 1982-83; 14.73 in 1983-84 and 12.84 in 1984-85 was highest as compared to other depots. Reasons for excessive cancellation in scheduled operation were attributed (August 1985) by the General Manager, Sonapat to excessive plying of vehicles on non scheduled routes and diversion of buses on Delhi route by the depot. The depot, however, incurred unfruitful expenditure of Rs. 0.09 lakh per year on permit fee on unoperated schedule routes.

The cause-wise analysis of cancellation of schedule operations in TATA depots revealed the following :

| Extent of Cancellation | 1981-82 | 1982-83 | 1983-84 | 1984-85 |
|--------------------------------------|-----------------------|--------------|--------------|--------------|
| | (Kilometres in lakhs) | | | |
| (a) Avoidable | | | | |
| (i) Shortages of vehicles | 6.60 | 2.61 | 2.16 | 1.33 |
| (ii) Excessive detention of vehicles | 0.01 | 0.01 | 0.01 | 0.20 |
| (iii) Shortage of staff | 0.05 | 0.21 | 0.16 | 0.09 |
| (iv) Special booking | 0.78 | 0.08 | 0.16 | 0.23 |
| Total | 7.44 | 2.91 | 2.49 | 1.85 |
| (b) Unavoidable | | | | |
| (i) Road closed | 0.04 | — | 0.02 | 0.02 |
| (ii) Breakdown | 2.26 | 2.69 | 2.30 | 1.94 |
| (iii) Low traffic | 0.12 | 25.57 | 20.92 | 21.33 |
| (iv) Punjab disturbances | 0.05 | 0.08 | 12.32 | 28.89 |
| (v) Holi festival and Asian games | 0.41 | 0.55 | 0.09 | 0.50 |
| Total | 2.88 | 28.89 | 35.65 | 52.68 |

The department sustained a loss of revenue to the extent of Rs. 35.46 lakhs during the 4 years up to 1984-85 due to avoidable causes.

7.2.6. Repair and maintenance of vehicles

The department had not prescribed any time schedule for different types of repair (July 1985). A review of the working of workshop revealed that a large number of vehicles were detained for repairs in the workshops for periods ranging between 3 and 119 days as per the details given below :

| Period taken for outshedding of vehicles (Days) | Number of vehicles | | Total vehicle days | | Number of vehicles | | Total vehicle days | |
|--|--------------------|---------|--------------------|---------|--------------------|-------|--------------------|-------|
| | 1981-82 | 1982-83 | 1983-84 | 1984-85 | | | | |
| 3—10 | 340 | 2,139 | 312 | 1,669 | 263 | 1,400 | 282 | 1,696 |
| 11—20 | 128 | 2,056 | 105 | 1,441 | 122 | 1,615 | 105 | 1,464 |
| 21—30 | 58 | 1,325 | 36 | 1,143 | 31 | 755 | 32 | 780 |
| 31—40 | 26 | 917 | 34 | 1,116 | 20 | 701 | 12 | 426 |
| 41—100 | 14 | 747 | 20 | 1,211 | 12 | 597 | 9 | 514 |
| above 100 days | 1 | 101 | 3 | 357 | 1 | 118 | — | — |
| Total | 567 | 7,285 | 510 | 6,937 | 449 | 5,186 | 440 | 4,880 |

The delay in outshedding of vehicles was attributed (August 1985) by the 6 depot General Managers except Kaithal mainly to :

- shortage of skilled staff;
- inadequate availability of spare parts;
- limited powers for local purchase; and
- no space in workshop to carry out routine shedding and repairs of fleet strength (Jind).

Analysis by Audit (April-May 1985), however, revealed that delay in outshedding vehicles was mainly due to lack of body building and repair facilities in the workshop and non-fixing of time schedules for different type of repairs.

Expenditure on repair and maintenance was showing an increasing trend as tabulated below:

| Year | Total expenditure on repair and maintenance | Average number | Expenditure per bus |
|---------|---|----------------|----------------------|
| | (In lakhs of rupees) | | (In lakhs of rupees) |
| 1981-82 | 9.06 | 2,543 | 0.36 |
| 1982-83 | 11.04 | 2,669 | 0.41 |
| 1983-84 | 12.85 | 2,744 | 0.47 |
| 1984-85 | N.A. | 2,872 | N.A. |

The reasons for increase in expenditure were not analysed by the Department (February 1986).

7.2.7. Servicing of vehicles

The department had fixed (December 1978) a norm of 9,000 KMs for 'A' service* and 18,000 KMs for 'B' service.** The actual number of vehicles serviced in seven TATA depots was as under :

| | A—Service | | | | B—Service | | | |
|------------------------------------|-----------|---------|---------|---------|-----------|---------|---------|---------|
| | 1981-82 | 1982-83 | 1983-84 | 1984-85 | 1981-82 | 1982-83 | 1983-84 | 1984-85 |
| Number of vehicles due for service | 14,387 | 14,725 | 15,487 | 16,579 | 7,195 | 7,362 | 7,693 | 8,291 |
| Actual number of vehicles serviced | 8,442 | 10,810 | 10,255 | 12,904 | 5,591 | 5,844 | 6,576 | 6,948 |
| Percentage of shortfall | 41.33 | 26.59 | 27.33 | 22.17 | 22.29 | 20.62 | 14.51 | 16.20 |

The General Managers attributed (August 1985) the shortfall to:

- shortage of skilled staff;
- lack of workshop facilities;
- shortage of buses; and
- non-availability of spare parts (Jind).

*Comprise washing, greasing and maintenance of vehicles.

**Involved check up, wheel servicing, inspection, repair of differentials and change of oil, etc.

7.2.8. Consumption of oil

High speed diesel oil (HSD) and other lubricants account for 29 per cent of the operating expenditure (1983-84).

The kilometres covered and the expenditure incurred on HSD oil during the 3 years up to 1983-84* was as under :

| Year | Total gross kilometres covered during the year | Expenditure on HSD oil during the year | Percentage | Average expenditure on HSD oil per kilometre covered | Percentage increase over 1981-82 |
|---------|--|--|------------|--|----------------------------------|
| | (Kms in lakhs) | (Rupees in lakhs) | | (Amount in paise) | |
| 1981-82 | 26,08.62 | 18,10.56 | — | 69.4 | — |
| 1982-83 | 26,89.46 | 20,05.49 | 10.77 | 74.6 | 8.70 |
| 1983-84 | 27,95.80 | 21,50.25 | 18.76 | 76.9 | 11.59 |

The cost of HSD oil consumed increased from Rs. 12,91.23 lakhs in 1980-81 to Rs. 21,50.25 lakhs in 1983-84. The increase was 66.53** per cent. During 1983-84 the rate of consumption of HSD oil per kilometre in the department was lowest among 6 departments of State Government, 5th highest among 17 States Road Transport Corporations and also second highest among 8 companies in the country.

7.2.9. Concealment of expenditure on HSD oil and mobil oil

Check of records (April-May 1985) of 7 TATA depots revealed that there was a wide variation between the figures adopted in proforma accounts and those shown in the Store ledgers. To show better kilometre per litre the expenditure on HSD (4 depots) and mobil oil (6 depots) was booked less in proforma accounts by Rs. 76.73 lakhs and Rs. 4.16 lakhs respectively during 3 years ending 1983-84 by booking more under spare parts, repair and maintenance. The matter was referred (April 1985) to the State Transport Commissioner, Haryana; reply was awaited (February 1986).

*Figures for 1984-85 have not been compiled.

**Based on the report of the Association of Nationalised Road Transport Undertakings.

7.2.10. (a) Diesel consumption

The expenditure on consumption of diesel in 7 TATA depots was as under :

| | 1981-82 | 1982-83 | 1983-84 | 1984-85* |
|--|-----------------------|----------|----------|----------|
| | (In lakhs of rupees) | | | |
| Total revenue expenditure | 31,88.98 | 33,64.88 | 37,19.71 | 40,53.31 |
| Total expenditure on diesel | 8,66.74 | 9,85.04 | 10,42.55 | 11,33.94 |
| Percentage of expenditure on diesel to total expenditure | 27.17 | 29.27 | 28.03 | 27.98 |
| | (Litres in lakhs) | | | |
| Diesel consumption | 3,13.10 | 3,13.33 | 3,29.60 | 3,53.04 |
| | (Kilometres in lakhs) | | | |
| Total gross kilometres | 13,10.14 | 13,27.88 | 14,01.06 | 14,52.23 |
| Norms for consumption of diesel (KM per litre) | 4.3 | 4.4 | 4.5 | 4.5 |
| Actual average consumption (KM per litre) | 4.18 | 4.23 | 4.25 | 4.23 |

Had the prescribed norms of diesel consumption been applied the vehicles would have consumed 3,04.68 lakh litres, 3,01.79 lakh litres, 3,11.35 lakh litres and 3,31.61 lakh litres during the four years up to 1984-85 on the basis of kilometres actually run. As such the consumption in excess of norms aggregated to 59.64 lakh litres (value: Rs. 1,88.30 lakhs).

A further analysis of the performance of diesel consumption for one day in each of the 4 months (May 1981, September 1982, December 1983 and March 1985) showed average kilometres run per litre of diesel consumption as under :

| | May 1981 | September 1982 | December 1983 | March 1985 |
|--|----------|----------------|---------------|------------|
| (1) | (2) | (3) | (4) | (5) |
| Vehicles test checked | 146 | 183 | 196 | 355 |
| Average Kms run per litre : below 3 KMs | 19 | 10 | 7 | 3 |

*Based on provisional figures supplied by the department.

| (1) | (2) | (3) | (4) | (5) |
|-----------------------------------|-----|-----|-----|-----|
| 3 KMs but less than 3.5 | 33 | 60 | 52 | 16 |
| Above 3.5 KMs but less than 4 KMs | 72 | 93 | 127 | 128 |
| Above 4 KMs but less than 4.5 KMs | 22 | 20 | 10 | 127 |
| Above 4.5 KMs | — | — | — | 81 |

In respect of 11 to 25 per cent of the vehicles test checked, it was noticed that the average KMs run was less than the norms and the low average in general was on account of the following reasons :

- breaking of axle, diesel pipe, sleeves, crankshafts, etc., on the way
- non functioning of self starter
- air locking
- alcoholic habits of the drivers
- short routes and
- poor maintenance of vehicles

The department had not analysed performance of diesel consumption in respect of each bus to take remedial action for improvement of the performance (February 1986).

(b) Fuel consumption records

A test check (April-May 1985) of fuel consumption record in 7 TATA depots of the department revealed the following shortcomings :

Physical verification is done by dip-measurement. The department had, however, not fixed any periodicity for verification of diesel in storage tanks. Thus, while some depots conduct verification once a week, others do it once in a month. Rules require that excess found on verification should be taken in stock and shortages recovered from the

officials at fault or written off after proper investigation. It was noticed that :

- (a) Physical verification in five depots (Ambala, Yamunanagar, Chandigarh, Kaithal and Karnal) revealed excess of 4.41 lakh litres of H.S.D. oil (Rs. 13.71 lakhs) during the period 1981-82 to 1984-85. The excess was not taken in accounts reasons for which were not investigated by the department.
- (b) In Jind depot 35,160 litres of HSD oil found short during physical verification of ground tankers by dip measurement during 1983-84 was not adjusted in account. The net value of HSD oil found short was Rs. 1.13 lakhs which was not recovered from defaulting official(s). No responsibility has been fixed as yet (February 1986). Reasons for the same were not on record.

7.2.11. Expenditure on fuel and spare parts

The department fixed the norm that the actual expenditure per kilometre incurred on (a) diesel, (b) oil and lubricants and (c) spare parts, batteries, tyres and tubes in TATA depots should not exceed 26, 9 and 22.5 paise during 1981-82 and 1982-83 and 80, 6 and 43 paise in 1983-84 and 76, 6 and 38 paise in 1984-85 respectively. The table below indicates actual expenditure incurred on diesel, oil lubricants and spare parts, batteries and tyres and tubes per KM during the 4 years up to 1984-85.

Actual expenditure per effective kilometre (in paise)

| Name of depot | 1981-82 | | | 1982-83 | | | 1983-84 | | | 1984-85 | | |
|---------------|---------|--------------------|-------------------------------|---------|--------------------|-------------------------------|---------|--------------------|-------------------------------|---------|--------------------|-------------------------------|
| | Diesel | Oil and lubricants | Spare parts Batt. tyres/tubes | Diesel | Oil and lubricants | Spare parts Batt. tyres/tubes | Diesel | Oil and lubricants | Spare parts Batt. tyres/tubes | Diesel | Oil and lubricants | Spare parts Batt. tyres/tubes |
| Sonepat | 76 | 4 | 47 | 81 | 4 | 49 | 74 | 6 | 49 | 75 | 7 | 42 |
| Chandigarh | 73 | 7 | 50 | 84 | 5 | 48 | 81 | 14 | 47 | 84 | 7 | 48 |
| Yamuna-nagar | 71 | 6 | 42 | 76 | 5 | 46 | 79 | 6 | 49 | 77 | 6 | 40 |
| Jind | 69 | 8 | 56 | 75 | 6 | 52 | 81 | 4 | 52 | 77 | 7 | 48 |
| Kaithal | 68 | 12 | 48 | 72 | 6 | 46 | 78 | 8 | 46 | 78 | 7 | 39 |
| Karnal | 67 | 5 | 42 | 78 | 3 | 40 | 78 | 4 | 46 | 77 | 6 | 38 |
| Ambala | 61 | 5 | 51 | 76 | 4 | 43 | 74 | 6 | 49 | 80 | 6 | 38 |

Had the expenditure concealed on account of diesel, oil and lubricants as mentioned in para 7.2.9 supra been added, none of the depots would have achieved the norm of expenditure per kilometre on diesel, oil and lubricants in any of the three years ending 31st March 1984.

None of the depots achieved norms of 22.5 paise (1981-82 and 1982-83) and 43 paise per kilometre (on spare parts, batteries, tyres and tubes) in 1983-84. However, two depots (Ambala and Karnal) could restrict the expenditure to the norms of 38 paise on spare parts, batteries and tyres and tubes during 1984-85.

It was gathered in audit that the norms of diesel, oil and lubricants fixed by the department from time to time were not realistic. The norm of 26 paise per kilometre on diesel fixed some time before 1971-72 was not revised till 1983-84, though the prices of diesel had been going up from year to year. Similarly norm of expenditure of 9 paise per kilometre of oil and lubricants (1981-82 to 1982-83) which was reduced to 6 paise per kilometre in 1983-84 and 1984-85 fixed by the department was not on the basis of actual expenditure incurred thereagainst in each year. It is evident from the above table that the actual expenditure on oil and lubricants was 14 paise in Chandigarh depot as against 4 paise each in Jind and Karnal depots during 1983-84.

7.2.12. Lubricants

The used engine oil derived from the vehicles at the time of change of oil can be used as fresh oil if reprocessed according to I.S.I. specifications. It was decided in the meeting of Works Managers (November 1983) that at least 50 per cent of oil issued to each vehicles and used should be recovered. The department had, however, neither set up any plant for reprocessing of used engine oil nor got it reprocessed through outside agencies. The used oil, thus, recovered was being disposed of through auction. The norm of recovery of 50 per cent was too low as compared to other State Transport Undertakings, specially U.P. where the recovery of used oil was 80 per cent. The 7 TATA depots, however, failed to achieve even 50 per cent recovery as, during the period from 1981-82 to 1984-85, out of 23.92 lakh litres oil consumed, the

actual recovery was only 5.30 lakh litres (Rs. 21.20 lakhs) against the due and prescribed recovery of 11.95 lakh litres (Rs. 47.80 lakhs) resulting in short recovery of 6.65 lakh litres (Rs. 26.60 lakhs).

Reasons for low recovery of used oil were not investigated by the department.

7.2.13. (i) Use of diesel oil for cleaning of parts of vehicles

Kerosene oil is ideal and also cheaper for cleaning the parts of vehicles. It was only in March 1984 that the department decided to use kerosene oil for cleaning the parts instead of cleaning them with diesel. Five TATA depots of the department consumed 0.70 lakh litres of diesel oil in cleaning the parts during the year 1984-85. Had kerosene oil been used the department could have saved Rs. 0.70 lakh. No efforts were made by the depots to procure kerosene oil permits from the Food and Supplies department of the State Government.

(ii) Non recovery of prompt payment discount from Indian oil corporation

As per standing arrangement (September 1976) with the IOC a prompt payment discount of Rs. 7 per kilometre of HSD oil is allowed in case advance payment is made before the 1st day of each month by the department. The IOC had not allowed prompt payment discount of Rs. 0.98 lakh to 4 depots (Ambala, Karnal, Yamunanagar and Chandigarh) between January 1981 and January 1982 though the payment had been made in time by the depots. While the Ambala and Chandigarh depots had referred the matter to the State Transport Commissioner and IOC in December 1981, the depots had not pursued the case thereafter, whereas the other two depots (Yamunanagar and Karnal) had not referred the matter to either of the offices. Reasons for not allowing the prompt payment discount by the IOC to these four depots were not on record.

7.2.14. Summing up

The accounts of the department were in arrears from 1980-81 onwards.

As per provisional accounts the department suffered a loss of Rs. 4,15.72 lakhs in 1981-82 which came down to Rs. 89.65 lakhs in 1982-83 and rose to Rs. 2,03.19 lakhs in 1983-84.

Five depots operated 18.28 lakh dead kilometres during 4 years up to 1984-85 though the workshops were situated within bus stand premises involving additional expenditure of Rs. 14.30 lakhs on HSD, oil and lubricants.

The number of accidents increased from 477 in 1981-82 to 552 in 1984-85.

Scheduled trips involving 14.69 lakh kilometres were cancelled during 4 years up to 1984-85 due to avoidable causes resulting in loss of revenue of Rs. 35.46 lakhs.

Detention of vehicles in the workshop for repairs ranged between 3 and 119 days during the 4 years up to 1984-85.

Shortfall in servicing of vehicles (A&B) ranged between 14.51 per cent and 41.33 per cent during 4 years up to 1984-85.

Consumption of HSD, oil and lubricants was more than the norms during the 4 years up to 1984-85 involving additional expenditure of Rs. 1,88.30 lakhs and Rs. 26.60 lakhs respectively.

HSD oil, 35,168 litres valuing Rs. 1.13 lakhs found short in 1983-84 during physical verification in Jind depot of the department was not recovered/adjusted.

Prompt payment discount of Rs. 0.98 lakh was not availed from I.O.C. by four depots between January 1981 and January 1982.

The matter was reported to the Government in August 1985; reply was awaited (February 1986).

7.3. Loss of revenue

Rates of passenger fare for State carriages, per kilometre, were raised by the Government at 5.5 paise from

17th August 1980 and 6.25 paise from 15th October 1982. Rules of the department provide that rates for State carriages are equally and simultaneously applicable to contract carriages as well.

Test check (November 1983) of accounts of Bhiwani depot of Haryana Roadways revealed that, contrary to provisions in the Rules, the above rates were made applicable to contract carriages only from 12th August 1981 and 1st January 1983, respectively. Non-application of revised rates, for the periods from August 1980 to August 1981 and October 1982 to December 1982, resulted in loss of revenue to the Government to the tune of Rs. 1.19 lakhs (fare : Rs. 0.74 lakh; passenger tax: Rs. 0.45 lakh).

The matter was reported to the Government in March 1984; reply was awaited (February 1986).

7.4. Fabrication of bus bodies

To augment the fleet of vehicles and to replace the condemned vehicles, 348 chassis were purchased by the department during December 1983—May 1984 for fabrication of bus bodies. The department was running a body-building workshop at Gurgaon. As its monthly fabrication capacity was only 30, the department initiated advance action by inviting tenders in April 1982 for annual rate contract for fabrication of district type bus bodies on 250 'TATA' and 'LEYLAND' chassis, to which fifteen firms tendered their rates in May 1982. After technical/financial scrutiny, the rates were negotiated in May 1983 by the Standing Purchase Committee with the representatives of these firms. The negotiated rates of a Jullundur based firm 'A' with fabricating capacity of 100 bodies per month were the lowest at Rs. 57,500 per body for 'TATA' chassis (52 seater) and Rs. 59,500 per body for 'LEYLAND' chassis (54 seater). Besides firm 'A', four other firms (two Punjab and two Haryana based) with fabricating capacity ranging between 6 and 15 bodies, per month, were also approved by the Committee without recording any reason although their rates were as high as from Rs. 60,000 to Rs. 62,500 for 'TATA' chassis and from Rs. 62,000 to Rs. 65,500 for 'LEYLAND' chassis. Agreements were executed by four, out of the five firms, on 20th October 1983.

In November 1983, the High Powered Purchase Committee (HPPC) of the Government decided that, before assigning the job, each of the four firms be asked to fabricate one model body for inspection. Three firms, out of four, fabricated model bodies which were inspected by HPPC on 14th December 1983 and it was found that the bus body fabricated by the lowest-tendered firm 'A' was the best of all the models. The HPPC, however, without assigning any reason, decided on 26th December 1983 that case be prepared *de-novo* and fresh tenders called for. Accordingly, short-term tenders were invited on 6th January 1984 in response to which eleven firms tendered their rates on 19th January 1984. All these tenders were considered by the HPPC and, after negotiations with the representatives of these firms, rates of Rs. 59,000 per body for 'TATA' chassis and Rs. 61,000 for 'LEYLAND' chassis were approved (February 1984) for all the firms. At these rates, orders for fabrication of bodies on 150 chassis (98 TATA and 52 LEYLAND) were placed (March—May 1984) on seven firms including 75 on firm 'A' from Jullundur. The remaining 198 chassis were retained for meeting the requirement of departmental workshop.

The Department stated (June 1985) that order for the entire number was not placed on firm 'A' as their fabricating capacity was only 86 chassis, per month. The reply is not tenable since the fabricating capacity of firm 'A' was 100 bodies per month and as such the firm could have fabricated all the 150 chassis within 1½ months.

Failure to take advantage of the rate contract executed by firm 'A' in October 1983 which were lower by Rs. 1,500 as compared to the rates approved in February 1984, thus, resulted in an avoidable extra expenditure of Rs. 2.25 lakhs.

The matter was reported to the Government in June 1985; reply was awaited (February 1986).

7.5. Purchase of kailwood

To meet urgent requirement of Kailwood sleepers for use in departmental body building workshops and roadways depots, and also to get the benefit of competitive rates open tenders for the supply of 7,250 sleepers of first

grade quality of a certain size were invited by the State Transport Controller on 25th January 1983 through DGS & D rate contract with H.P. State Forest Corporation, Shimla and Conservator of Forest, Jammu was already in existence. In response, nineteen agencies tendered their rates varying between Rs. 1,666.62 and Rs. 3,010.00 per cum. which were opened on 15th February 1983. The rates tendered by firm 'A' of Jammu (Rs. 1,666.62 per cum.) were approved by the Standing Purchase Committee on 6th April 1983 and, after receipt of confirmation from the firm on 19th April 1983 that they had a ready stock of 10,000 sleepers, a supply order for 9,000 sleepers (877.5 cum.) including the requirement for more depots was placed on this firm on 22nd April 1983 stipulating *inter alia* (i) delivery F.O.R. destination within 15 days failing which the material will be purchased from another source at the risk and cost of the supplier; (ii) agreement in this behalf to be executed by the firm within seven days; and (iii) security amounting to Rs. 0.30 lakh be deposited within seven days.

As the requirement of sleepers was urgent a team consisting of three departmental officers was deputed on 22nd April 1983 to collect 700 sleepers from the firm without execution of agreement or even obtaining security of Rs. 0.30 lakh. The firm, however, delivered only 261 sleepers (29.3 cum.) at quoted rates and expressed inability to supply the balance quantity stating (28th April 1983) that prices in the market had suddenly gone up. The Committee then invited (9th May 1983) firms 'B', 'C' and 'D' of Jammu to negotiate their tendered rates of Rs. 1,752, Rs. 1,788 and Rs. 1,815 per cum, respectively, and also to extend the validity period of their offer, expiring on 15th May 1983 to 20th May 1983. These firms, however, declined to extend the validity period. Meanwhile, to meet urgent requirements of Central Body Building Workshop an order for the supply of 1,000 sleepers (97.5 cum.) was placed on 13th May 1983 on Forest Department Himachal Pradesh, Shimla at the rate of Rs. 2,110.89 per cum; the supplies received in May 1983 were accepted by the department.

The offer of the fifth firm 'E' of Jammu was, however, still open and a supply order for 9,000 sleepers (877.5 cum.) at the quoted rate of Rs. 1,941.12 per cum was placed on this firm on 25th May 1983 after obtaining security

deposit of Rs. 0.35 lakh. In June 1983, the firm offered 10,500 sleepers for inspection of which 5,423 sleepers were approved and accepted by the inspection committee and delivered at Gurgaon, Ambala and Rewari depots (4,943, 240 and 240 sleepers respectively). On receipt of these sleepers in July 1983, the General Manager Gurgaon depot complained to department about defects in these sleepers. On this complaint, re-inspection was conducted and it was decided (October 1983) to accept 3,533 sleepers as grade I, 910 sleepers as grade II, reject the remaining 400 sleepers and to cancel the order for the balance quantity. Security of Rs. 0.35 lakh was later (May 1984) refunded to the firm.

To meet the requirement, two supply orders (December 1983 and March 1984) for 2,000 sleepers (195.0 cum.) each were placed on H.P. State Forest Corporation, Shimla and Conservator of Forest, Jammu on DGS & D rate contract of Rs. 2,639 per cum.

Thus, due to time lag of 67 days between opening of tenders on 15th February 1983 and placement of supply order on 22nd April 1983 on firm 'A' and by not invoking the cost and risk clause against firm 'A' the department had to incur an extra expenditure of Rs. 3.98 lakhs on purchase of 848 cum. sleepers, as tabulated below:

| Name of supplier | Quantity ordered | Quantity received | Rate at which orders were placed (per cum) | Rate at which it could have been procured | Difference in rate | Extra cost |
|--|------------------|-------------------|--|---|--------------------|--------------------|
| | (In cum.) | | (In rupees) | | | |
| (i) Firm 'A' | 877.50 | — | 1,666.62 | — | — | — |
| (ii) Forest Department HP, Shimla | 97.50 | 97.50 | 2,110.89 | 1,666.62 | 444.27 | 43,316 |
| (iii) Firm 'E' | 877.50 | 402.60 98.47 | 1,941.12 1,779.76 | 1,666.62 1,666.62 | 274.50 113.14 | 1,10,514 11,141 |
| (iv) H.P. State Forest Corporation, Shimla | 195.00 | 249.43 | 2,600.16 | 1,666.62 | 933.54 | 2,32,853 |
| (v) Conservator of Forest | 195.00 | | | | | |
| | | | <u>848.00</u> | | | <u>3,97,824</u> |

FOOD AND SUPPLIES DEPARTMENT

7.6. Non-recovery of transportation charges

According to a decision of the Government of India (March 1982), wheat procured by procurement agencies from mandis during 1982-83 was to be delivered at nearest storage point of Food Corporation of India (FCI) to facilitate quick delivery and to minimise transportation cost. For this purpose, each mandi was linked, by the FCI, to storage point and, as clarified later by the FCI (April 1982), if for one reason or the other wheat is not accepted at the linked point then after prior approval of the FCI it is to be delivered at another nearest point and extra transportation charges on this account will be borne by the FCI.

At Dabwali mandi wheat weighing 1.52 lakh quintals was procured of which 1.40 lakh quintals was delivered at local Dabwali depot and reportedly due to shortage of space at the Dabwali storage depot, the balance 0.12 lakh quintals of wheat was despatched (August 1982) under orders of District Food and Supplies Controller, Sirsa, without FCI's prior approval to a depot at Sirsa at a total cost of Rs. 0.61 lakh. On preferring claim for the reimbursement of these transportation charges, the FCI declined the claim stating that their prior concurrence for the change of delivery point was not obtained.

So far (March 1985), neither any responsibility has been fixed by the Department for this loss nor the amount has been recovered from the FCI. The department stated (August 1984) that the matter was under active investigation of the Government.

The above matter was reported to Government in July 1984; their reply was awaited (February 1986).

7.7. Loss of interest due to delay in submission of bills

Incidental charges incurred for procurement of wheat by the department for Central pool, are re-imbursed by the Food Corporation of India (FCI) to the department initially at provisional rates and subsequently, on finalisation of rates by the Government of India, supplementary claims are preferred on the FCI for the difference, if any.

For the procurement year 1980-81, provisional rates of incidental charges for procurement of wheat were allowed by the Government of India in April 1980 and final rates were approved and communicated to the Department and the FCI on 1st September 1983. During test check (May 1984) it was noticed that the field procurement circles were instructed by the department as late as in March 1984 to claim the differential amount from the FCI. While 4 circles, out of 13, preferred supplementary claims between October 1983 and January 1984 on the basis of final rates directly obtained from the FCI the remaining 9 circles submitted claims only in March 1984. This resulted in delay, from due date (16th September 1983), of 39 to 196 days in the submission of supplementary claims aggregating to Rs. 54.35 lakhs on which the Department suffered avoidable loss of interest of Rs. 2.16 lakhs (at the rate of 12.5 per cent, per annum) on cash credit availed of to that extent.

The department stated (July 1985) that the matter regarding enhancement of rates sanctioned by the Government of India in September 1983 remained under correspondence and instructions to prefer supplementary claims were issued only on receipt of refusal of the Government of India in March 1984. The reply does not hold good as (i) under the circumstances, the department could have raised supplementary bills on receipt of orders pending finalisation of the matter with the Government of India for enhancement of rates and (ii) 4 out of 13 circles had realised supplementary claims from the FCI before March 1984.

The matter was reported to the Government in June 1985; reply was awaited (February 1986).

7.8. Non-recovery of transportation charges of wheat

For delivery of stocks of wheat procured by the State procurement agencies during 1983-84 (Rabi 1984) for Central pool, the Dabwali and Ellanabad mandis of Sirsa Circle were linked with the FCI depots located in both these towns. In April 1984 the FCI, however, decided that during the months of May and June 1984 (a) the procurement agencies may move the wheat stocks to unlinked depots and (b) transportation charges for 15 kms will be

borne by the Department and the balance will be reimbursed by the FCI.

In June 1984, in Sirsa circle, 0.18 lakh quintals of wheat was transported to unlinked depot for which the Department incurred net expenditure of Rs. 0.59 lakh (after allowing for 15 Kms) and preferred (July 1984) a reimbursement claim in respect of one consignment on the FCI for the part amount of Rs. 0.20 lakh but was rejected by the FCI (July 1984) on the ground that their prior concurrence had not been obtained. Thereafter, neither the claim for Rs. 0.20 lakh was pressed on the FCI nor fresh claim for the balance Rs. 0.39 lakh was raised (July 1985).

The facility to transport wheat to unlinked depots was made available by the FCI for the months of May and June 1984 only. The department, however, moved 0.37 lakh quintals of wheat in Sirsa circle to unlinked depots during April, July and August 1984 at a net transportation cost of Rs. 1.89 lakhs but for this no reimbursement claim was admissible.

Thus, by not obtaining prior concurrence of the FCI for transportation of wheat to unlinked depots the department had to bear charges amounting to Rs. 2.48 lakhs.

7.9. Loss due to delay in the disposal of rice-stock

Rice weighing 1,206.065 quintals valuing Rs. 3.30 lakhs, meant for public distribution through fair price shops, was stored in the godowns of Haryana Warehousing Corporation, Kurukshetra Circle during 1978. The stock was, however, never issued for public distribution and in September 1981 when the stocks were taken out on the persistent demand of Warehousing Corporation since January 1980 the entire quantity was found to have been damaged due to its longer storage. The Public Analyst, Haryana, declared it (March 1982) unfit for human consumption due to presence of insects, rats-propping and dead weavils. In June 1982 Government in Finance Department approved its auction subject to the condition that losses, if any, would be recovered from the Warehousing Corporation. Accordingly, the entire quantity was auctioned in August 1982 fetching only Rs. 2 lakhs.

Warehousing Corporation was responsible for proper storage but in the instant case the rice stored was of

medium and coarse variety with stocking life of only 1 to 1½ years and as such their responsibility for proper storage was limited only up to about June 1980. A claim to make good the loss of Rs. 1.30 lakhs was, therefore, rejected (October 1982) by the Warehousing Corporation stating that, despite requests since January 1980, the stock was not lifted by the department from the Warehouses till September 1981. Failure of the department to issue the rice for public distribution in time, thus, resulted in a loss of Rs. 1.30 lakhs.

The matter was referred to Government in June 1985; reply was awaited (February 1986).

CHANDIGARH,

(S. K. CHAKRABORTY)

The

Accountant General [Audit], Haryana

Countersigned

NEW DELHI,

(T. N. CHATURVEDI)

The

Comptroller and Auditor General of India

APPENDICES

ALPHABETICAL

APPENDIX II.1.

(Reference : Paragraph 2.4 ; Page 11)

GRANTS/CHARGED APPROPRIATIONS WHERE EXCESS REQUIRES REGULARISATIONS

| Serial Number | Number and name of grant | Total grant (In rupees) | Expenditure | Excess |
|--------------------------------------|--------------------------|----------------------------|--------------|--------------|
| (1) | (2) | (3) | (4) | (5) |
| Revenue | | | | |
| (i) 2—General Administration | | | | |
| | Original | 11,51,46,430 | 12,75,19,973 | 7,79,079 |
| | Supplementary | 1,15,94,464 | | |
| (ii) 4—Revenue | | | | |
| | Original | 5,90,13,210 | 9,18,53,446 | 2,10,63,226 |
| | Supplementary | 1,17,77,010 | | |
| (iii) 6—Finance | | | | |
| | Original | 17,95,19,080 | 22,06,48,924 | 1,65,20,124 |
| | Supplementary | 2,46,09,720 | | |
| (iv) 8—Buildings and Roads | | | | |
| | Original | 26,82,83,000 | 31,72,33,893 | 3,09,50,893 |
| | Supplementary | 1,80,00,000 | | |
| (v) 14—Food and Supplies | | | | |
| | Original | 2,05,52,440 | 2,59,67,450 | 1,40,620 |
| | Supplementary | 52,74,390 | | |
| (vi) 15—Irrigation | | | | |
| | Original | 66,73,49,815 | 95,24,87,934 | 26,31,56,659 |
| | Supplementary | 2,19,81,460 | | |
| (vii) 16—Industries | | | | |
| | Original | 7,73,93,280 | 8,40,54,163 | 16,48,503 |
| | Supplementary | 50,12,380 | | |
| (viii) 20—Forest | | | | |
| | Original | 15,69,57,765 | 15,86,53,884 | 16,96,119 |
| | Supplementary | Nil | | |
| (ix) 21—Community Development | | | | |
| | Original | 22,51,72,630 | 25,86,56,996 | 2,67,16,086 |
| | Supplementary | 67,68,280 | | |

| (1) | (2) | (3) | (4) | (5) |
|---------------------------------|--------------|----------------|--------------|-------------|
| (x) 23-Transport | | | | |
| Original | 78,27,43,200 | } 81,11,50,100 | 83,15,75,864 | 2,04,25,764 |
| Supplementary | 2,84,06,900 | | | |
| Capital | | | | |
| (i) 11-Urban Development | | | | |
| Original | 27,00,000 | } 36,00,000 | 38,68,102 | 2,68,102 |
| Supplementary | 9,00,000 | | | |
| (ii) 17-Agriculture | | | | |
| Original | 4,15,00,000 | } 4,22,50,000 | 4,23,07,699 | 57,699 |
| Supplementary | 7,50,000 | | | |
| (iii) 19-Fisheries | | | | |
| Original | Nil | } 47,06,000 | 47,19,237 | 13,237 |
| Supplementary | 47,06,000 | | | |
| (iv) 23-Transport | | | | |
| Original | 12,32,00,000 | } 12,32,00,000 | 12,52,32,106 | 20,32,106 |
| Supplementary | Nil | | | |
| (v) 24-Tourism | | | | |
| Original | Nil | } — | 91,90,847 | 91,90,847 |
| Supplementary | Nil | | | |

CHARGED APPROPRIATIONS**Revenue**

| | | | | |
|-------------------------------------|-----------|-------------|-----------|----------|
| (i) 2-General Administration | | | | |
| Original | 34,65,250 | } 48,55,610 | 49,88,650 | 1,33,040 |
| Supplementary | 13,90,360 | | | |
| (ii) 3-Home | | | | |
| Original | 53,63,030 | } 53,63,030 | 62,09,253 | 8,46,223 |
| Supplementary | Nil | | | |
| (iii) 8-Buildings and Roads | | | | |
| Original | Nil | } 4,36,275 | 4,51,172 | 14,897 |
| Supplementary | 4,36,275 | | | |

APPENDIX II.2.

(Reference : Paragraph 2.10 ; Page 14)

DRAWAL OF FUNDS IN ADVANCE OF REQUIREMENTS

| Department/ Office | Month of drawal | Amount (In lakhs of rupees) | Remarks |
|--|-----------------------|-----------------------------------|---|
| (1) | (2) | (3) | (4) |
| Health | | | |
| Chief Medical Officer, Sirsa | March 1985 | 2.14 | Drawn as an advance but was undisbursed/unutilised (August 1985). |
| Chief Medical Officer, Narnaul | March 1985 | 0.63 | Drawn as advance in antici- pation of receipt of material such as X-ray films, Chairs, Almirahs, Dental X-ray Machi- nes, etc., but was awaiting adjustment (June 1985). |
| District T. B. Officer, Bhiwani | March 1985 | 0.20 | Drawn for the purchase of equipment lying unutilised (May 1985). |
| Chief Medical Officer, Faridabad | March 1985 | 0.42 | The amount was drawn as advance for the purchase of medicines which were not received and the whole amount had to be refunded in July 1985. |
| Education | | | |
| Director of Higher Education Haryana, Chandigarh | March 1985 | 23.96 | The amount drawn was con- verted into three RTRs in the name of the firm for the supply of TAT PATTI. However, a sum of Rs. 4.09 lakhs only was actually paid for the ma- terial received up to July 1985 and remaining amount of Rs. 19.87 lakhs was lying undisburs- ed (July 1985). |
| Director of Higher Education Haryana, Chandigarh | March 1985 | 18.16 | The amount drawn was conver- ted into RTRs on 30th March 1985. Amount of Rs. 7.17 lakhs was paid during May to July 1985 while RTRs for Rs. 10.99 lakhs were ly- ing with the Department (July 1985). |

| (1) | (2) | (3) | (4) |
|--|------------|------|---|
| Sub Divisional Education Officer, Sirsa | March 1985 | 0.42 | The amount drawn was converted into RTRs in favour of two firms in anticipation of the receipt of the material such as uniforms of Khakhi Terricot and steel chairs, tables and almirahs which was actually received in April 1985. |
| Sub Divisional Education Officer, Rewari | March 1985 | 0.01 | Amount was drawn in anticipation of receipt of materials like wooden chairs and tables and was converted into RTRs which was lying with the Block Education Officer (September 1985). |
| Government High School, Raksera (Karnal) | March 1985 | 0.01 | Amount drawn for payment of attendance prize was actually disbursed in May 1985. |
| Sub Divisional Education Officer, Fatehabad | March 1985 | 0.04 | Amount drawn was converted into RTRs in favour of firm but the material like Art and Craft goods and maps had not been received and the RTRs were lying undisbursed (September 1985). |
| Sub Divisional Education Officer, Narnaul | March 1985 | 1.98 | The amount drawn for purchase of stores was disbursed during April-September 1985 due to late receipt of stores. |
| Social Welfare | | | |
| Community Development Project Officer, Barwala | March 1985 | 0.59 | The amount was converted into RTRs but due to non-receipt of 90 steel almirahs the RTRs were still lying with the disbursing Officer (May 1985). |
| District Welfare Officer, Sonapat | March 1985 | 1.44 | The amount was drawn for disbursement of loans to the Scheduled Castes and Backward Classes for construction of houses but was converted into RTRs which were disbursed in April 1985. |

| (1) | (2) | (3) | (4) |
|--|------------|------|---|
| Community Development Project Officer, Sonapat | March 1985 | 0.03 | Amount drawn for the purchase of furniture was lying unutilised (May 1985). |
| Community Development Project Officer, Tauru | March 1985 | 0.23 | Amount was drawn for the purchase of office furniture but was converted into RTRs (September 1985). |
| Community Development Project Officer, Ambala | March 1985 | 0.35 | The amount was drawn for the purchase of furniture and converted into RTRs but goods not received (July 1985). |
| District Welfare Officer, Gurgaon | March 1985 | 1.92 | The amount was drawn for disbursement as subsidy to the Scheduled Castes and converted into RTRs but payment was made in April 1985. |
| District Welfare Officer, Gurgaon | March 1985 | 1.20 | The amount was drawn for environmental improvement in Harijan Bastis but was not disbursed to concerned Panchayats till July 1985. |
| District Welfare Officer, Ambala | March 1985 | 4.04 | The amount was drawn for payment of subsidy to Scheduled Castes and Backward Classes for construction of houses. Payment was, however, made in April 1985. |
| District Welfare Officer, Kurukshetra | March 1985 | 4.34 | The amount drawn on account of subsidy was actually disbursed to the beneficiaries during May 1985 to July 1985. |
| District Welfare Officer, Hissar | March 1985 | 1.34 | The amount of subsidy drawn was converted into RTRs and its disbursement was arranged in April 1985. |
| Zila-Sainik-Board | | | |
| Bhiwani | March 1985 | 0.47 | The amount drawn on account of pension payable to the widows of Ex-servicemen was deposited in the savings bank account and was not disbursed till July 1985. |

| (1) | (2) | (3) | (4) |
|--|-------------------------|------|--|
| Jind | March 1985 | 0.06 | The amount was drawn for the purchase of typewriters and remitted through bank draft dated 31st March 1985. The typewriters had not been received (April 1985). |
| Sports | | | |
| Director of Sports, Haryana, and Chandigarh | February and March 1985 | 0.88 | This amount was drawn as advance but payment was made on receipt of material during April and May 1985. |
| Agriculture | | | |
| Deputy Director of Agriculture, Gurgaon | March 1985 | 1.27 | The amount was drawn as advance for the purchase of spray pumps the receipt of which is awaited (July 1985). |
| Fisheries | | | |
| Fisheries Development Officer Badkhal at Faridabad | March 1985 | 0.04 | The amount was drawn as advance for the purchase of dragnets which had not been received. The bank draft was lying in the cash chest (August 1985). |
| General Administration | | | |
| Deputy Commissioner Faridabad, LIGH/MIGH | March 1985 | 3.69 | The amount was drawn for disbursement of loans during 1984-85 for construction of houses but was actually disbursed during 1985-86. |
| District Nazir, Ambala | March 1985 | 0.14 | The amount was drawn as advance for the purchase of furniture and converted into RTRs which were lying undischursed for want of receipt of furniture (May 1985). |
| Deputy Commissioner Gurgaon, LIGH/MIGH | March 1985 | 3.32 | The amount was drawn for disbursement of loans for construction of houses which was actually disbursed in next financial year during April 1985 to May 1985. |

| (1) | (2) | (3) | (4) |
|---------------------------------------|------------|------|--|
| Deputy Commissioner Karnal, LIGH/MIGH | March 1985 | 4.80 | Amount was drawn to disburse loans. Rupees 1.58 lakhs were paid in August 1985 and rupees 2.83 lakhs were paid in September 1985. Rupees 0.39 lakh were lying undisbursed in savings bank account P.O. (October 1985). |

Justice

| | | | |
|------------------------|------------|------|--|
| Senior-Sub-Judge, Jind | March 1985 | 0.25 | The amount was drawn for the purchase of office furniture which was received during April 1985 to July 1985 and the payment was released in July 1985. |
|------------------------|------------|------|--|

Hydrologist

| | | | |
|---------------------------|------------|------|---|
| Ground Water Cell, Rohtak | March 1985 | 0.24 | The amount was drawn for the purchase of machinery and kept in the form of RTRs. The machinery was not received and this amount was lying undisbursed (October 1985). |
|---------------------------|------------|------|---|

Industrial Training

| | | | |
|------------------------------------|------------|------|---|
| Director, ITI, Haryana, Chandigarh | March 1985 | 0.92 | The amount was drawn for the purchase of miscellaneous store articles but was disbursed in next financial year. |
|------------------------------------|------------|------|---|

Development and Panchayat

| | | | |
|--|------------|------|--|
| Block Development and Panchayat Officer, Bawal | March 1985 | 0.05 | The amount was drawn for the purchase of typewriter but was transferred to the cash book of Panchayat Samities in May 1985. It was lying unutilised till September 1985. |
|--|------------|------|--|

| | | | |
|-----------------------------------|------------|------|--|
| Director of Election Local Bodies | March 1985 | 0.22 | The payment was made in April 1985 and articles of stationery worth Rs. 0.15 lakh were received in May and June 1985. Articles worth Rs. 0.07 lakh were not received till June 1985. |
|-----------------------------------|------------|------|--|

| (1) | (2) | (3) | (4) |
|--|--------------|------|---|
| Tourism | | | |
| Director, Tourism, Haryana, Chandigarh | July 1984 | 3.00 | Rupees 1.44 lakhs drawn for payment of compensation to land-owner remained un- disbursed and were refunded into treasury in February 1985. |

APPENDIX II.3

(Reference : Paragraph 2.12; Page 15)

SIGNIFICANT CASES OF SHORTFALL/

EXCESS IN RECOVERIES

| Serial Number | Number and name of grant | Estimated recovery | Actual recovered | Amount of excess(+)/shortfall(-) compared to estimates | Remarks |
|-----------------------|--------------------------------------|--------------------|------------------|--|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| (In crores of rupees) | | | | | |
| Revenue | | | | | |
| 1. | 6—Fisheries | 0.03 | Nil | (—)0.03 | Reasons for the shortfall have not been intimated (February 1986). |
| 2. | 8—Buildings and Roads | Nil | 2.21 | (—)2.21 | The excess was due to recovery having not been estimated in the revenue section of the establishment charges transferred to capital head on pro rata basis. |
| 3. | 14—Food and Supplies | 0.91 | 1.59 | (+)0.68 | Reasons for the excess have not been intimated (February 1986). |
| 4. | 15—Irrigation | 0.14 | 19.06 | (+)18.92 | The excess was due mainly to recovery having not been estimated in revenue section for the establishment charges transferred to the Capital head on pro rata basis. |
| 5. | 17—Agriculture | 10.39 | Nil | (—)10.39 | The shortfall was due to expenditure having been incurred by the various departments directly from their heads of account for the development of Mewat Area instead of routing the expenditure initially through the major head "308—Area Development". |
| Capital | | | | | |
| 6. | 13—Social Welfare and Rehabilitation | 0.53 | 0.15 | (—)0.38 | Reasons for the shortfall have not been intimated (February 1986). |

| (1) | (2) | (3) | (4) | (5) | (6) |
|-----|----------------------|---------|---------|----------|--|
| 7. | 14—Food and Supplies | 1,36·75 | 1,06·64 | (—)30·11 | Reasons for the shortfall have not been intimated (February 1986). |
| 8. | 15—Irrigation | 0·31 | 14·21 | (+)13·80 | Reasons for the excess have not been intimated (November 1985). |
| 9. | 17—Agriculture | 3·30 | 2·50 | (—)0·80 | Reasons for the shortfall have not been intimated (February 1986). |
| 10. | 22—Co-operation | 1·99 | 0·61 | (—)1·38 | Reasons for the shortfall have not been intimated (February 1986). |

APPENDIX III-1.

(Reference : Paragraph : 3·7·1(c) and 3·7·4 ; Page 31 and 44)

| Serial Number | Name of Scheme | Period | Financial | | | |
|--------------------------------------|--|--------------------|----------------|------------|-------------|------------|
| | | | Funds provided | | Expenditure | |
| | | | Plan | Non-Plan | Plan | Non-Plan |
| (1) | (2) | (3) | 4(a) | 4(b) | 5(a) | 5(b) |
| Elementary Education (Formal) | | | | | | |
| (In lakhs of rupees) | | | | | | |
| 1. | Appointment of additional staff (Monitory Cell) | 1979-80 to 1984-85 | 74·48 | 6,71·43 | 20·26 | 6,05·52 |
| 2. | Running of Primary Schools | -do- | 9·21 | 1,48,71·84 | 6·54 | 1,67,90·32 |
| 3. | Expansion of facilities classes I—V (Full time) | -do- | 5,80·93 | — | 4,64·46 | — |
| | VI—VIII | -do- | 16,03·24 | — | 17,37·28 | — |
| 4. | Incentives— | | | | | |
| | (i) Free Books and Stationery | -do- | 40·50 | — | 28·56 | — |
| | (ii) Attendance scholarship | -do- | 2,96·40 | — | 2,58·26 | — |
| | (iii) Free Uniform | -do- | 1,16·35 | — | 78·78 | — |
| 5. | Book Bank | -do- | 39·00 | — | 31·67 | — |
| 6. | Socially useful productive work (Primary and Middle Schools) | -do- | 17·73 | — | 9·97 | — |
| 7. | Assistance to Non-Government Primary Schools | -do- | 3·00 | 4,69·17 | 2·90 | 2,74·60 |
| 8. | Assistance to local bodies for primary education (Improvement of salary of teachers in their employment) | -do- | — | 19·25 | — | 18·69 |
| 9. | Care School Feeding Programme | -do- | — | 2,17·83 | — | 1,98·54 |
| 10. | Publicity enrolment drive | -do- | 8·33 | — | 8·65 | — |
| 11. | Establishment of text book bureau (Production of text books and preparation of reading material) | -do- | 15·62 | — | 4·28 | — |
| 12. | Scholarship Middle | -do- | 16·20 | 15·62 | 10·32 | 16·80 |
| 13. | Construction/ Extension of Primary and Middle Schools buildings | -do- | 1,31·60 | — | 57·66 | — |

| (1) | (2) | (3) | 4(a) | 4(b) | 5(a) | 5(b) |
|------------------------|---|----------------------------|----------|------------|----------|------------|
| 14. | Setting up of State Population Education Cell (Sharing basis between Central and State) | 1982-83 to 1984-85 | 27.69 | — | 6.23 | — |
| 15. | UNICEF Aided Projects (2, 3 and 5) (Sharing basis) | -do- | 5.42 | — | 0.83 | — |
| Central Schemes | | | | | | |
| 16. | Incentive for promotion of Elementary Education for girls (Central assistance received Rs. 13.00 lakhs) | — | — | — | 13.00 | — |
| 17. | Recruitment and training of lady teachers | Not implemented in Haryana | | | | |
| Total | | | 29,85.70 | 1,62,65.14 | 27,39.65 | 1,79,04.47 |

Elementary Education (Non-Formal)

| | | | | | | |
|------------------------|--|--|---------|---|-------|---|
| 18. | Non-formal Education Part Time Class I—V | 1979-80 to 1984-85 | 86.33 | — | 61.23 | — |
| | Class VI—VIII | -do- | 16.81 | — | — | — |
| Central Schemes | | | | | | |
| 19. | Non-Formal Education | Not implemented in Haryana | | | | |
| 20. | Central commodity assistance to the State in the form of paper | Only paper received in Haryana | | | | |
| 21. | Setting up of Non-Formal Centres exclusively for girls | Not implemented in Haryana | | | | |
| 22. | Assistance to Voluntary Organisation | Not implemented through the State Government | | | | |
| Total | | | 1,03.14 | — | 61.23 | — |

Adult Education

| Central Schemes | | | | | | |
|------------------------|---|--------------------|---------|---|---------|---|
| 23. | Rural Functional literacy Project (Central Assistance received Rs. 2,65.09 lakhs) | 1979-80 to 1984-85 | 2,57.23 | — | 2,38.21 | — |
| 24. | National Adult Education Programme (Central assistance received Rs. 41.71 lakhs) | -do- | 38.80 | — | 32.08 | — |
| 25. | Setting up of Shramik Vidya Peeth (Central assistance received Rs. 7.84 lakhs) | 1981-82 to 1984-85 | 5.97 | — | 6.50 | — |
| 26. | (i) Incentives for promotion of Adult Education (Central assistance received Rs. 12.00 lakhs) | 1983-84 to 1984-85 | — | — | 12.00 | — |

| (1) | (2) | (3) | 4(a) | 4(b) | 5(a) | 5(b) |
|-----|---|--------------------------|----------|------------|----------|------------|
| | (ii) Non-formal Education for women and girls (Central assistance received Rs. 1.44 lakhs) | 1982-83 to 1984-85 | — | — | 7.93 | — |
| | Total | | 3,02.00 | — | 2,96.72 | — |
| 27. | Special Adult Education Programme (State Scheme) | 1979-80 to 1984-85 | — | 2,52.52 | — | 1,83.53 |
| | Total | | 3,02.00 | 2,52.52 | 2,96.72 | 1,83.53 |
| | Grand Total | | 33,90.84 | 1,65,17.66 | 30,97.60 | 1,80,88.00 |

APPENDIX

(Reference : Paragraph

Centres in District having literacy percentage

| Serial Number | District | Literacy Percentage | | | Number of | |
|------------------|--------------|---------------------|-------|-------|----------------------|-------|
| | | Men | Women | Total | 1979-80 | |
| | | | | | Central | State |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 1 | Ambala | 52.65 | 34.61 | 44.21 | 279 | — |
| 2 | Faridabad | 52.34 | 22.86 | 39.11 | — | — |
| 3 | Karnal | 46.76 | 24.38 | 36.42 | 232 | — |
| 4 | Mohindergarh | 54.74 | 20.42 | 38.04 | — | — |
| 5 | Rohtak | 55.61 | 26.97 | 42.03 | 300 | — |
| 6 | Sonepat | 54.05 | 25.22 | 40.64 | — | — |
| Total | | | | | 811 | — |
| | | | | | <i>Proportionate</i> | |
| | | | | | 1979-80 | |
| Central | | | | | 12.88 | |
| State | | | | | Nil | |
| Total | | | | | 12.88 | |

Note : Proportionate cost is based on year wise total expenditure divided by these districts.

III.2
3.7.4(a)(vii); Page 47)

above the national level (36.17)

centres set up year wise

| 1980-81 | | 1981-82 | | 1982-83 | | 1983-84 | | 1984-85 | |
|---------|-------|---------|-------|---------|-------|---------|-------|---------|-------|
| Central | State | Central | State | Central | State | Central | State | Central | State |
| (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) |
| 293 | — | 292 | — | 300 | — | 300 | — | 300 | — |
| — | 200 | — | 284 | — | 193 | — | 137 | — | 300 |
| 179 | — | 295 | — | 300 | — | 300 | — | 300 | — |
| — | 137 | — | 182 | — | 192 | — | 250 | — | 300 |
| 215 | — | 280 | — | 278 | — | 278 | — | 300 | — |
| — | 235 | — | 300 | — | 300 | — | 300 | — | 300 |
| 687 | 572 | 867 | 766 | 873 | 685 | 878 | 687 | 900 | 900 |

Expenditure

| 1980-81 | 1981-82 | 1982-83 | 1983-84 | 1984-85 | Total |
|----------------------|---------|---------|---------|---------|---------|
| (In lakhs of rupees) | | | | | |
| 12.11 | 16.11 | 15.58 | 16.95 | 18.10 | 91.73 |
| 12.93 | 17.43 | 18.10 | 16.86 | 23.17 | 88.49 |
| 25.04 | 33.54 | 33.68 | 33.81 | 41.27 | 1,80.22 |

total centres (achievements) and multiplied by number of total centres (functioned) in

APPENDIX

(Reference : Paragraph

Statement showing the financial and physical targets and achievements of

| Serial Number | Name of Scheme | Whether State/ Centrally sponsored | Period |
|--------------------------|---|---------------------------------------|---|
| (1) | (2) | (3) | (4) |
| A-Afforestation | | | |
| 1 | Plantation of quick growing State Species | State | 1980-81 1981-82 1982-83 1983-84 1984-85 |
| | | | Total |
| 2 | Plantation of forest species for industrial and commercial uses | State | 1980-81 1981-82 1982-83 1983-84 1984-85 |
| | | | Total |
| 3 | Re-afforestation of degraded forests including civil forests | State | 1980-81 1981-82 1982-83 1983-84 1984-85 |
| | | | Total |
| B-Social forestry | | | |
| 4 | Social forestry project | World bank aided | 1982-83 1983-84 1984-85 |
| | | | Total |
| 5 | Social forestry including Rural fuel wood plantation | Centrally sponsored | 1980-81 1981-82 1982-83 1983-84 1984-85 |
| | | | Total |

111.3.

3.9.2; Page 60)

the various forestry schemes implemented by the Forest Department

| Financial outlay | | | Physical | | | |
|-------------------------------------|-------------|------------|--------------------------|--------------|--------------|------------|
| Provision | Expenditure | Percentage | Units | Targets | Achievements | Percentage |
| (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| (In lakhs of rupees) | | | (In lakhs of rupees) | | | |
| 4.90 | 4.72 | 96 | Hectare | 1,55 | 1,55 | 1,00 |
| 10.00 | 6.89 | 69 | do | 1,65 | 1,65 | 1,00 |
| 12.00 | 11.11 | 93 | do | 2,80 | 2,80 | 1,00 |
| 15.00 | 14.03 | 94 | do | 1,90 | 2,15 | 1.13 |
| 20.00 | 17.78 | 89 | do | 4,35 | 4,35 | 1,00 |
| 61.90 | 54.53 | 88 | | 12,25 | 12,50 | 1,02 |
| 6.80 | 6.28 | 92 | do | 2,06 | 2,06 | 1,00 |
| 21.50 | 20.61 | 96 | do] | 7,50 | 7,50 | 1,00 |
| 25.00 | Nil | Nil | | 5,45 | Nil | Nil |
| Nil | 22.50 | — | | 3,25 | 3,26 | 1,00 |
| 40.00 | 37.37 | 93 | | 7,25 | 7,25 | 1,00 |
| 93.30 | 86.76 | 93 | | 25,51 | 20,07 | 79 |
| 5.30 | 5.57 | 105 | do | 3,00 | 3,00 | 1,00 |
| 20.00 | 18.30 | 91 | | 10,00 | 10,00 | 1,00 |
| 20.00 | 17.33 | 87 | | 7,60 | 7,60 | 1,00 |
| 23.00 | 19.67 | 86 | | 4,70 | 4,70 | 1,00 |
| 30.00 | 15.84 | 53 | | 9,90 | 3,90 | 39 |
| 98.30 | 76.71 | 78.6 | | 35,20 | 29,20 | 83 |
| 161.35 | 299.06 | 185 | Hectare | 46,00 | 53,68 | 1,17 |
| (Re-appropriation in March 1983) | | | | | | |
| 441.50 | 309.00 | 70 | | 90,00 | 90,04 | 1,00 |
| 600.00 | 535.00 | 89 | | 1,46,00 | 1,42,56 | 98 |
| 1202.85 | 1143.06 | 95 | | 2,82,00 | 2,86,28 | 1,02 |
| — | 1.80 | — | Plants in Lakhs/ area | Nil | Nil/Nil | Nil |
| — | 132.96 | — | in hectare] | 16,00 | | |
| | | | | 40/2613 | 28/2826 | 70/108 |
| 100.00 | 98.25 | 99 | | 62.50/2500 | 62.50/2500 | 100 |
| 110.00 | 86.18 | 78 | | 62.50/2500 | 62.50/2500 | 100 |
| 101.15 | 103.68 | 103 | | 62.50/2500 | 62.50/2500 | 100 |
| 311.15 | 423.57 | 136 | | 227.50/11713 | 215.50/10326 | 81/88 |

| (1) | (2) | (3) | (4) |
|----------------------------|--|---|---|
| 6 | Mixed plantation in suitable waste and Panchayat lands; Village Common and forest areas | State | 1980-81 1981-82 1982-83 1983-84 1984-85 |
| | | | Total |
| 7 | Extension forestry | State | 1980-81 1981-82 1982-83 1983-84 1984-85 |
| | | | Total |
| 8 | Development of Social forestry including re-afforestation of degraded forests and raising of shelter belts | State | 1980-81 1981-82 1982-83 1983-84 1984-85 |
| | | | Total |
| C—Farm Forestry | | | |
| 9 | Farm forestry | State | 1980-81 1981-82 1982-83 1983-84 1984-85 |
| | | | Total |
| 10 | Intensive farm forestry (Matluda block-Karnal district) | State | 1980-81 1981-82 1982-83 to 1984-85 |
| | | | Total |
| D—Soil Conservation | | | |
| 11 | Soil water and tree conservation in Himalayas (Operation Soil watch) | Centrally Sponsored/ Central from 1982-83 | 1980-81 |
| | | | 1981-82 |

| (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|---|--------|-------|-------------------------------------|------------|-----------|---------|
| 30-00 | 29-93 | 100 | Hectare | 1500 | 1501 | 100 |
| 30-00 | 23-86 | 80 | | 1300 | 704 | 54 |
| 30-50 | 26-08 | 86 | | 870 | 870 | 100 |
| 15-00 | 13-12 | 87 | | 150 | 150 | 100 |
| 40-00 | 36-21 | 91 | | 1290 | 1290 | 100 |
| 145-50 | 129-20 | 89 | | 5110 | 4515 | 88 |
| 38-90 | 41-39 | 106 | RKM/Hect. | 2580/70 | 2580/70 | 100 |
| 60-00 | 43-33 | 72 | | 4420/230 | 2570/130 | 58/57 |
| 69-00 | Nil | Nil | | 3620/200 | Nil | Nil |
| Nil | 52-15 | — | | 1700/150 | 2864/150 | 168/100 |
| 81-72 | 72-05 | 88 | | 4000/370 | 4000/370 | 100/100 |
| 249-62 | 208-92 | 84 | | 16320/1020 | 12014/720 | 74/71 |
| 37-60 | 37-20 | 99 | Do | 2000/400 | 2000/400 | 100/100 |
| 40-00 | 23-25 | 58 | | 2200/600 | 870/450 | 40/75 |
| 40-00 | Nil | Nil | | 1596/500 | Nil/Nil | Nil/Nil |
| Nil | 11-07 | Nil | | Nil | Nil | Nil |
| 35-00 | 30-73 | 88 | | 1940/Nil | 1940/Nil | 100 |
| 152-60 | 102-25 | 67 | | 7736/1500 | 3810/850 | 49/57 |
| 10-90 | 12-30 | 113 | Plants in lakhs | 19-00 | 20-27 | 107 |
| 20-00 | 17-39 | 87 | | 28-00 | 26-40 | 94 |
| 23-50 | Nil | Nil | | 40-00 | Nil | Nil |
| Nil | 11-74 | .. | | 14-00 | 14-00 | 100 |
| 25-00 | 21-29 | 85 | | 36-60 | 36-60 | 100 |
| 79-40 | 62-72 | 79 | | 137-60 | 97-97 | 71 |
| 12-40 | 11-58 | 93 | Do | 7-50 | 7-50 | 100 |
| 30-00 | 19-64 | 65 | | 9-00 | 9-00 | 100 |
| Scheme merged with social forestry (World bank aided project) | | | | | | |
| 42-50 | 31-22 | 73 | | 16-50 | 16-50 | 100 |
| Nil | 15-78 | (i) | Plants in lakhs | 4-00 | 4-00 | 100 |
| | | (ii) | Advance E//W in hectares | 500 | 500 | 100 |
| | | (iii) | Afforestation in hectares | 550 | 550 | 100 |
| | | (iv) | Stabilisation of slips (Hect.) | 240 | 240 | 100 |
| | | (v) | Buildings (Numbers) | 2 | 2 | 100 |
| 45-00 | 41-77 | (i) | As above | 6-00 | 6-00 | 100 |
| | | (ii) | Do | Awaited | 379 | — |
| | | (iii) | Do | 1500 | 1500 | 100 |
| | | (iv) | Do | 500 | 500 | 100 |
| | | (v) | Do | 4 | 4 | 100 |
| | | (vi) | Engineering Dams/ Structures (Nos.) | 1 | 1 | 100 |

| (1) | (2) | (3) | (4) |
|-----|-----|-----|---------|
| | | | 1982-83 |
| | | | 1983-84 |
| | | | 1984-85 |

Total

E—Wild Life

| | | | |
|----|---|----------------------------|--|
| 12 | Development of Sultanpur bird sanctuary | Centrally sponsored scheme | 1981-82 1982-83 1983-84 1984-85 |
|----|---|----------------------------|--|

Total

| | | | |
|----|---------------------------------|----------------------------|-------------------------------|
| 13 | Exhibition to promote wild life | Centrally sponsored scheme | 1982-83 1983-84 1984-85 |
|----|---------------------------------|----------------------------|-------------------------------|

Total

Grand Total

| (5) | (6) | (7) | (8) | (9) | (10) | (11) |
|--------|--------|---------|---|-------|-------|------|
| 45.00 | 74.16 | (i) | Do | 105 | 105 | 100 |
| | | (ii) | Do | 1200 | 1200 | 100 |
| | | (iii) | Do | 1140 | 1140 | 100 |
| | | (iv) | Do | 300 | 300 | 100 |
| | | (v) | Do | 4 | 4 | 100 |
| | | (vi) | Do | 1 | 1 | 100 |
| 100.00 | 79.87 | 80 (i) | as above | 65 | 70 | 108 |
| | | (ii) | as above | 1200 | 1200 | 100 |
| | | (iii) | as above | 1200 | 1200 | 100 |
| | | (iv) | as above | 700 | 570 | 81 |
| | | (v) | as above | — | 4 | — |
| | | (vi) | as above | — | 3 | — |
| 80.00 | 140.00 | 175 (i) | as above | 55 | 73 | 133 |
| | | (ii) | as above | 1500 | 2460 | 164 |
| | | (iii) | as above | 1820 | 1920 | 105 |
| | | (iv) | as above | 475 | 475 | 100 |
| | | (v) | as above | 11 | 11 | 100 |
| | | (vi) | as above | 26 | 26 | 100 |
| | | (vii) | Survey and preparation of work plan (Km.) | 300 | 185 | 62 |
| 270.00 | 351.47 | 130 | | 10102 | 10947 | 1753 |

| | | | |
|---------|---------|-----|-----------|
| Nil | 1.83 | — | Not fixed |
| Nil | 4.50 | — | Do |
| 6.60 | 6.48 | 100 | Do |
| 3.25 | 3.99 | 123 | Do |
| 9.85 | 16.80 | 171 | |
| Nil | 0.20 | — | Do |
| Nil | 0.50 | — | Do |
| Nil | 0.50 | — | Do |
| | 1.20 | | |
| 2716.97 | 2688.41 | | |

APPENDIX

(Reference : Paragraph

Cases of misappropriation, defalcations, etc , under Departmental
at the end

| Serial Number | Department | Departmental investigation cases pertaining to | | | |
|------------------|---------------------|--|-----------------------------------|--------------------|-----------------------------------|
| | | 1979-80 and earlier years | | 1980-81 to 1984-85 | |
| | | Number | Amount (in lakhs of rupees) | Number | Amount (in lakhs of rupees) |
| (1) | (2) | (3) | (4) | (5) | (6) |
| 1 | Irrigation | 4 | 0.36 | 24 | 5.09 |
| 2 | Buildings and Roads | 7 | 1.42 | 16 | 1.60 |
| 3 | Transport | 3 | 0.06 | 7 | 0.69 |
| 4 | Public Health | 1 | — | 10 | 2.21 |
| 5 | Education | 5 | 0.21 | 2 | 0.27 |
| 6 | Forest | — | — | 4 | 3.13 |
| 7 | Food and Supply | 3 | 0.38 | — | — |
| 8 | Land Revenue | — | — | — | — |
| 9 | Land Acquisition | — | — | — | — |
| 10 | Police | — | — | — | — |
| 11 | Election | — | — | 1 | 0.05 |
| 12 | Home Guard | — | — | 1 | 0.01 |
| 13 | Industries | — | — | 1 | 0.12 |
| 14 | Fisheries | — | — | 1 | 0.23 |
| 15 | Animal Husbandry | — | — | 1 | 0.16 |
| Total | | 23 | 2.43 | 68 | 13.56 |

III.4.

3.16 ; Page 95)

**Investigation or Criminal Prosecution. Position
of August 1985**

Criminal prosecution cases pertaining to

Grand Total

| 1979-80 and earlier years | | 1980-81 to 1984-85 | | Grand Total | |
|---------------------------|-----------------------------------|--------------------|-----------------------------------|-------------|-----------------------------------|
| Number | Amount (in lakhs of rupees) | Number | Amount (in lakhs of rupees) | Number | Amount (in lakhs of rupees) |
| (7) | (8) | (9) | (10) | (11) | (12) |
| 3 | 0.22 | 16 | 1.24 | 47 | 6.91 |
| — | — | 6 | 0.47 | 29 | 3.49 |
| 7 | 0.54 | 7 | 1.37 | 24 | 2.66 |
| 2 | 0.16 | 6 | 1.45 | 19 | 3.82 |
| 6 | 1.28 | 6 | 1.79 | 19 | 3.55 |
| — | — | 4 | 1.37 | 8 | 4.50 |
| — | — | — | — | 3 | 0.38 |
| 1 | 0.06 | — | — | 1 | 0.06 |
| 1 | 0.01 | — | — | 1 | 0.01 |
| 1 | 0.03 | — | — | 1 | 0.03 |
| — | — | — | — | 1 | 0.05 |
| — | — | — | — | 1 | 0.01 |
| — | — | — | — | 1 | 0.12 |
| — | — | — | — | 1 | 0.23 |
| — | — | — | — | 1 | 0.16 |
| 21 | 2.30 | 45 | 7.69 | 157 | 25.98 |

APPENDIX III.5.

(Reference : Paragraph 3.17 ; Page 96)

Losses due to theft, fire, irrecoverable revenue, duties, etc., written off/
recoveries waived during 1984-85

| Serial Number | Department | Write off of losses/ irrecoverable revenue, duties, etc . | |
|------------------|-------------------|---|--------------------|
| | | Number of cases | Amount (Rupees) |
| 1 | Food and Supplies | 19 | 13,041.97 |
| 2 | Education | 2 | 1,308.73 |
| | Total | 21 | 14,350.70 |

APPENDIX III.6.

(Reference : Paragraph 3.18 ; Page 96)

Idle-staff (Industries Department)

| Serial Number | Particulars of Idle staff | Period of idleness | Amount involved (in lakhs of rupees) | Remarks |
|---------------|--|--|--------------------------------------|---|
| (1) | (2) | (3) | (4) | (5) |
| 1 | 1. Draftsman 2. Storekeepers 3. Mining Guards 4. Drilling Assistants 2. Mechanics 8. Rigmen 4. Drivers 2. Superintendents | } March 1976 to March 1981 and } April 1982 to March 1984 | 12.04 | The staff was meant for drilling operations of iron ore, lime-stone, marble deposits etc. During the period indicated in column (3) no drilling operation was done and the staff was without work. The department stated (June 1985) that the staff was utilised against vacant posts of almost equivalent rank in the department. The reply was not tenable as there was no documentary evidence of posting and transfer orders. |
| 2 | 3. Demonstrators 1. Instructor 3. Peons/Chowkidars | December 1982 to March 1985 | 1.72 | Three community training centres engaged since November 1966 in imparting training to rural people in soap, leather and shoe making in Panipat were found by the General Manager (GM) District Industries Centre, Panipat as having out-lived their utility and were closed down by him in November-December 1982 without obtaining sanction of the Government. In February 1985, Industries department decided that these centres be revived and transferred to other districts. While one centre was transferred to Kurukshetra where it started functioning from April 1985, the position of the remaining two other centres was awaited (February 1986). |

(1)

(2)

(3)

(4)

(5)

During the period December 1982 to March 1985, the staff of the closed centres was retained by the G.M. Neither the manner in which the services of the surplus staff were fruitfully utilised by the G.M. nor sanction of the Government permitting the GM to retain the staff were on record. Matter was referred to Government in March 1985; their reply was awaited (February 1986).

APPENDIX VI. 1.

(Reference : Paragraph 6.2 ; Page 140)

Utilisation certificates for grants paid up to 31st March 1984.
Outstanding as on 31st August 1985

| Serial number | Department | Utilisation certificates awaited | |
|---------------|-------------------------------------|----------------------------------|--------------------------------|
| | | Number | Amount (In lakhs of rupees) |
| 1. | Education | 349 | 19,23.37 |
| 2. | Medical and Health— | | |
| | (a) Medical and Family Welfare | 74 | 2,17.40 |
| | (b) Public Health | 62 | 31,83.31 |
| 3. | Urban Development | 37 | 5,97.64 |
| 4. | Social Security and Welfare | 260 | 3,80.48 |
| 5. | Agriculture | 37 | 20,73.30 |
| 6. | Area Development | 81 | 16,36.09 |
| 7. | Animal Husbandry | 482 | 1,91.47 |
| 8. | Community Development and Panchayat | 188 | 11,84.86 |
| 9. | Village and Small Scale Industries | 81 | 3,59.50 |
| 10. | Civil Aviation | 6 | 10.23 |
| | Total | 1,657 | 1,17,57.65 |

APPENDIX VI.2.

(Reference : Paragraph 6.4 ; Page 141)

Name of bodies or authorities, the accounts of which have not been received

| Serial Number | Name of body or authority | Year for which the accounts have not been received |
|---------------|--|--|
| (1) | (2) | (3) |
| 1. | Haryana State Agriculture Marketing Board, Chandigarh | 1977-78, 1978-79 1979-80, 1980-81 1981-82, 1982-83 |
| 2. | Municipal Committee, Hissar | 1978-79 to 1982-83 |
| 3. | Municipal Committee, Rohtak | 1978-79 to 1982-83 |
| 4. | Municipal Committee, Faridabad | 1979-80 |
| 5. | Municipal Committee, Bahadurgarh | 1979-80 to 1982-83 |
| 6. | Municipal Committee, Bhiwani | 1979-80 to 1982-83 |
| 7. | Municipal Committee, Ambala | 1979-80 to 1982-83 |
| 8. | Municipal Committee, Narnaul | 1980-81 and 1982-83 |
| 9. | Municipal Committee, Gurgaon | 1980-81 to 1982-83 |
| 10. | Faridabad Complex, Faridabad | 1980-81 to 1982-83 |
| 11. | Municipal Committee, Kalka | 1981-82 to 1982-83 |
| 12. | Municipal Committee, Rewari | 1981-82 to 1982-83 |
| 13. | Municipal Committee, Sonapat | 1981-82 to 1982-83 |
| 14. | Municipal Committee, Assand | 1982-83 |
| 15. | Municipal Committee, Karnal | 1982-83 |
| 16. | S.A. Jain College, Ambala City | 1980-81 to 1982-83 |
| 17. | Arya College, Panipat | 1980-81 to 1982-83 |
| 18. | R.K.S.D. College, Kaithal | 1981-82 to 1982-83 |
| 19. | Sanjay Gandhi Memorial Institute, Bhiwani | 1981-82 |
| 20. | Haryana State Co-operative Supply and Marketing Federation Limited, Chandigarh | 1981-82 to 1982-83 |

| (1) | (2) | (3) |
|-----|--|--------------------|
| 21. | Haryana State Board for Prevention and Control of Water Pollution, Haryana, Chandigarh | 1981-82 to 1984-85 |
| 22. | J.V.M.G.R.R. College, Charkhi Dadri | 1982-83 |
| 23. | L.N. Hindu College, Rohtak | 1982-83 |
| 24. | M.L.N. College, Yamuna Nagar | 1982-83 |
| 25. | I.B. College, Panipat | 1982-83 |
| 26. | Y.M.C.A. Institute of Engineering, Faridabad | 1983-84 & 1984-85 |
| 27. | Director, Philadelphic Hospital, Ambala City | 1982-83 |
| 28. | Haryana Housing Board, Chandigarh | 1984-85 |
| 29. | Maharishi Dayanand University, Rohtak | 1983-84 & 1984-85 |
| 30. | Haryana Agriculture University, Hissar | 1983-84 & 1984-85 |
| 31. | Kurukshetra Development Board, Kurukshetra | 1984-85 |
| 32. | Kurukshetra University, Kurukshetra | 1984-85 |

APPENDIX VII.1.

(Reference : Paragraph 7.1; Page 164)

**Summarised Financial Results of Government Commercial/
Quasi - Commercial Departmental undertakings**

| Serial Number | Name | Period of accounts | Turn-over | Profit(+) Loss(-) |
|----------------------|--|--------------------|-----------|-------------------|
| (In lakhs of rupees) | | | | |
| 1. | Agriculture Department (Purchase and Distribution of Pesticides) | 1970-71 | 6.96 | (-)0.99 |
| | | 1971-72 | 15.88 | (+)0.34 |
| | | 1972-73 | 30.13 | (+)2.81 |
| 2. | Agriculture Department (Seed Depot Scheme) | 1974-75 | 1,19.30 | (-)4.94 |
| 3. | Food and Supplies Department (Grain Supply Scheme) | 1982-83 | 75,46.81 | (+)2,25.01 |
| 4. | Haryana Veterinary Vaccine Institute | 1983-84 | 5.76 | (+)2.52 |