



सत्यमेव जयते

REPORT OF THE COMPTROLLER
AND AUDITOR GENERAL
OF INDIA
FOR THE YEAR 1982-83

GOVERNMENT OF MEGHALAYA



THE NATIONAL BUREAU OF STANDARDS
WASHINGTON, D. C.
FOR THE YEAR 1903

OFFICE OF THE SECRETARY OF THE ARMY

TABLE OF CONTENTS

	Paragraph(s)	Page(s)
Prefatory remarks		(vi)
CHAPTER I		
GENERAL		
Summarised position of the accounts of the Government of Meghalaya emerging from the Finance Accounts for the year 1982-83	1.01	1—12
Audit comments on the accounts of the Government of Meghalaya for 1982-83	1.02	13—14
CHAPTER II		
APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE		
Summary	2.1	15
Excess over grants/charged appropriations requiring regularisation	2.2	16—19
Supplementary grants/charged appropriations	2.3	20—21
Unutilised provision	2.4	22
Non-receipt of explanations for savings/excesses	2.5	22
Unregularised excess of previous years	2.6	22
Home Department		
Drawal of money in advance of requirement	2.7	22—23
CHAPTER III		
CIVIL DEPARTMENTS		
Fisheries Department		
Development of Fisheries in Meghalaya	3.1	24—32

(ii)

	Paragraph(s)	Page(s)
Community Development Department		
Suspected misappropriation	3·2	32—34

Industries Department

Idle outlay	3·3	34—35
-------------	-----	-------

Health and Family Welfare Department

Rural Health Programme in Meghalaya	3·4	35—42
-------------------------------------	-----	-------

CHAPTER IV

WORKS EXPENDITURE

Public Health Engineering Department

Rural Water Supply Scheme, Meghalaya	4·1	43—56
Non-return of materials by a contractor	4·2	57
Unfruitful investment of Rs.45 lakhs	4·3	57

CHAPTER V

STORES AND STOCK

Accounts not received	5·1	58
Stock registers and stock verification	5·2	58
Tools and plant registers	5·3	58—59

Public Works (Roads and Buildings) Department

Unnecessary purchase of tar-testing thermometers with steel cases	5·4	59
Extra expenditure on local purchases	5·5	59—62

Public Health Engineering Department

Short delivery of cement by a carriage contractor	5·6	62—63
---	-----	-------

CHAPTER VI**REVENUE RECEIPTS****A—General**

Tax revenue raised by the State	6·1	64
Non-tax revenue of the State	6·2	65

B—Taxation Department

Irregular set-off of tax	6·3	65—66
Irregular exclusion of turnover from inter-State sales	6·4	67
Non-registration of dealers	6·5	67—68

C—Forest Department

Loss due to non-settlement of sand mahal with the highest tenderer	6·6	68
Non-settlement of river-bed stone mahals	6·7	69

CHAPTER VII**FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS**

Grants	7·1	70
Utilisation certificates	7·2	70

Co-operation Department

Financial assistance to co-operative societies including investments	7·3	71—73
Sanction of grants in advance of requirement	7·4	73

CHAPTER VIII**GOVERNMENT COMMERCIAL AND TRADING ACTIVITIES****SECTION I**

General	8·1	74
---------	-----	----

SECTION II

Statutory Corporations	8·2	74
Introduction	8·2·1	74
Meghalaya State Electricity Board	8·2·2	74—78
Line losses	8·3	79—81
Infructuous purchase of cable	8·4	81
Avoidable expenditure on rent	8·5	82
Meghalaya State Warehousing Corporation	8·6	82 - 84

Meghalaya Transport Corporation

Extra expenditure on printing	8·7	84—85
-------------------------------	-----	-------

SECTION III

Government Companies	8·8	85—86
----------------------	-----	-------

SECTION IV

Departmentally managed commercial and quasi-commercial undertaking	8·9	86—87
--	-----	-------

(v)

APPENDICES

	Page(s)
2·1 Statement showing grants/appropriations in which savings (more than Rs.10 lakhs in each case) exceeded 10 per cent of the total provision	91
7·1 Wanting utilisation certificates	92—93
8·1 Statement showing summarised financial results of Statutory Corporations	94
8·2 Statement showing summarised financial results of Government Companies	95—97

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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 1982-83 together with other points arising from audit of financial transactions of the Government of Meghalaya. It also includes certain points of interest arising from the Finance Accounts for the year 1982-83.

2. The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during the year 1982-83 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 1982-83 have also been included, wherever considered necessary.

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CHAPTER I—GENERAL

1.01 The summarised position of the accounts of the following

Statement

Statement of financial position

(Rupees in crores)

As at 31st March 1982	Liabilities	As at 31st March 1983
23.96	INTERNAL DEBT INCLUDING WAYS AND MEANS ADVANCES	29.24
15.86	LOANS AND ADVANCES FROM THE CENTRAL GOVERNMENT	38.38
	Pre-1979-80 Loans	6.04
	Non-Plan Loans -	21.77
	Loans for State Plan Schemes	9.44
	Loans for Central Plan Schemes	0.85
	Loans for Centrally Sponsored Plan Schemes	0.28
6.30	STATE PROVIDENT FUND	7.40
2.83	DEPOSITS	3.80
1.43	RESERVE FUNDS	1.55
6.34	OVER-DRAFT FROM RESERVE BANK OF INDIA	1.46
1.50	CONTINGENCY FUND	1.50
88.88	REVENUE SURPLUS	100.65
	(i) Net Revenue Surplus and adjust- ments to end of 31st March 1982	88.88
	(ii) Revenue Surplus for the year ending 31st March 1983	11.77
<hr/> 147.10		<hr/> 183.98

Government of Meghalaya for the year 1982-83 is indicated in the Statement :—

No. 1

as on 31st March 1983.

(Rupees in crores)

As at 31st March 1982	Assets	As at 31st March 1983
120.10	GROSS CAPITAL OUTLAY ON FIXED ASSETS	146.43
	Investments in shares of Companies, Corporations, Co-operative Societies etc.	22.75
	Other Capital Outlay	123.68
12.57	LOANS AND ADVANCES	13.07
	Loans for power projects	6.76
	Other Development Loans	4.16
	Loans to Government Servants and Miscellaneous Loans	2.15
0.29	OTHER ADVANCES	0.29
6.60	SUSPENSE AND MISCELLANEOUS BALANCES	7.39
6.97	REMITTANCES BALANCES	12.36
0.57	CASH	4.45
	Cash with the Departmental Officers including permanent advance	0.03
	Investments: —	
	Cash Balance Investment	4.09
	Investment of earmarked funds	0.33
<hr/> 147.10		<hr/> 183.98

EXPLANATORY NOTES

1. The summarised financial statements are based on the Finance Accounts of the State Government and are subject to notes and explanations in the said accounts.

2. Government accounts being on cash basis, the revenue surplus has been worked out on cash basis. Consequently amounts payable or receivable, or items like depreciation, variation in stock figures etc. do not figure in the accounts.

3. There was an unreconciled difference of Rs.7.09 crores on 31st March 1983 between the figures of over-draft as shown in the accounts (Rs.1.46 crores) and that intimated by the Reserve Bank of India (Rs. 8.55 crores) which is under reconciliation.

4. "Suspense and Miscellaneous Balances" include payments made on behalf of other Governments pending adjustment.

STATEMENT—II

STATEMENT
Abstract of Receipts and
Section—A—

(Rupees in

1981-82	Receipts	1982-83
	I—Revenue Receipts	
5·85	(a) Tax Revenue	7·37
6·34	(b) Non-Tax Revenue	5·99
8·02	(c) State's share of Union Taxes	8·72
	(i) Taxes on Income other than Corporation Tax	2·01
	(ii) Estate Duty	0·01
	(iii) Union Excise Duties	6·70
		8·72
61·81	(d) Statutory and other grants	74·71
	(i) Non-plan grants	23·62
	(ii) Grants for State Plan Schemes	44·19
	(iii) Grants for Central Plan Schemes	3·22
	(iv) Grants for Centrally Sponsored Plan Schemes	3·68
		74·71
...	II—Revenue Deficit	...
82·02		96·79

II.

Disbursements for the year 1982-83**Revenue**

crores)

1981-82		Disbursements			1982-83
		Non-Plan	Plan	Total Plan and Non-Plan	
	I-Revenue Expenditure				
21.93	(i) A—General Services	27.37	0.73	28.10	85.02
24.92	(ii) B—Social and Community Services	19.39	9.75	29.14	
27.42	(iii) Economic Services	13.26	14.52	27.78	
		<u>60.02</u>	<u>25.00</u>	<u>85.02</u>	
7.75	II-Revenue Surplus C/o to Section B				11.77

82.0296.79

SECTION

(Rupees)

1981-82	Receipts	1982-83
5·80	III—OPENING CASH BALANCE INCLUDING PERMANENT ADVANCE AND CASH BALANCE INVESTMENT	0·24
...	IV—MISCELLANEOUS CAPITAL RECEIPTS	...
0·99	V—RECOVERIES OF LOANS AND ADVANCES	2·61
	(i) From Government Servants	0·63
	(ii) From Others	1·98
		2·61
7·75	VI—REVENUE SURPLUS—BROUGHT DOWN	11·77
51·62	VII—PUBLIC DEBT RECEIPTS	38·05
	(i) Internal Debt other than Ways and Means Advances	7·74
	(ii) Ways and Means Advances	5·64
	(iii) Loans and Advances from the Central Government	24·67
		38·05

B—OTHERS

in crores)

1981-82	Disbursements			1982-83
6.04	III—OPENING OVERDRAFT FROM RESERVE BANK OF INDIA			6.34
23.39	IV—CAPITAL EXPENDITURE			26.33
		Non-Plan	Plan	Total
	(i) General Services	0.34	1.90	2.24
	(ii) Social and Community Services	0.69	9.48	10.17
	(iii) General Economic Services	...	2.93	2.93
	(iv) Agriculture and Allied Services	...	0.14	0.14
	(v) Industry and Minerals	...	0.87	0.87
	(vi) Water and Power Development	...	0.24	0.24
	(vii) Transport and Communications	0.70	5.04	9.74
		<u>1.73</u>	<u>24.60</u>	<u>26.33</u>
2.48	V—LOANS AND ADVANCES DISBURSED			3.11
	(i) To Government Servants	0.91		
	(ii) To Others	2.17		
		<u>3.11</u>		
...	VI—REVENUE DEFICIT—BROUGHT DOWN			...
36.61	VII—REPAYMENT OF PUBLIC DEBT			10.25
	(i) Internal Debt other than Ways and Means Advances	0.12		
	(i) Ways and Means Advances	7.99		
	(ii) Repayment of Loans and Advances to the Central Government	2.14		
		<u>10.25</u>		

1981-82

Receipts

1982-83

63*54	VIII—PUBLIC ACCOUNTS—RECEIPTS		73·16
	(i) Small Savings, Provident funds etc,	1·66	
	(ii) Reserve funds	0·12	
	(iii) Deposits and Advances	12·09	
	(iv) Suspense and Miscellaneous	(—) 0·40	
	(v) Remittances	59·69	
		<u>73·16</u>	
...	IX—CONTINGENCY FUND—RECEIPTS		...
6·34	X—CLOSING OVER DRAFT		1·46

136·04127·29

1981-82

Disbursements

1982-83

67·28	VIII—PUBLIC ACCOUNT—DISBURSEMENTS		77·14
	(i) Small Savings, Provident Funds etc.	0·56	
	(ii) Reserve Funds	...	
	(iii) Deposits and Advances	11·11	
	(iv) Suspense and Miscellaneous	0·39	
	(v) Remittances	65·08	
		<u>77·14</u>	
...	IX—CONTINGENCY FUND—EXPENDITURE		...
0·24	X—CLOSING CASH BALANCE		4·12
	(i) Cash in Treasuries	...	
	(ii) Departmental Cash Balance including Advances	0·03	
	(iii) Cash Balance Investment	4·09	
		<u>4·12</u>	
<u>136·04</u>			<u>127·29</u>

STATEMENT III

Source and application of funds for the year 1982-83

(Rupees in crores)

I—Sources

1. Revenue Receipts	96.79
2. Increase in Public Debt, Small Saving., Provident Funds and Reserve Funds etc.	29.02
3. Increase in Deposits	0.97
	<u>126.78</u>

Adjustments

Less: Increase in Suspense and Remittance Balances (Dr) 6.18

Add: Decrease in balance of other advances (Cr) 0.01

(—) 6.17
120.61

II—Application

Revenue Expenditure	85.02
Capital Outlay	26.33
Lending for Development and other purposes	0.50
Decrease in over-draft	4.88
Net effect of increase in cash balance investment and decrease in cash with departmental officers	3.88
	<u>120.61</u>
	<u>120.61</u>

1.02 Audit comments on the accounts of the Government of Meghalaya for 1982-83

(i) Tax revenue increased by Rs.1.52 crores over that of last year, mainly under Sales Tax (Rs.0.81 crore) and State Excise (Rs.0.31 crore).

(ii) Under non-tax revenue, substantial decrease of Rs.1.58 crores occurred under 'Forest' mainly due to less receipts from sale of timber and other forest produce.

(iii) Information about arrears in collection of revenue was still awaited from the departments of Taxation, Excise, Power, Mines and Minerals, Transport, Revenue, Forest and Co-operation (April 1984).

(iv) Out of loans and advances to Municipalities, local bodies etc., recovery of Rs.4.68 lakhs (principal: Rs.2.44 lakhs, interest: Rs.2.24 lakhs) from the Shillong Municipality (over last 10 years) was in arrears at the end of 1982-83.

Information about arrears (as on 31st March 1983) in recovery of principal and interest of loans and advances had not been received from Agriculture, Relief, Housing, Civil Supplies, Industries, Co-operation and Revenue Departments of the Government (April 1984).

(v) Debt and other obligations outstanding at the end of the year amounted to Rs. 80.05 crores. During the year, Rs.2.71 crores were paid as interest on debt and other obligations and Rs.0.64 crore was realised as interest on loans. The net interest burden was thus Rs. 2.07 crores.

(vi) Assistance received from the Central Government for Central and Centrally Sponsored Plan Schemes was Rs.6.90 crores. Expenditure on such schemes was Rs.5.38 crores including the State's share of Rs. 0.14 crore.

(vii) Against expectation in budget of plan expenditure of Rs.53.90 crores actual expenditure was only Rs.49.60 crores, resulting in a shortfall of Rs.4.30 crores. Non-plan revenue expenditure, on the other hand, exceeded the budget estimates by Rs.3.51 crores (6 per cent). Income from tax and non-tax revenue (Rs.13.36 crores) was just over 20 per cent of total non-plan revenue expenditure (Rs.60.02 crores).

(viii) Non-plan expenditure during 1982-83 was Rs.61.75 crores as against Rs. 55 crores during 1981-82. The increase was mainly under Public Works, Medical, Police and Education.

(ix) Investment during the year in various Corporations/Companies/ Co-operative Institutions was Rs.2.18 crores. The total investment in different concerns at the end of 1982-83 was Rs.22.75 crores. Accounts of Meghalaya Watches (P) Limited for the year ending December 1982 and of other eight Government Companies for the year ending March 1983 had not yet been finalised (April 1984). Total investment in these Companies as at the end of March 1983 stood at Rs. 13.48 crores.

The return during the year on the investments was only Rs.13,000 being dividends from Co-operative Societies. Investments, thus, fetched Government a return of only 0.006 per cent during the year.

(x) Contingent liability for guarantees given by the State Government for repayment of loans etc. by statutory corporations, companies and co-operatives etc. on 31st March 1983 was Rs. 26.78 crores plus interest. Information as to whether any guarantee was invoked during the year was awaited (April 1984). No law under Article 293 of the Constitution has been passed by the State Legislature laying down the limit within which the Government may give guarantees on the security of the Consolidated Fund of the State.

CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

2.1 Summary

(a) The following table compares the total expenditure during the year with the total of grants and charged appropriations :—

	Grants/charged appropriations	Expenditure	Saving(—) Excess(+)	Percentage
(Rupees in crores)				
Voted—				
Original	115.21	118.98	111.50	(-)7.48
Supplementary	3.77			
Charged—				
Original	28.47	28.52	13.32	(-)15.20
Supplementary	0.05			
	147.50	124.82	(-)22.68	15

The overall saving of Rs. 22.68 crores was the net result of saving of Rs.31.34 crores (Rs.16.10 crores in 50 grants and Rs. 15.24 crores in 7 charged appropriations) partly offset by excess of Rs.8.66 crores in 15 grants (Rs.8.62 crores) and 2 charged appropriations (Rs.0.04 crore).

(b) Further details are given below :—

	Revenue	Capital	Loans and advances	Public Debt	Inter-State Settlement	Total
(Rupees in crores)						
Authorised to be spent (grants and charged appropriations)						
Original	31.99	33.13	2.70	25.21	0.65	143.68
Supplementary	2.52	0.59	0.71	...	...	3.82
Total	84.51	33.72	3.41	25.21	0.65	147.50
Actual expenditure (grants and charged appropriations)	85.13	26.33	3.11	10.25	...	124.82
Shortfall Excess (+)	(-)0.62	(-)7.39	(-)0.30	(-)14.96	(-)0.65	(-)22.68

2.2 Excess over grants/charged appropriations requiring regularisation

(a) *Grants*

There was excess of Rs.8,62,28,727 in the following 15 grants in Revenue Section which requires regularisation under Article 205 of the Constitution. The main reasons for the excess have, in most cases, not been communicated by the departmental officers controlling expenditure. Reasons have been given wherever available. In the cases where reasons are awaited the position is indicated as (RA).

Serial number	Number and name of grant	Total grant Rs.	Expenditure Rs.	Excess Rs.
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Revenue Section

1.	3—Council of Ministers	23,77,000	27,54,291	3,77,291
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Excess was mainly under "F—Other Expenditure (ii) For Ministers and Ministers of State". (RA).

2.	5—Elections	58,62,000	64,58,415	5,96,415
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Excess was due mainly to holding of Lok Sabha by-election for Shillong Parliamentary Constituency simultaneously with the Assembly general elections in February 1983.

3.	14—District Administration	61,25,000	65,47,542	4,22,542
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Excess occurred mainly under "B-District Establishment—Sixth schedule (Part II) Areas". (RA).

4.	16—Police, Fire Protection and Control, Housing —C—Government Residential Buildings, Capital Outlay on Public Works (Police) Capital Outlay on Housing (Police)	8,24,68,527	8,59,45,541	34,78,014
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Excess was due mainly to increased rate of dearness allowance, payment of arrears of pay at the revised rates to the employees under Meghalaya Revised Pay Rules 1980 and increased expenditure on movement and maintenance of motor vehicles in connection with the general elections in the State during the year.

Serial number	Number and name of grant	Total grant Rs.	Expenditure Rs.	Excess Rs.
5.	19—Secretariat-General Services etc.	4,43,29,000	8,62,82,379	4,19,53,379

Excess occurred mainly under "G—Suspense (a) Stock and other Suspense Accounts (excluding those for "Mechanical Divisions" and "Miscellaneous P. W. Advances-Sixth Schedule (Part II) Areas". (RA).

6.	20—Other Administrative Services—I—Civil Defence and Home Guards	1,10,00,000	1,19,70,634	9,70,634
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Excess occurred mainly under "B—Home Guards (a) Expenditure on Home Guards and (b) Creation/Raising of Border Wing Home Guards—General". (RA).

7.	22—Other Administrative Services—IV—Census, Vital Statistics, Guest Houses etc.	21,38,000	22,94,103	1,56,103
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Excess occurred mainly under "C—Guest Houses, Government Hostels (a) Meghalaya House, New Delhi-General and (c) Other Sessions and Circuit Houses-Sixth Schedule (Part II) Areas". (RA).

8.	24—Pension and other Retirement Benefits	44,14,000	67,25,692	23,11,692
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Excess occurred mainly under "A—Superannuation and Retirement Allowances and E—Gratuities (c) Retiring Gratuities". (RA).

Serial number	Number and name of grant	Total grant	Expenditure	Excess
		Rs.	Rs.	Rs.
9.	26—Other Administrative Services-VI-State Lotteries and Miscellaneous General Services	40,000	0,077	77
10.	27—Medical, Family Welfare, Public Health, Sanitation and Water Supply etc.	7,37,12,000	9,94,01,169	2,56,89,169

Excess occurred mainly under “280—Medical-II-Medical Relief (B) Ganesh Das Hospital (including improvement thereof), (b) Upgradation of Primary Health Centres to 30 bedded Hospitals, (k) Other existing and new dispensaries with or without indoor facilities, (l) Other existing and new Primary Health Centres and sub-centres with indoor facilities, (w) Construction and maintenance of departmental non-residential buildings and (x) Suspense”. (RA).

11.	28—Public Health, Sanitation and Water Supply-B-Sewerage and Water Supply, Housing—C—Government Residential Buildings, Capital Outlay on Public Health, Sanitation and Water Supply, Loans for Public Health, Sanitation and Water Supply	1,72,96,000	2,74,96,554	1,02,00,554
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Excess occurred mainly under “282—Public Health, Sanitation and Water Supply—Suspense—(a) Stock and Other Suspense accounts—Sixth Schedule (Part II) Areas”. (RA).

12.	31—Urban Development A—General—II—Town and Regional Planning, Capital Outlay on Urban Development	42,61,000	42,98,266	37,236
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Excess occurred mainly under “A—General—1. Direction and Administration (b) District Offices—Sixth Schedule (Part II) Areas” and was attributed mainly to increased travelling expenses owing to increased development work in rural areas and increased office expenses owing to creation of office of Directorate of Town and Country Planning.

Serial number	Number and name of grant	Total grant	Expenditure	Excess
13.	37—Social Security and Welfare—E—Other Social Security and Welfare Programmes—W—Soldiers' Sailors' and Airmen's Board—Loans for Social Security and Welfare—II Loans to Ex-Service Personnel	1,77,260	1,89,736	12,476

Excess occurred mainly under "A—Other Programmes (a) State Soldiers', Sailors', Airmen's Board and Ex-Gratia grant to the pensioners of war and to the dependants of those killed or maimed Officers or Jawans—Sixth Schedule (Part II) Areas". (RA).

14.	46—Minor Irrigation—II—Works under Embankment and Drainage Wing P.W.D. etc.	6,62,000	6,80,749	18,749
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Excess occurred under "G—Flood Control and Anti-Sea Erosion Projects—Each Flood Control Project Investigation and construction of bund at Dawki—Sixth Schedule (Part II) Areas". (RA).

15.	55—Village and Small Industries—I—Handloom and Sericulture and Housing etc	95,80,000	95,94,396	4,396
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Excess occurred mainly under "B—Handloom Industries, C—Sericulture Industries and K—Silk Reeling Centres" and attributed mainly to payment of arrears of pay and dearness allowance to the staff and payment of arrear wages to the weavers, labourers and reelers.

(b) Charged appropriations

Excess expenditure of Rs. 3,97,455 over 2 charged appropriations (both in Revenue Section) requires regularisation. Details are as follows:—

Serial number	Number and name of appropriation	To 'a' appropriation	Expenditure	Excess
		Rs.	Rs.	Rs.
Revenue Section				
1.	2—Governor	18,11,116	18,24,039	12,923

Excess occurred mainly under "J—Other Expenditure-Works-(a) Maintenance of the official residences". (RA).

2.	4—Administration of Justice	4,80,000	8,64,533	3,84,533
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Excess occurred under "A—High Courts/Bench Office—General". (RA).

2.3 Supplementary grants/charged appropriations

Significant cases of unnecessary and excessive supplementary grants are given below:--

(i) Unnecessary supplementary grants

In the following 4 cases, the supplementary grants of more than Rs.10 lakhs each remained wholly unutilised as the expenditure did not come up even to the original provision:—

Serial number	Number and name of grant	Original grant	Supplementary grant	Expenditure	Saving
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(Rupees in lakhs)

(1)	21—Other Administrative Services, III—Gazetteers and Statistical memoirs, Education Art and Culture, Scientific Services and Research and Loans for Education, Art and Culture	12,13.92	52.19	11,94.18	71.93
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Saving to the extent of Rs. 10.98 lakhs under “277—Education” was stated to be due mainly to curtailment of expenditure as a measure of economy, less number of teachers being deputed for training in Basic Training Centres and non-implementation of the scheme for “Administrator, Primary Education, Garo Hills and his staff”. Reasons for the balance saving of Rs.60.95 lakhs have not been intimated.

(2)	52—Forest, Capital Outlay on Forests	6,28.60	18.68	2,84.22	3,63.06
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Saving to the extent of Rs. 2,74.74 lakhs was stated to be due to drop in the receipt of orders for supply of sleepers to the Railways and non-receipt of booking instructions for loading of sleepers. Reasons for the balance saving of Rs. 88.32 lakhs have not been intimated (April 1984).

(3)	53—Community Development, Housing—C. Government Residential Buildings, Social Security and Welfare, Community Development—II—G—Rural Works Programme, Loans for Community Development	3,40.75	18.50	3,39.62	19.63
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Saving was reported to be due mainly to non-implementation/partial implementation of various schemes under Applied Nutrition Programme and schemes under National Rural Employment Programme.

Serial number	Number and name of grant	Original grant	Supplementary grant	Expenditure	Saving
(Rupees in lakhs)					
(4)	61—Loans to Government Servants	94·00	23·92	93·88	24·04

Reasons for the saving have not been intimated (April 1984).

(ii) **Supplementary grants which proved excessive**

In the following cases, the supplementary grants (exceeding Rs.10 lakhs each) proved excessive by more than Rs.10 lakhs in each case; against the supplementary provision of Rs.89·50 lakhs, Rs. 58·06 lakhs were only utilised:—

Revenue Section

(1)	58—Roads and Bridges, Capital Outlay on Roads and Bridges	4,14·90	59·50	4,58·14	16·26
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Saving to the extent of Rs. 5·30 lakhs was stated to be due to non-finalisation of the scheme "Traffic arrangement in important Towns" and non-submission of schemes by the District Councils for construction and maintenance of rural roads. Reasons for the balance saving of Rs.10·96 lakhs have not been intimated (April 1984).

Capital Section

(2)	27—Medical, Family Welfare, Public Health, Sanitation and Water Supply—A—Public Health and Sanitation, Capital Outlay on Medical, Capital Outlay on Family Welfare, Capital Outlay on Public Health, Sanitation and Water Supply	...	30·00	14·82	15·18
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(RA).

2.4 Unutilised provision

Of Rs. 31.34 crores remaining unutilised as mentioned in paragraph 2.1(a), the saving under each of the grant/charged appropriation listed in Appendix—2.1 was more than Rs. 10 lakhs and also was more than 10 per cent of the total provision. Reasons for these savings have been given in the Appropriation Accounts 1982-83 to the extent received.

2.5 Non-receipt of explanations for savings/excesses

For the year 1982-83, explanations for savings/excesses were either not received or, where received, were incomplete in respect of 183 heads (January 1984). These formed 63 per cent of the number of heads, the variations in which were required to be explained.

2.6 Un-regularised excess of previous years

Out of 8 excesses reported in the Report of the Comptroller and Auditor General of India for the year 1970-71, only 4 excesses were regularised. The excesses for 1971-72 and those for 1972-73 to 1981-82 (161 cases involving Rs. 80,66.94 lakhs) mentioned in the Report of the Comptroller and Auditor General for the years 1971-72 to 1981-82 have yet to be regularised (April 1984).

Home Department

2.7 Drawal of money in advance of requirements

For raising the 2nd Meghalaya Police Battalion at Tura, the Government proposed in March 1982 to acquire 30.83 hectares of land near Tura. The Deputy Commissioner, Tura intimated on 22nd March 1982 that an area of 30.83 hectares would be acquired at a cost of Rs. 3.58 lakhs comprising Rs. 2.65 lakhs for compensation to land owners, Rs. 0.66 lakh for royalty to Garo Hills District Council and Rs. 0.27 lakh for cost of establishment and contingent charges.

On the 31st March 1982 the Inspector General of Police drew the amount with a view to avoiding lapse of budget

grant, and paid it to the Deputy Commissioner. Notification for acquisition of the lands was issued in November 1982, and the land was finally acquired in October 1983 at a total cost of Rs. 3.10 lakhs. The balance amount of Rs. 0.48 lakh was refunded into Treasury in February 1984.

The drawal of money far ahead of requirement was obviously with a view to avoiding lapse of funds.

The matter was reported to the Government in July 1983 ; reply is awaited (April 1984).

CHAPTER III

CIVIL DEPARTMENTS

Fisheries Department

3.1 Development of Fisheries in Meghalaya

3.1.1 Introductory

The Fifth and Sixth Five Year Plans laid emphasis on the development of fisheries to step up the level of fish production; improve the socio-economic conditions of fishermen, increase the employment potential of this section of population and to improve the system of marketing of fish and fisheries product in the domestic market.

3.1.2 Organisational pattern

The Director of Fisheries had the overall responsibility for co-ordination and implementation of the Fisheries Development Programme in the State with Superintendents of Fisheries functioning at the District level.

3.1.3 The activities under the Fisheries Development programme consisted of (i) setting up of fish Farmers Development Agencies to assist fishermen financially and technically, (ii) establishment of district level fish seed farms to supply fish fingerlings to individuals and co-operative societies or fishermen, (iii) payment of subsidies for fish breeding in ponds; equipment for fishery etc; (iv) popularising modern pisciculture practices through demonstration centres, training and extension services and (v) construction of fish markets and roads to facilitate quick transport of fish from landing place to marketing place.

3.1.4 Financial aspects

Plan allocation and expenditure incurred on the programmes during 1974-75 to 1982-83 was as under:—

Year	Plan allocation (Rupees in lakhs)	Expenditure
1974-75	9.10	7.50
1975-76	9.15	8.47
1976-77	10.20	7.41
1977-78	10.25	9.92
1978-79	12.30	12.12
1979-80	15.00	13.57
1980-81	16.60	14.59
1981-82	17.60	15.75
1982-83	25.00	19.00
	125.20	108.33

3.1.5 The salient features of schemes for development of fisheries undertaken by the department are mentioned below:—

(a) Induced breeding: Providing quality fish seed both for local and exotic varieties.

(b) Fish seed production and demonstration: Setting up fish seed farms in every sub-division and also extending the existing farms where facilities are available in order to augment fish seed production to meet the increasing demand in the State.

(c) Assistance to pisciculturists—

Providing financial assistance to private pisciculturists for ponds/tanks constructions and distribution of fish seeds at 50 per cent subsidised rate as well as to bring more water area under proper pond culture fisheries in the State.

(d) Development of reservoir—

Setting reservoirs and fish seed farms near the reservoirs to raise fry and fingerlings for stocking in these reservoirs and fish seed farms.

(e) Conservation and Legislation for protection of fisheries—

Protecting and conserving the natural fisheries in the State by means of legislation and strengthening of the enforcement staff.

(f) Construction of flexible sausage dams—

Protection and conservation of natural fisheries by construction of flexible sausage dams in some selected streams.

(g) Trout culture—

Introduction of cold water fishes namely trout in the high altitude streams which are found mostly to be devoid of fishes during the cold season of the year.

3.1.6 The allocations on schemes of fisheries under the programme in the Fifth Plan and the Sixth Plan and expenditure incurred are given below:—

A. Inland Fisheries	Fifth Five Year Plan 1974-75 to 1978-79		Sixth Five Year Plan 1979-80 to 1982-83		Total expenditure to end of March 1983
	Plan Provi- sion	Expendi- ture	Plan provi- sion	Expendi- ture	
	(Rupees in lakhs)				
1. Induced breeding	1.00	1.03	0.80	0.75	1.78
2. Fish seed production and demonstration	12.50	11.52	13.60	17.36	28.88
3. Assistance to pisciculturists	6.50	6.62	10.50	10.31	16.93
4. Development of Reservoir	2.45	2.30	5.20	3.19	5.49
5. Conservation and legislation for protection of fisheries	2.65	2.69	2.50	0.60	3.29
6. Construction of flexible sausage dams	2.80	3.36	3.50	1.73	5.09
7. Trout culture	1.60	1.16	2.90	2.12	3.28
8. Statistics, Survey, Engineering and Information Wing	0.75	0.63	Nil	Nil	0.63

	Fifth Five Year Plan 1974-75 to 1978-79		Sixth Five Year Plan 1979-80 to 1982-83		Total expenditure to end of March 1983
	Plan Provi- sion	Expendi- ture	Plan Provi- sion	Expendi- ture	
(Rupees in lakhs)					
B. Processing, preservation and marketing					
9. Marketing and transport of fish seeds	2.90	0.48	5.20	0.13	0.61
C. Education and Training					
10. Training and studies in fisheries	1.20	0.95	1.80	0.19	1.14
D. Other expenditure					
11. Applied nutrition Programme	3.39	3.45	1.20	Nil	3.45
12. Construction and maintenance of departmental non-residential buildings	3.50	4.00	13.00	14.73	18.73
E. Research in fisheries					
13. Research in fisheries	3.20	3.16	5.20	5.39	8.55
F. Direction and Administration					
14. Direction and Administration	6.65	4.07	8.80	6.41	10.48
	<u>51.00</u>	<u>45.42</u>	<u>74.20</u>	<u>62.91</u>	<u>108.33</u>

3.1.7 Targets and achievements—

The water area brought under the programme to end of March 1983, as assessed by the department in April 1983, was 22.49 hectares (Khasi Hills: 6.41, Jaintia Hills: 0.51, East Garo Hills: 14.27 and West Garo Hills: 1.30).

The department, however, did not draw any programme for coverage of water area and production of fish under the scheme.

3.1.8 Fish seed farms—

The targets for establishment of fish seed farms and achievements during the Fifth and Sixth Five Year Plan periods upto 1982-83 were as under:—

Fifth Five Year Plan 1974-75 to	Target	Achievements	Shortfall
	(In numbers)		
1978-79	10	2	8
1979-80	2	1	1
1980-81	1	Nil	1
1981-82	1	Nil	1
1982-83	1	Nil	1

Shortfall in establishment of fish seed production farms was attributed to non-availability as well as delay in acquisition of suitable land, since most of it belonged to local authorities or District Councils.

3.1.9 The overall targets and actual production in these fish seed farms as reported by the Directorate were as below:—

Year	Spawn			Fry and Fingerlings			Fish		
	Target	Achievement	Shortfall	Target	Achievement	Shortfall	Target	Achievement	Shortfall
(Number in lakhs)									
1974-75	2.50	2.00	0.50	1.50	1.20	0.30	8.50	2.10	6.40
1975-76	3.00	2.50	0.50	2.00	2.00	...	3.80	2.80	1.00
1976-77	4.00	3.50	0.50	2.50	0.70	1.80	3.50	3.00	0.50
1977-78	5.00	4.80	0.20	3.00	1.27	1.73	4.00	3.40	0.60
1978-79	5.50	5.10	0.40	3.50	1.50	2.00	4.50	4.00	0.50
1979-80	6.00	5.70	0.30	4.00	1.81	2.19	5.50	4.50	1.00
1980-81	6.50	6.20	0.30	4.70	1.94	2.76	6.50	5.80	0.70
1981-82	7.00	6.80	0.20	20.00	1.56	18.44	7.50	6.80	0.70
1982-83	7.50	7.20	0.30	22.30	1.34	20.96	10.00	8.00	2.00

3.1.10 While spawn and fish showed steady increase, fry and fingerlings decreased. Shortfalls in production was attributed by the Directorate to non-availability of suitable variety of fish for cultivation in the high altitude region and due to the fluctuating weather conditions of the State.

3.1.11 Development of fisheries around Reservoirs—

In the annual plans 1972-73 and 1973-74 provision of Rs. 2 lakhs was made for development of two reservoirs, namely, "Umiam Reservoir" (Barapani lake) and the "Umtrew Reservoir" for fish production. These reservoirs were situated in the area under the jurisdiction of the Khasi Hills District Council whose permission was necessary for developing and stocking of fish seeds. This is yet to be secured due to non-finalisation of the agreement between the Government and the District Council regarding transfer of fishery rights *vis-a-vis* sharing of net proceeds from fishery.

3.1.12 A scheme for developing 570 acres water area for production of fish was sanctioned in 1972. Provision of funds was made in the Annual Plans 1972-73 and 1973-74. The scheme comprised development of two reservoirs which were situated in the Khasi Hills District area. Agreement between the Government and the District Council regarding the transfer of fishing rights and sharing of profits of the operation which is a pre-requisite to the Government starting fishing operations has not yet been reached (August 1983). A jeep was purchased in March 1973 for Rs. 30,000 and sausage nets for Rs. 10,000 were purchased during March 1974. Construction work on a fish farm in one of the reservoirs was started in 1974 and was completed in 5 years in 1979 at a cost of Rs. 1.10 lakhs.

3.1.13 Between April 1980 and March 1982 Rs. 1.70 lakhs was spent on construction of a fish nursery area around the other reservoir. This nursery area also could not be put to use for raising fry/fingerlings due to non-finalisation of agreement with the District Council.

3.1.14 Thus pisciculture could not be undertaken in the absence of agreement with the District Council and the total expenditure of Rs. 2.80 lakhs incurred on the scheme so far (August 1983) remained unproductive.

3.1.15 Assistance to fisherman

Under the scheme which was designed to encourage private fishermen to go in for fishery development, financial assistance was proposed to be given to individuals and co-operative societies of fishermen in the shape of subsidies in cash and kind, on the following conditions:—

- (a) Subsidy in cash for construction of new tanks would be at the rate of Rs. 1,500 per acre of water area subject to a maximum of Rs. 3,000 to each individual fisherman and Rs. 10,000 to fishery co-operative or 50 per cent of the total estimated cost of the construction, whichever was less. For improving area of existing tank, namely, clearing and minor repair, the subsidy would be Rs. 750 and Rs. 3,000 for individuals and co-operatives respectively.
- (b) Fish seeds for stocking in their tank would be supplied at 50 per cent subsidised rate in kind.
- (c) The recipients would execute a bond before receipt of subsidy and submit periodical (half yearly or quarterly) reports on the progress of work and achievement together with the amount of expenditure and income derived therefrom.
- (d) A report on utilisation of the subsidies will be given by the District Fishery Officer (D.F.O.) to the Director of Fisheries.

3.1.16 Subsidy paid during 1970-71 to 1982-83 are analysed below:—

Year	Number of fisherman to whom subsidy was paid	Amount of subsidy paid (Rupees in lakhs)	Total tank area to be constructed/developed by the grantees (In acres)
1970-71	461	1.92	320.00
1971-72	437	0.92	342.25
1972-73	234	1.50	216.73
1973-74	279	1.50	252.02
1974-75	258	1.20	196.76
1975-76	144	1.02	151.91
1976-77	303	1.40	228.28
1977-78	359	2.20	236.90
1978-79	310	1.45	219.82
1979-80	330	1.91	195.10
1980-81	441	2.41	98.03
1981-82	383	3.43	131.06
1982-83	445	2.50	91.69
	4,384	22.36	2680.55

3.1.17 Certificates of utilisation of entire subsidy, were received by the D.F.O. However, quarterly and half-yearly report from 1970-71 showing achievement in production of fish were neither submitted by the fishermen concerned nor insisted upon by the department. The department was, therefore, not in a position to state to what extent the schemes had been successful in improving the production of fish, as also the economic condition of fishermen who received subsidies. The department did not furnish any reasons for not obtaining the progress reports.

3.1.18 Marketing and transport of fish and fish seeds

The scheme for marketing and transporting of fish had not been taken up by the department. However, an expenditure of Rs.1.29 lakhs which included Rs.0.52 lakh on pay and allowances of staff and miscellaneous office expenses, Rs.0.22 lakh on repairs of the vehicles and Rs.0.37 lakh on purchase of sausage nets was booked against the scheme upto March 1983. The expenditure on the first two items actually pertained to the heads 'Direction and Administration' and the last one to 'Construction of flexible sausage dams'.

3.1.19 Research in fisheries

To undertake research on high altitude fishes with a view to studying their adaptability to climatic condition of the State, the Department set up one Research Centre during the Fifth Five Year Plan period at Mawpun at a distance of 22 Km. from Shillong and constructed 5 stocking ponds, 15 nurseries, 1 dam and 1 reservoir. Rs.8.55 lakhs were spent during the Fifth and Sixth Five Year Plan periods (1974-75 to 1982-83). Of this Rs.5.33 lakhs were spent on construction of ponds, Rs.2.61 lakhs on contingencies and Rs.0.61 lakh on pay and allowances. Particulars of research work undertaken called for had not been furnished.

3.1.20 Evaluation

No evaluation of the scheme has so far (March 1984) been done by the Department. In the absence of the same, the extent of improvement in the socio-economic condition of fishermen and the employment potential created were not known to the Department.

3.1.21 Summing up

—The shortfall of expenditure in the Fifth Plan period from the approved plan outlay was to the extent of 10 per cent.

—The achievement in regard to establishment of fish seed production farm fell short of the target, against the target of 15 farms proposed to be established during 1974-75 to 1982-83 only 3 farms were established.

—Between 1974-75 and 1982-83, the department spent Rs.2.80 lakhs for development of two reservoirs without securing the District Council's agreement, in the absence of which no operation could be started. The expenditure, therefore, remained unfruitful.

—Between 1970-71 to 1982-83, cash subsidy of Rs.22.36 lakhs was paid to 4,384 fishermen. The achievement in the production of fish and betterment of their economic condition was not properly monitored by the department.

—The scheme for marketing and transport of fish and fish seeds was not taken up; but expenditure of Rs. 1.29 lakhs pertaining to other heads was booked against the scheme.

The matter was reported to the Government in September 1983; reply is awaited (April 1984).

Community Development Department

3.2 Suspected misappropriation

In June 1981, Government reported to audit about possible mis-appropriation of Government money in the Office of the Block Development Officer (BDO) Mawkyrwat Development Block, Mawkyrwat based on a report received from the Director of Accounts, Shillong in April 1980 and requested for a special audit of the accounts of the Block. Accordingly a special audit was conducted in June 1982 which revealed the following irregularities:

(a) Cross-check of the drawals by the BDO Mawkyrwat Development Block with the records of the Shillong Treasury revealed that during the period from 1st April 1976 to 31st March 1979 fifty three bills pertaining to the block involving a sum of Rs.90,232 drawn from the Shillong Treasury were not

entered in the cash book of the block. The drawals and disbursements of the amounts of those bills were also not found entered in any other records like the Contingent Bill Register, Acquittance Rolls and Transit Register (meant for acknowledgement of the Treasury in token of receipt of the bills). Besides, out of 53 bills, 45 were not entered in the Bill Register. Follow-up action about drawals of the remaining 8 bills recorded in the Bill Register was not taken by the BDO. Apparently, the sum of Rs.90,232 was fraudulently withdrawn from the Treasury through these bills and the amount was mis-appropriated. Government stated that departmental action or filing criminal case against the person (s) responsible for the loss was under consideration (April 1984).

(b) In March 1977, the Deputy Commissioner, West Khasi Hills District, Nongstoin sanctioned a sum of Rs. 0.36 lakh for incurring expenditure on test relief work viz., for improvement of footpaths in different villages, by the Block Development Officer, Mawkyrwat.

(i) Out of the amount of Rs.0.36 lakh drawn in April 1977, a sum of Rs. 12,500 was shown as disbursed in the cash book on 2nd and 3rd May 1977, but records about execution of work, claims in support of payment, vouchers, actual payees' receipts for a sum of Rs.2,500 could not be produced to audit.

(ii) The cash book was once closed on 22nd and again on 23rd December 1977 with a balance undisbursed amount of Rs.23,500 pertaining to test relief work in the analysis of balances. But, the balance was subsequently made 'nil' by overwriting and the amount was shown as disbursed. There were no records about particulars of the claim for Rs.23,500; supporting vouchers and actual payee's receipts. The Drawing and Disbursing Officer failed to detect the alteration of figures in the analysis of balances of cash book through over writing on 23rd December 1977 and consequent reduction of cash balance by Rs. 23,500.

Government reported (June 1981) that according to a report of the Director of Accounts, Meghalaya, the payment of Rs. 26,000 for test relief work shown in the cash book was fictitious. Action taken by the Department to file criminal case with the police and also for initiating departmental proceedings against the persons responsible for the loss of Rs. 26,000 had not been intimated (November 1984).

The matter was reported to the Government in January 1983 ; reply is awaited (November 1984).

Industries Department

3.3 Idle outlay

The Raw Materials Depot, Jaiaw was established in March 1968 for the purpose of purchasing raw materials like wool, leather etc. and selling them to the small scale industries of the district as well as to the public at reasonable rates for development of small scale industries. 4,550 packets of different varieties of wool valuing Rs.1.37 lakhs purchased between March 1974 and March 1982 and leather valuing Rs.0.48 lakh purchased between February 1973 to November 1979 were lying unsold in the stock of the depot. Material amounting to Rs. 0.21 lakh only was issued between 1977-78 and 1982-83. The purchases were made without assessing the demand thereby resulting in blocking up of capital with possible deterioration of the articles due to long storage. No action has so far been taken for the disposal of the idle stock (November 1984).

(b) In pursuance of an order placed by the Director of Industries, Shillong in March 1980 on a local firm, six numbers of carpentry machines for use in the carpentry section, Mawsynram of the District Industries Centre, Shillong, costing Rs.0.57 lakh were purchased in March 1980 and Rs.3,000 were paid for installing the machines. The machines remained unused till March 1983 as the building where the machines were installed in March 1980 required major repairs and renovation which were taken up in 1980-81 and completed only in March 1983. Thus, purchase and installation of the machines, without making sure of the suitability of the building where the machines were to be installed resulted in idle investment of Rs. 0.60 lakh for a period of three years.

(c) In response to quotations invited (February 1977) by the Assistant Director of Industries, Shillong, for purchase of a Hollandar Type Beater Machine (Power driven) for the paper making institute at Nongthymmai, Shillong, four tenders were received. The machine was purchased from a local supplier in March 1977 at Rs.0.20 lakh and was installed only in March 1981 after a lapse of four years. Delay was attributed by the General Manager to insufficient space in the institute. The machine could not

be put to use till September 1983 due to unusual delay in laying of power line to the institute premises. When as many as four tenders were received, it was evident that supply of the machine could be obtained without delay soon after the Department was ready with the space in the institute for its installation. Premature purchase of machinery led to the blocking of Rs.0.20 lakh for over six years.

The matter was reported to Government in July 1983 ; reply was awaited (November 1984).

Health and Family Welfare Department

3.4 Rural Health Programme in Meghalaya

3.4.1 Introductory

The Rural Health Programme comprising the following schemes was taken up by the State Government in 1974-75 to cater to the health needs of the rural population of 10.6 lakhs (1981 census) forming 80 per cent of the total population of the State :

- (1) Minimum Needs Programme (MNP) from 1974-75.
- (2) Community Health Workers/Volunteers Scheme/Health Guide Scheme (CHWS) from October 1977.
- (3) Multipurpose Workers Scheme (MPWS) from 1974.

3.4.2 The records relating to the schemes were test checked between January 1983 and April 1983 in the office of the Director of Health Services, Meghalaya, Shillong and other District Offices at Shillong, Jowai and Nongstoin.

3.4.3 The plan outlays and actual expenditure on these schemes during the years 1974-75 to 1982-83 were as under :—

Year	Plan Outlay			Total	Actual expenditure			Total
	MNP	CHWS	MWS		MNP	CHWS	MPWS	
1974-75	18.40	...	...	18.40	3.66	...	...	3.66
1975-76	29.00	...	...	29.00	5.07	...	...	5.07
1976-77	29.90	...	...	29.90	5.25	...	...	5.25
1977-78	19.00	NA	1.04	20.04	18.11	1.03	1.53	20.67
1978-79	33.05	2.73	0.41	36.19	33.62	2.44	0.16	35.62
1979-80	37.50	10.18	1.74	49.42	54.68	10.95	1.70	67.33
1980-81	56.28	12.27	1.06	69.61	82.46	11.28	0.98	94.72
1981-82	90.37	8.75	1.50	100.62	87.50	10.78	0.85	99.13
1982-83	80.20	NA	NA	80.20	131.52	25.50	10.46	157.48
	393.70	33.93	5.75	433.38	421.27	61.98	5.68	488.93

3.4.4 Minimum Needs Programme

The programme introduced during the Fifth Five Year Plan (1974-75 to 1978-79) envisaged (i) establishment of one Primary Health Centre (PHC) in each Community Development Block and one sub-centre for every 10,000 population, (ii) construction of buildings including residential quarters for the existing staff of PHCs and sub-centres and (iii) upgradation of one in every 4 PHCs to a 30 bedded rural hospital with specialised services in surgery, anaesthesia, medicine, obstetrics and gynaecology. The scheme has been financed from the State Plan allocations on the basis of annual plan outlay approved by the Government of India.

During the Sixth Five Year Plan under the programme, the Government of India relaxed (April 1980) the norms for establishment of PHCs and sub-centres in respect of tribal and hilly areas and fixed the norms as 20,000 and 30,000 population respectively which were adopted by the Meghalaya State.

3.4.5 Based on the rural population of 1981 census (10.6 lakhs), 55 PHCs and 366 sub-centres were to be established against which only 22 PHCs and 66 sub-centres were set up till March 1983.

3.4.6 The targets for setting up more PHCs, sub-centres and 30 bedded hospitals and the achievements thereagainst during the period from April 1974 to March 1983 were as under:—

(a) Fifth Five Year Plan (1974-79).

	Targets	Achievements	Remarks
(i) Opening of PHCs	10	10	...
(ii) Opening of sub-centres	46	44	These were taken over from the Community Development Department with effect from 1st March 1979
(iii) Upgradation of PHCs to 30 bedded Hospitals	6	Nil	...

(b) Sixth Five Year Plan from 1979-80 to 1982-83.

(i) Opening of PHCs	10	2	Work in respect of 6 PHCs was in progress (April 1983)
(ii) Opening of sub-centres	150	22	Work in respect of 26 sub-centres was in progress (April 1983)
(iii) Upgradation of PHCs to 30 bedded Hospitals	3	Nil	Construction work for upgradation of 2 PHCs was started in 1974-75 but yet to be completed (April 1983)
(iv) Conversion of dispensaries to subsidiary Health Centres	34	Nil	The scheme was not taken up during the Fifth Five Year Plan. 9 schemes taken up during 1982-1983 were in progress (April 1983)

Shortfall in achievement was attributed by the Department to low norms of cost of construction fixed by the Government of India for hilly areas and consequent less allocation of fund, delay in selection of sites and in preparation of plan and estimates. A full-fledged Engineering Wing Division under the Directorate of Health Services was entrusted with the work of construction in September 1979 but the department moved the Government of India for raising the norms for cost of constructions only in November 1982. The approval of the Government of India was received in August 1983.

(a) Dispensary buildings

The department did not take up the scheme for construction of dispensary buildings and residential quarters for staff of the PHCs till March 1983.

(b) Sub-Centres

During the years 1980-81 to 1982-83 construction of only 31 sub-centres was completed till March 1983 against the target to construct 78 sub-centres in the State. Out of the shortfall of 47, 7 pertained to the year 1980-81, 8 to 1981-82 and 32 to 1982-83.

Shortfall was attributed by the Executive Engineer (April 1983) to non-availability of cement, steel, non-receipt of materials in time and remoteness of localities.

(c) Dispensary buildings with staff quarters

The department proposed to construct 9 dispensary buildings with staff quarters during 1981-82 and 2 during 1982-83; none of the constructions had so far (April 1983) been completed.

Reasons for the delay in completion of construction had not been intimated (November 1983).

(d) Subsidiary Health Centres

According to the target fixed by the Department for the period 1979-80 to 1982-83, 13 Subsidiary Health Centres were to be completed by the end of March 1983. Construction of 4 Subsidiary Health Centres was in progress and construction for the remaining centres had not been taken up (April 1983). The delay as well as shortfall was attributed (November 1983) to inadequate allocation of funds, non-availability of land and delay in preparation of plans and estimates. In addition, it was noticed that delay in completion of construction works was also due to delay in finalisation of tenders by the Division and non-completion of works by contractors within the dates stipulated in the agreements.

3.4.7 According to the orders of the Government of India each Primary Health Centre should be manned by 3 Medical Officers and one Laboratory Technician along with other staff. During test-check of the records of the Civil Surgeon of East Khasi Hills, West Khasi Hills and Jaintia Hills Districts, it was noticed that 12 PHCs were provided with only one Medical Officer. Besides, in one of the PHCs, Laboratory Assistant was posted only in April 1983.

3.4.8 Community Health Workers/Volunteers Scheme/Health Guide Scheme (CHWS)

The Community Health Workers Scheme (renamed as Community Volunteers Scheme on 18th August 1981), launched on 2nd October, 1977 by the Government of India with 100 per cent Central assistance was taken up by the State Government. Under the scheme, every village or community with population of 1000 would select persons, called Community Health Workers (CHW) from its residents, who were willing to serve the community. They would be given training in simple and basic health services including preventive and promotional aspects for three months at a PHC and thereafter sent back to their villages for meeting the health needs of the village. They were to be provided with a kit containing medicines and simple medical equipments and also a manual. The CHW was expected to serve the community for two to three hours daily at least for three years. Periodically, medicine kits would be issued to them to replenish their stock.

From April 1979 Central assistance was reduced to 50 per cent and was again restored to 100 per cent with effect from 1st December 1981, as the implementation of the scheme was said to have been affected adversely due to the reduction of Central assistance.

3.4.9 The details of funds released by the Government of India, funds provided for the scheme by the State Government and expenditure during 1977-78 to 1982-83 are given below:—

Year	Central assistance released	Budgeted provision	Expenditure	Central assistance	
				Utilised	Unutilised
(Rupees in lakhs)					
1977-78	1.29	1.93	1.03	1.03	0.26
1978-79	2.44	2.73	2.44	2.44	Nil
1979-80	5.51	10.18	10.95	5.47	0.04
1980-81	2.66	12.27	11.28	5.64	Nil
1981-82	9.05	8.75	10.78	7.20	1.85
1982-83	25.50	33.21	25.50	25.50	Nil

3.4.10 According to the scheme, one Additional Medical Officer was to be posted to each of the PHCs where Community Health Workers Scheme/Health Guide Scheme was introduced. Out of 19 PHCs where the scheme was introduced, the Additional Medical Officer could be provided to only 8 PHCs and the post remained vacant in 11 PHCs till March 1983.

3.4.11 Multipurpose Workers Scheme (MPWS)

The Multipurpose Workers Scheme, a centrally sponsored scheme launched by the Government of India in 1974, envisaged orientation and training for meeting rural medical care, of district level Medical Officers, Medical Officers of PHCs, Block Extension Educators and other supervisory staff; strengthening of health and family welfare centres as well as appointment of one Health Worker (Male) for every 5000 of rural population and one Supervisor for every 4 Health Workers. The financing of the scheme was on 50:50 basis between the Centre and the State.

3.4.12 The details of funds released by the Government of India, funds provided for the scheme by the State Government and expenditure incurred during 1977-78 to 1982-83 are as under:—

Year	Central assistance released	Budgeted provision	Expenditure	Central assistance	
				Utilised	Unutilised
(Rupees in lakhs)					
1977-78	1.72	1.04	1.53	0.77	0.95
1978-79	0.35	0.41	0.16	0.08	0.27
1979-80	0.75	1.74	1.70	0.75	Nil
1980-81	0.50	1.06	0.98	0.49	0.61
1981-82	0.10	1.50	0.85	0.48	0.42
1982-83	0.23	1.50	0.46	0.46	Nil

It would be seen that the Central assistance was not fully utilised during the years 1977-78 to 1982-83 except for the years 1979-80 and 1982-83. The shortfall in utilisation of Central assistance during the period was Rs.1.65 lakhs.

3.4.13 The Department did not fix any year-wise target for imparting training to Multipurpose Workers. In all 830 persons in different categories were trained upto the end of March 1983.

3.4.14 The scheme envisaged supply of medical kits and manuals to the trained Multipurpose Workers for discharging their duties. A test-check of the records of the offices of the Civil Surgeon, Shillong, Jowai and Nongstoin disclosed that there was delay in supply of kits and manuals to the Health Workers (male and female) after they had completed training. The year-wise details of the number of workers trained and kits and manuals supplied during 1978-79 to 1982-83 are given in the table below:—

Category	Year	Number trained	Kits supplied	Manual supplied	Cumulative shortfall	
					Kits	Manuals
Health workers (Male)	1978-79	11	Nil	Nil	11	11
	1979-80	45	Nil	Nil	56	56
	1980-81	44	20	21	80	79
	1981-82	43	120	54	3	68
	1982-83	33	41	18	Nil	88
Health workers (Female)	1978-79	4	Nil	Nil	4	4
	1979-80	58	Nil	Nil	62	62
	1980-81	30	7	8	85	85
	1981-82	28	59	25	54	87
	1982-83	17	39	36	32	68

3.4.15 Evaluation

No evaluation in regard to functioning of the PHCs, Sub-centres and Subsidiary Health Centres was done by the Department at any stage. According to a review note published by the Planning Department of the Government in 1982, the impact of health services had not been up to expectations owing to acute shortage of medical and paramedical personnel, shortage of drugs, poor communications and inadequate survey and identification.

3 4.16 Summing up

—Based on the rural population of 1981 census, 55 Primary Health Centres and 366 Sub-centres were to be established in the State, against which only 22 PHCs and 66 Sub-centres were established till March 1983.

—As against the targets of 20 PHCs, 196 Sub-centres and upgradation of 9 PHCs to 30 bedded hospitals, from April 1974 to March 1983 the achievements were only 12 PHCs and 66 Sub-centres.

—Construction of dispensary buildings and staff quarters was not taken up till March 1983 ; only 31 Sub-centres were constructed till March 1983 as against the target of 78. No dispensary building with staff quarter could be constructed till March 1983 although 11 were targetted by March 1983.

—As against the requirement of 3 Medical Officers in each PHC, only one Medical Officer could be provided in 12 PHCs and Laboratory Assistant was posted only in one.

—In 11 PHCs, the Department could not provide Additional Medical Officers under the Community Health Guide Scheme.

—Central assistance amounting to Rs.1.65 lakhs pertaining to the period from April 1977 to March 1983 under the Multipurpose Workers Scheme remained unutilised.

—Year-wise target for imparting training to multipurpose workers were not fixed. Out of 318 Health Workers trained during the period from 1978-79 to 1982-83 the Department did not provide kits to 32 workers and manuals to 156 workers till March 1983.

—No evaluation in regard to functioning of the Public Health Centres, Sub-centres and Subsidiary Health Centre was done by the Department at any stage.

The matter was reported to the Government in October 1983 ; reply was awaited (November 1984).

CHAPTER IV

WORKS EXPENDITURE

Public Health Engineering Department

4.1 Rural Water Supply Scheme, Meghalaya

4.1.1 Introduction

Schemes were launched to provide safe drinking water in the form of piped water supply, tube well and ring well schemes to the rural population of the State under various programmes from Fourth Five Year Plan (1969-74) onwards.

4.1.2 Out of the total population of 10.12 lakhs as per 1971 census in the State of Meghalaya, 8.65 lakhs are scattered in 4,583 villages. A survey conducted in 1972 by the Special Investigation Unit of the Public Health Engineering department categorised 3,306 villages with population of 7.68 lakhs as "problem villages" without water sources within a distance of 2 kms. out of which 1,549 were categorised as "no sources villages" and 45 as "Cholera endemic villages".

4.1.3 Programmes undertaken under the overall control of the Chief Public Health Engineer were :

- (i) Minimum Needs Programme (MNP) introduced from the commencement of the Fifth Plan.
- (ii) Border Areas Development Programme (BADP).
- (iii) Accelerated Rural Water Supply Programme (ARP) with full Central Assistance.
- (iv) Other State Plan Schemes prior to the Fifth Plan.

4.1.4 A review of these schemes was conducted in the Office of the Chief Public Health Engineer, Meghalaya, Shillong and Public Health Engineering Divisions at Shillong, Nongpoh, Jowai, Nongstoin, Tura, Baghmara and Williamnagar in February 1982 and July 1983. The results are set out below:—

4.1.5 Financial Outlay

Plan Outlay and actual expenditure under the above programmes during Fourth Plan period to the Sixth Plan (upto 1982-83) are given below:—

	Plan Outlay				Expenditure			
	ARP	MNP	BADP	State Plan Schemes	ARP	MNP	BADP	State Plan Schemes
	(Rupees in lakhs)				(Rupees in lakhs)			
Fourth Plan 1969-74	85.00	Nil	Nil	1,70.00	58.85	Nil	Nil	1,62.20
Fifth Plan 1974-78	22.50	3,43.00	29.90	Nil	19.37	2,66.60	28.78	Nil
Sixth Plan 1978-79	1,00.00	62.50	38.58	Nil	1,04.44	59.27	15.38	Nil
1979-80	1,06.60	2,22.00	NA	Nil	1,07.89	2,87.74	18.83	Nil
1980-81	1,49.00	2,75.00	16.00	Nil	1,21.80	2,95.20	16.36	Nil
1981-82	1,50.00	3,44.60	5.85	Nil	1,76.01	3,42.03	5.84	Nil
1982-83	2,00.00	4,12.56	9.00	Nil	2,09.39	3,90.85	11.12	Nil
	8,13.10	16,59.66	99.33	1,70.00	7,97.75	16,41.69	96.31	1,62.20

4.1.6 Targets and Achievements

The Plan/year-wise targets and achievements were as under:—

	Targets		Achievements			
	No. of vil- lages to be covered	Population to be served	No. of villages covered		Populations served	
			Problem villages	Non- problem villages	Problem villages	Non- problem villages
		(In lakhs)			(In lakhs)	
Fourth Plan	179	2.28	38	...	0.17	...
Fifth Plan	611	2.40	101	...	...	...
Sixth Plan 1978-79	}	}	71	...	1.18	...
1979-80			143	...	...	...
1980-81			61	...	0.17	...
1981-82			82	60	0.20	0.06
1982-83	415	0.94	136	18	0.35	0.01
	1,660	6.61	632	78	2.07	0.07
			42.77 per cent		32.37 per cent	

The shortfall in coverage was attributed by the department to (i) meagre allocation of funds, (ii) shortage of technical staff and materials and (iii) transportation difficulties,

4.1.7 In as many as 40 cases time taken for completion of the schemes was found to vary from 4 to 8 years as against 2 or 2½ years stipulated in the sanctioned estimates. Delays were attributed mainly to (i) taking up of new schemes every year without providing sufficient funds and materials for the continuing schemes (ii) non-awarding to contractors of all components of the works such as intake arrangements, construction of treatment plants, reservoirs and laying of distribution systems, etc. simultaneously, (iii) awarding of works to contractors not capable of execution within the stipulated period and consequent re-allotment of the works, (iv) deviation from the sanctioned estimates at the execution stage and (v) non-settlement of land required before start of work etc.

4.1.8 Schemes prior to Fifth Plan

During the Fourth Plan period, rural water supply schemes were taken up in a phased manner to provide safe drinking water to the villages. As against 179 villages (of 1,549 no source villages and 45 cholera endemic villages) with a population of 2.28 lakhs envisaged for coverage, the achievements were as under :—

I. Piped Water Supply Schemes—

Year	No. of schemes sanctioned	Estimated cost (Rupees in lakhs)	No. of schemes completed	Expenditure (Rupees in lakhs)	Villages covered	Population served (In lakh)	Abandoned schemes
1969-70	2	3.44	8*	9.24	14	0.17	...
1970-71	5	26.72	8*	7.87	13		1
1971-72	4	20.83	2	2.29	2		...
1972-73	21	66.64	2*	2.82	6		...
1973-74	9	21.54	1	1.00	1		...
	41	1,39.17	21	23.22	36	0.17	1

*Spill over schemes pertaining to periods prior to 1969-70.

II. Ring Wells and Hand Tube Wells—

Year	No. of Schemes sanctioned	Estimated cost (Rupees in lakhs)	No. of Schemes completed	Expenditure (Rupees in lakhs)	Villages covered	Population served
1972-73	2	21.32	Nil	NA	NA	NA
1973-74	2	5.82	2	0.08	2	290
	4	27.14	2	0.08	2	290

4.1.9 Minimum Needs Programme (MNP)

A National Programme of Minimum Needs was introduced from the commencement of the Fifth Plan (1974-79) for providing safe source of drinking water to the rural population. The physical targets and achievements under the programme for piped water supply schemes during the Fifth Plan and Sixth Plan upto 1982-83 were as under :—

Year	No. of scheme sanctioned	Estimated cost (Rupees in lakhs)	No. of schemes completed	Expenditure (Rupees in lakhs)	No. of villages covered		Population served (In lakhs)		Abandoned
					Problem villages	Non-problem villages	Problem villages	Non-problem villages	
Fifth Plan									
1974-75	14	55.41	1	2.37	1	...	...	...	1
1975-76	9	63.35	2*	3.15	3	...	...	...	..
1976-77	...	...	30*	80.55	59	...	0.73	...	...
1977-78	4	6.95	3	20.80	5	...	...	...	...
Sixth Plan									
1978-79	27	129.02	12	93.55	23	...	...	...	...
1979-80	65	478.13	21	65.53	37	...	...	...	...
1980-81	51	333.17	18*	80.04	24	...	...	...	...
1981-82	58	403.66	37*	242.90	53	28	0.13	0.01	...
1982-83	51	277.80	63*	392.27	84	18	0.22	0.01	...
	279	1,753.49	187	981.16	289	46	1.08	0.02	1

*Includes 36 spill over schemes pertaining to the periods from 1969-70 to 1974-75.

Achievement against the schemes taken up during the period worked out to 54 per cent.

4.1.10 Simsangiri Water Supply Scheme sanctioned in 1972-73 at an estimated cost of Rs.7.11 lakhs for water supply to Williamnagar town aimed at covering a population of 20,000 in a span of 30 years. The estimate was finally revised in 1978-79 to Rs.53.50 lakhs. To end of December 1983, expenditure on the scheme was Rs.53.47 lakhs. The work was to be completed within 4 years but 78 per cent only was completed to end of December 1983. Delay had been attributed by the department (November 1983) to non-availability of materials.

4.1.11 The position as regards schemes for Hand Tube Wells, Ring Wells and Deep Tube Wells was as below:—

Year	No. of schemes sanctioned	Estimated cost (Rupees in lakhs)	No. of schemes completed	Expenditure (Rupees in lakhs)	No. of villages covered		Population covered		Abandoned scheme
					Problem	Non-problem	Problem	Non-problem	
							(In lakhs)		
1974-75	1	0.43	NA	0.04	Nil	Nil	...	...	1
1975-76	6	2.62	NA	NA	NA	NA	...	...	NA
1976-77	2	0.82	6*	13.46	16	Nil	...	...	Nil
1977-78	1	0.68	4*	0.99	10	Nil	...	...	Nil
1978-79	16	27.48	10	13.39	29	Nil	0.38	...	Nil
1979-80	11	25.53	8	4.42	49	Nil	...	...	Nil
1980-81	1	0.46	9*	3.24	7	Nil	...	...	Nil
1981-82	8	13.43	4	7.87	4	14	0.01	0.05	Nil
1982-83	4	2.39	Nil	0.68	Nil	Nil	NA	NA	Nil
	50	73.89	41	44.09	115	14	0.39	0.05	1

*Includes spill over schemes of earlier years relating to Fourth Plan.

4.1.12 Important points noticed in course of test check of some of the schemes under MNP are mentioned in the following paragraphs:—

(i) Shella Water Supply Scheme—

The scheme sanctioned in March 1971 at a cost of Rs.1.18 lakhs was scheduled to be completed by March 1972.

- (a) The work executed till October 1977 at a cost of Rs.1.40 lakhs was less than 50 per cent. The work remains suspended since then.
- (b) The survey report (April 1984) suggested that the original source of water for the scheme *viz.*, "Spring Kuthur" had dried up and a new source "Kuthur Umtlang" was proposed for the scheme. The Department had not taken up work (November 1983) on the proposed new source nor had any assessment been made as to how far the work already executed on the old source could be utilised for the new source.
- (c) Materials valuing Rs.0.24 lakh issued to two contractors entrusted with a part of the work in April 1971 and January 1974 remained unused but were not returned by them (November 1983). The department took up the matter with the Police for recovery of the Government materials only in July 1976. Even after the lapse of 6 years the matter was still under Police investigation (November 1983).

(ii) Mairang Water Supply Scheme—

Piped water supply scheme from two springs for Mairang area executed about 20 years back could not meet the current demand due to increased population and heavy reduction of water in the source. The source might also dry up shortly due to large deforestation in the area. Hence a new scheme *viz.*, Mairang Water Supply Scheme proposed at an estimated cost of Rs.38.15 lakhs was administratively approved in march 1980 and technically sanctioned in April 1980. The scheme envisaged tapping of

“Kynshi” river for supply of water to an ultimate population of 17,400 (15 years from 1980) of 4 villages, the target for completion being April 1983.

Tenders in respect of the work ‘construction of intake structure, raw water pumping main, supply, installation and commissioning of pump sets estimated to cost Rs.7.56 lakhs were invited in July 1981 and the work was awarded in December 1982. In spite of a total expenditure of Rs.27.88 lakhs upto March 1983 there had been no progress in the work of construction. The Department stated (March 1984) that delay was due to Meghalaya Electricity Board not having installed power line at the work site so far.

The delay in awarding the work was also reportedly (March 1984) due to delay in finalisation of land for installing pumps, intake structure etc.

(iii) Mawbri Water Supply Scheme—

The scheme was approved by Government in November 1974 and technically sanctioned in January 1975 to provide drinking water to 551 people of Mawbri village at an estimated cost of Rs.3.94 lakhs. The scheme provided for construction of a weir over the river Umylyngkrengh for intake arrangement. The work was started in March 1975 and was required to be completed within two months. After partial execution, the work was stopped at the complaint of the villagers who feared that the existing irrigation facilities would be affected if the source selected for the water supply scheme was tapped. The work was, however, restarted in September 1975 without the dispute being settled. In March 1977, the work was discontinued and left incomplete as the water source had dried up because of diversion of the flow of the stream by the villagers. The expenditure of Rs.1.19 lakhs incurred during 1975-76 on the scheme had been infructuous.

(iv) Shangpung Water Supply Scheme—

Shangpung Temporary Water Supply Scheme sanctioned (January 1974) for Rs.2.12 lakhs was taken up with the object of supplying water to Shangpung village during ‘Synod Festival’ in March 1974 was completed in February 1974 at a total cost of Rs.2.08 lakhs of which Rs.1.88 lakhs represented cost of materials like G.I. pipe, pumping sets, G.I. tanks etc. Water was supplied from 11th to 26th March 1974

and discontinued thereafter as the villagers were unwilling to bear the cost of maintenance. The Department could not account for the whereabouts of the materials valuing Rs. 1.88 lakhs used in the scheme.

The abandoned scheme was shown as a part of Shangpung Water Supply Scheme sanctioned (March 1981) for Rs. 9.75 lakhs. Reasons for inclusion of the discontinued temporary scheme in the permanent Shangpung Water Supply Scheme when the villagers were unwilling to bear the cost of maintenance was not on record. The materials worth Rs. 1.88 lakhs were not, however, taken into account while preparing the estimates for the new scheme for which fresh materials valuing Rs. 9.12 lakhs were issued upto January 1982.

(v) Pohkseh Water Supply Scheme—

The Scheme sanctioned (January 1973) on an estimated cost of Rs. 0.70 lakh for supply of water to the people of Nongthymai-Pohkseh area was awarded to a contractor (January 1973) for execution within 3 months without taking possession of the required land which was to be made available by the local committee free of cost. The contractor had, however, to stop the work (October 1974) due to refusal by the landowner to hand over the plot of land to the department without compensation. The estimate was revised for payment of compensation of Rs. 0.30 lakh and the amount was paid in July 1978. The work was then resumed and was completed on 31st March 1982, but the revised estimate for Rs. 3.58 lakhs submitted to Government by the Public Health Engineer (March 1982) is yet (April 1984) to be approved. Expenditure incurred till March 1982 amounted to Rs. 1.40 lakhs but unpaid liabilities could not be settled so far (November 1983) as the contractor demanded enhancement of rates which is yet to be settled.

A test check also revealed the following irregularities :—

Stores valued Rs. 0.26 lakh issued to the work before finalisation of the contract were not accounted for in the site account, nor there was any record to indicate utilisation of the materials.

4.1.13 Accelerated Rural Water Supply Scheme (ARP)

The scheme was introduced by the Government of India in 1972-73 with the object of providing drinking water in different areas and problem villages (3306). From 1978-79 the

scheme was intensified and the Central assistance was received to meet all the expenditure on the scheme. The Central assistance received together with physical targets and achievements during the period of two years of the Fourth Plan (1972-73 and 1973-74), Fifth Plan and Sixth Plan (upto 1982-83) were as under:—

Year	Central assistance (Rupees in lakhs)	No. of schemes sanctioned	Estimated cost (Rupees in lakhs)	No. of schemes completed	Actual expenditure (Rupees in lakhs)	No. of villages covered		Population served			
						Problem villages	Non-pro- blem villages	Problem villages	Non-pro- blem villages		
								(In lakhs)			
Fourth Plan											
1972-73	50.00	7	25.25	...	...	...	...	}	Not available
1973-74	35.00	...	...	...	...	...	...
Fifth Plan											
1974-75	...	6	39.69	...	...	...	...
1975-76	...	12	78.72	...	...	...	...
1976-77	...	4	13.64	5	23.52	7	...				
1977-78	22.50	7	40.16	...	...	...	...
Sixth Plan											
1978-79	100.00	21	131.42	6	42.12	17	...	0.20	...		
1979-80	106.60	9	39.95	16	83.39	48	...	...	...
1980-81	149.00	15	101.13	13	89.04	27	...	...	...
1981-82	269.20	41	217.86	9	68.30	24	15	0.06	...		
1982-83	293.67	50	245.89	28	188.47	57	...	0.12	...		
	1025.97	172	943.71	77	494.84	180	15	0.38	...		

4.1.14 The achievement compared to the schemes sanctioned works out to 45 per cent. Out of the Central assistance received only 48 per cent was spent.

4.1.15 Important points noticed are mentioned in paragraphs below:—

(a) Nong'alang Water Supply Scheme

The Scheme technically sanctioned (December 1975) for Rs. 9.54 lakhs was scheduled to be completed within 2½ years to provide safe drinking water to 2 villages covering a population of 1,654. Work was started in 1975-76 and completed in 1980-81. Expenditure up to March 1983 amounted to Rs. 13.11 lakhs. As per the progress report dated 25th May 1983 (submitted to CPHE) for April 1983, certain liabilities in respect of the scheme were to be assessed and paid. The delay in completion and expenditure of Rs. 3.57 lakhs in excess of the sanctioned estimate were attributed to the following factors.

The work 'supplying and laying of gravity main with High Density Polythene pipes (HDPE pipe)' estimated to cost Rs. 4.69 lakhs was awarded (8th November 1976) to a contractor at Rs. 4.27 lakhs for completion within 6 months. The Chief Public Health Engineer kept the work order in abeyance (November 1976) without any reason and in January 1977 asked the contractor to start the work and complete it before July 1977. But the work was not completed and in March 1980 the contractor was paid Rs.3.65 lakhs for the incomplete work.

The HDPE pipes laid for gravity main could not, however, bear the pressure of water on the uneven surface of hilly areas and burst in several places. These had to be replaced by cast iron pipes through other contractors at a cost of Rs.0.40 lakh on labour. No records could be shown to indicate that the HDPE pipes were taken back to stock or otherwise disposed of.

Thus the total expenditure (Rs.3.65 lakhs) on supplying and laying HDPE pipes proved to be wasteful. Departmental records did not indicate whether the suitability of HDPE pipes was tested before laying.

(b) Mawlendip-Umbir Water Supply Scheme

The scheme was originally sanctioned for Rs.7.18 lakhs in April 1979 and was designed for 30 years for an ultimate population of 2,470. The scheme was completed during 1982-83 at a cost of Rs.9.02 lakhs.

A revised estimate for Rs.10.47 lakhs was submitted (February 1982) to the Government for laying of C. I. pipes (Rs.1.01 lakhs) for agricultural purpose not provided for in the original estimate, laying of more pipes (Rs.1.52 lakhs) and replacement of slow and sand filter by mimo filter costing Rs.1.30 lakhs. Approval to the revised estimate was awaited (November 1983).

As the scheme was taken up for supply of drinking water to the villagers, expenditure of Rs.1.01 lakhs incurred on laying of pipes for supply of water to paddy fields out of funds provided for rural water supply scheme under 'ARP' was irregular.

(c) Borato Water Supply Scheme

The scheme was technically sanctioned at a cost of Rs.9.89 lakhs in November 1974 for supply of safe drinking water to the villagers of Borato village. The work commenced in 1975 and up to 1982-83 expenditure of Rs.10.69 lakhs was incurred. In January 1981 the scheme was incomplete as the treatment plant was not constructed. It was also reported that 2,835 Kgs. of piglead used in the joints of the C. I. pipes were stolen. There was no record to indicate that the matter was reported to the Government or the police. The loss to the Department on this account amounted to Rs.0.74 lakh. Although the work was started in 1975, it remained incomplete and no action had so far (July 1983) been taken for its completion. Reasons for non-completion of the scheme had not been stated (November 1983).

4.1.16 Purchase of drilling rig.

One drilling rig (IR Model Trucm 25 Drill Master mounted on Ashok Leyland truck chassis) was purchased in March 1981 at a cost of Rs.17.01 lakhs from a firm in Calcutta without inviting quotations. The expenditure was met out of Central grant for rural water supply schemes under 'ARP' which did not provide for purchase of any tools and plant. Approval of Government of India was also not obtained for the purchase. The rig was received by P. H. E. Hills Division, Shillong, commissioned in June 1981 and then transferred to Tura in November 1981. The rig had not been utilised so far (June 1983). The department did not furnish justification for the purchase of the rig (November 1983).

The purchase blocked an amount of Rs.17.01 lakhs in an idle machinery which apparently, was not required by the department.

4.1.17 Design Criteria

The Government of India prescribed (August 1977) revised design criteria for rural water supply schemes under 'ARP' restricting the design population to 15 years as against 30 years. Reasons for not adopting the revised design criteria in three schemes (Thapa Dejengiri, Wageasi and Mawlendip-Umbir) sanctioned in 1979-80 were not on record

4.1.18 Planning and Design Cell/Unit

The Government of India approved in December 1971 creation of a Planning and Design Unit attached to the office of the Chief Public Health Engineer for drawing up detailed estimates and plans for piped water supply schemes already identified and investigated by the Special Investigation Division. During the period from 1971-72 to 1973-74 expenditure amounted to Rs.1.57 lakhs of which Rs.0.45 lakh represented office expenses as against Rs.0.15 lakh with reference to annual quantum of Rs.5,000 fixed by the Government of India.

For the Planning and Design Unit, purchase of one jeep was approved by the Government of India. The Department, however, purchased 6 Ambassador cars and 4 jeeps at a total cost of Rs. 2.69 lakhs (January 1974 to March 1974) for use by the divisions and sub-divisions. The entire expenditure was charged to "Centrally Sponsored Scheme". The department stated (November 1983) that the vehicles were being used for inspection of various schemes including the accelerated rural water supply scheme. Approval of Government of India to the purchase of the other 9 vehicles was not, however, obtained.

4.1.19 Maintenance of the schemes

The State Government decided (February 1978) that the Public Health Engineering department should maintain the schemes for first 5 years after their completion and thereafter the maintenance should be handed over to the local committees/bodies. Out of 62 piped water schemes completed so far, only one (Pokseh Water Supply Scheme) has been taken over (March 1983) by the local committees/bodies. In the case of Sokha Water Supply Scheme, the Secretary of the Local Committee stated (October 1979) that the scheme was defective requiring repairs and the water supplied was not fit for drinking. In the case of Nongbah Water Supply Scheme, it was stated (October 1979) that the villagers were not financially sound to bear the expenditure for the maintenance of the schemes.

The schemes after completion were continued to be maintained by the Public Health Engineering department which spent Rs. 216.19 lakhs to the end of March 1983 on this account.

The department collected water tax of Rs. 0.96 lakh during 1974-1975 to 1982-83 as against the demand of Rs. 1.61 lakhs.

4.1.20 Summing up

—Of 4,583 villages 3,306 villages with a total population of 7.68 lakhs were categorised as problem villages including 1,549 'No Source' villages and 45 'Cholera Endemic' villages.

—1,660 problem villages with a population of 6.61 lakhs were targetted to be covered under various programmes during the Fourth, Fifth and Sixth Plan upto 1982-83 of which 632 problem villages and 78 non-problem villages (43 per cent) having a population of 2.14 lakhs (32 per cent) were covered.

—During the Fifth and Sixth Plan upto 1982-83, 279 piped water schemes and 50 schemes for hand tube wells, ring wells, deep tube wells (estimated cost : Rs. 1827.38 lakhs) were sanctioned under 'MNP' and 187 piped water schemes including 36 spill over schemes from the Fourth Plan and 41 schemes for ring wells etc., covering a population of 1.54 lakhs were completed.

—Out of 172 piped water schemes (estimated cost : Rs. 943.71 lakhs) sanctioned under 'ARP', 77 schemes covering 180 villages (population 0.38 lakh) were completed up to

1982-83 at a cost of Rs. 494.84 lakhs against the total Central assistance of Rs. 1025.97 lakhs.

—In 7 cases, expenditure on schemes sanctioned under 'State Plan' was charged to 'ARP' without approval of the State Government/Government of India.

—A rig procured in March 1981 at a cost of Rs. 17.01 lakhs out of the Government of India's grant under 'ARP' which did not provide for any such purchase had been lying idle (June 1983).

—In the case of Shella Water Supply scheme Rs. 1.40 lakhs were spent upto 1977 against the estimated cost of Rs. 1.18 lakhs though less than 50 per cent work was done. The contractor had left the work incomplete and materials valued at Rs. 0.24 lakh were not returned (July 1983). The department has proposed an alternative source of water as the original source was dried up.

—Rs. 1.19 lakhs were spent for the Mawbri Water Supply Scheme but the scheme remained incomplete as the source had dried up because of diversion of the stream by the villagers.

—In Nongtalang Water Supply Scheme the entire expenditure of Rs. 3.65 lakhs was proved to be wasteful as the HDPE pipes supplied and laid burst in several places and had to be replaced.

—The estimate of Mawlendip-Umbir Water Supply Scheme was revised to Rs. 10.47 lakhs (from 7.18 lakhs) due *inter-alia* to laying of pipes for supply of water for agricultural purposes which was not intended under 'ARP' scheme.

—Although the schemes should be maintained by the local committees/bodies after 5 years of their completion, maintenance of only one of the schemes has so far been taken over by the local committees/bodies. The department had spent Rs. 216.19 lakhs for maintenance of the schemes up to 1982-83.

—Water tax collection of Rs. 0.96 lakh was only during 1974-75 to 1982-83 against demand of Rs. 1.61 lakhs.

The matter was referred to the Government in April 1983; reply was awaited (November 1984).

4.2 Non-return of materials by a contractor

Execution of the work "Laying of the distribution system of Nowhwet" was given to a contractor in July 1979 for completion in 2 months *i. e.* by September 1979. The contractor did not start the work for a long time. Though the work was not started and no security deposit was taken from the contractor, the sub-divisional officer in-charge of the stores sub-division issued during the period March 1980 to June 1980 steel pipes, iron tanks, cement etc. valued in all at Rs. 0.38 lakh. The major part of the issue consisted of 308 metres of 80 mm pipes valued at Rs. 0.23 lakh. These were not at all required for the work. On the failure of the contractor to start the work, it was allotted in March 1981 to another contractor and was completed in the same month at extra cost of Rs. 7,000. No action was taken to recover the extra cost from the first contractor. Materials issued to him had not been recovered.

The matter was reported to the Government in June 1983 ; reply was awaited (November 1984).

4.3 Unfruitful investment of Rs.45 lakhs

Construction of a concrete dam on the river Mawphlang formed part of the Greater Shillong Water Supply Scheme sanctioned in March 1979. On 31st March 1981, the Government in the Public Health Engineering Department issued sanction for placing Rs.45 lakhs (against Finance department concurrence of Rs.30 lakhs) at the disposal of the Meghalaya State Electricity Board, who were required to prepare detailed design, drawing and estimates by 30th September 1981 and to construct the dam thereafter. On the same day, namely 31st March 1981, the amount was paid to the Meghalaya State Electricity Board. The sanction was issued without consulting the Power Department. The work could not be taken up as the Power Department of the Government declined to accept the proposal for construction being done by Meghalaya State Electricity Board. The amount was accordingly refunded after 15 months in June 1982.

Lack of co-ordination had resulted in the large amount being lent without interest to the Electricity Board. Interest on Rs. 45 lakhs for 430 days at the then prevailing rate of interest for ordinary ways and means advances works out to Rs.5.79 lakhs. It is also to be noted that even if the work were to be taken up by the Board, there was no need to make available the large amount long before the designs were ready. The money was paid out apparently to avoid lapse of grants.

The matter was reported to the Government in September 1983 ; reply was awaited (November 1984).

CHAPTER V

STORES AND STOCK

5.1 Accounts not received

As stated in the earlier Audit Reports, complete accounts of non-judicial, judicial and entertainment tax stamps from 1970-71 onwards have not been received from the Treasuries (November 1984).

The stores accounts for 1982-83 of Stationery and Printing Department in respect of stationery and printing/binding materials had not been received (November 1984).

5.2 Stock register and stock verification

The priced stores ledgers in the Public Works and Public Health Engineering divisions are to be closed at the end of each month. Inspection of stores is required to be made once a year to ensure that the stock consists of serviceable and necessary articles and is priced at the market rates.

Out of 14 Public Works divisions, none except N. E. C. Public Works Department (R&B) Division, Tura had closed the ledgers up to March 1983. Information about 4 divisions had not been received.

Similarly, out of 9 Public Health Engineering divisions, information about closing of stores ledgers in respect of 6 divisions was received (November 1984). None of these divisions had closed the ledgers up to March 1983.

The rules require that stock should be verified at least once a year by a responsible officer not below the rank of an Assistant Engineer. In 6 divisions verification was not done during the year. Particulars have not been received for 6 other divisions.

Similarly, verification was not done in one PHE division, 3 other divisions have not intimated the position.

5.3 Tools and plant registers

Each Public Works and Public Health Engineering division is required to close and balance its tools and plant register (called ledgers) each month. Particulars in this regard have not been received from 4 divisions. Except in one division, the work was considerably behind schedule. Particulars of

divisions where the arrears are very heavy are given below:—

Name of the division	Last month for which ledgers were closed
1. Tura North Division	September 1979
2. Jowai South Division	September 1980
3. Mechanical Division, Shillong	September 1978
4. Estate Officer, Public Works Department (R&B), Shillong	September 1978
5. Barengapara Division	September 1980
6. Shillong South Division	September 1977

In the PHE department particulars were not received from 2 divisions. None of the remaining 7 divisions had closed the ledgers up to March 1983, the arrears ranging from 1 to 43 months. Significant arrears were noticed in the following 2 cases:

Name of the division	Last month for which ledgers were closed
1. Public Health Engineering Division, Tura	September 1980
2. Rural Water Supply Division, Nongstoin	September 1979

Public Works (Roads and Buildings) Department

5.4 Unnecessary purchase of tar-testing thermometers with steel cases

During August 1981 to March 1982, the Superintending Engineer, Jowai Circle, Shillong purchased 1350 tar-testing thermometers at a cost of Rs. 1.82 lakhs without ascertaining the requirement of the divisions and without obtaining the approval of the Purchase Board, though it exceeded his financial powers (Rs. 30,000).

Out of 1350 thermometers, 750 nos. were shown by the Division as issued to the materials-at-site accounts of the work "Construction of Passyih-Garampani Road" where they remained unused (November 1984).

Purchase of thermometers amounting to Rs. 1.82 lakhs was thus unnecessary.

The matter was reported to the Government in July 1983; reply was awaited (November 1984).

5.5 Extra expenditure on local purchases

According to the instructions of the Government, purchases costing over Rs. 30,000 are to be made with the prior approval of the Purchase Board of the Department. It was noticed during audit (February 1982 and April 1983) of Nongstoin (R&B) and Jowai North (R&B) Divisions that mild steel rods, steel wire ropes and tarfelt costing over Rs. 30,000 each were purchased (details below) from local firms without the approval of the Purchase Board. Reasons for resorting to such purchases without obtaining the approval of the Purchase Board were not on record.

Sl. No.	Name of materials	Quantity purchased	Rate allowed	Amount paid to suppliers
1.	Mild Steel rods	50.05 tonnes	Ranging from Rs. 5,725 to Rs. 6,225 per tonne	Rs. 2.98 lakhs
2.	—do—	53.12 tonnes	—do—	Rs. 3.09 lakhs
3.	Steel Wire ropes	2,915 metres	Ranging from Rs. 18.50 per metre to Rs. 55 per metre for diameters of ropes varying from $\frac{1}{2}$ inch to 1 inch	Rs. 1.19 lakhs
4.	Tar felt	430 rolls	Rs. 450 per roll	Rs. 1.93 lakhs

Prevailing SAIL rate	Cost of the materials at SAIL rate	Avoidable extra expenditure	Supply orders placed by	Division for which supply orders was placed	Period during which supply orders placed
Rs. 4,105 to Rs. 4,640 per tonne plus 4 per cent Assam Finance Tax	Rs. 2.36 lakhs	Rs. 0.62 lakh	Executive Engineer (P.W.D.) Nongstoin Division	Engineer (R&B), Nongstoin P.W.D. (R&B) Division	June and July 1981
—do—	Rs. 2.43 lakhs	Rs. 0.66 lakh	Superintending Engineer, P.W.D. (R&B), Jowai Circle, Shillong	North Jowai P.W.D. (R&B) Division	July 1981
...	...	...	Superintending Engineer, P.W.D. (R&B), Western Circle Shillong and Executive Engineer, P.W.D. (R&B) Division, Nongstoin	Nongstoin P.W.D. (R&B) Division	May, July and August 1980
...	...	...	Superintending Engineer, P.W.D. (R&B), Jowai Circle, Shillong	North Jowai P.W.D. (R&B) Division	February 1982

Mild steel rod is an item covered by the Director General, Supplies and Disposal (DGS&D.) rate contract of the Government of India. Steel Authority of India Limited (SAIL), Gauhati is the supplier of steel materials to Meghalaya. Though supplies of mild steel rods were being obtained by the Nongstoin (R & B), North Jowai (R & B) as well as other Divisions of Meghalaya through SAIL at Gauhati, the divisions did not contact the SAIL in these cases for procuring mild steel rods at the DGS&D. rate contract. It was noticed that the rates allowed to the local firms for supply of mild steel rods (*vide* Sl. no. 1 & 2 of the table above) were higher than the SAIL rates resulting in an extra expenditure of Rs. 1.28 lakhs. Out of 50.05 tonnes locally purchased by the Nongstoin Division, 48.80 tonnes were utilised till April 1984 and 53.12 tonnes purchased for the North Jowai Division were utilised to end of March 1984. Evidently, there was no urgency for procuring the steel rods from local suppliers at high rates.

It was also noticed that steel wire ropes and tarfelt were purchased without any demand for such materials by the Division (*vide* Sl. no. 3 and 4 of the table above); there were no sanctioned estimates of works for use of these materials either. Thus, unnecessary purchase of steel wire ropes and tarfelt resulted in blocking up of Rs. 3.12 lakhs.

In respect of tarfelt the Government replied in July 1984 that the materials was purchased irregularly and the matter was being enquired by the State Enquiry Officer. Replies in regard to other cases were awaited (November 1984).

Public Health Engineering Department

5.6 Short delivery of cement by a carriage contractor

During November and December 1978, the Executive Engineer, Rural Water Supply Division, Jowai entrusted the work to a contractor for carriage of 85 tonnes of cement from Mawmluh-Cherra Cement Factory, Cherrapunji to the Divisional Store at Jowai.

Although full quantity of cement was lifted by the contractor from the factory during January and February 1979 against the carriage orders placed with him, only 27 tonnes were delivered to the Division

during the period. For default in delivery, the Executive Engineer directed the contractor (20th April 1979) to deliver the balance 58 tonnes of cement (value : Rs. 0.27 lakh) by 4th May 1979 failing which the matter would be reported to the police. Neither the contractor returned the balance 58 tonnes of cement nor was any action taken by the Division to report the matter to the police (May 1983).

The matter was reported to the Government in July 1983 ; reply was awaited (November 1984).

CHAPTER VI

REVENUE RECEIPTS

*A—General***6.1 Tax revenue raised by the State**

Revenue raised by the State constituted 13·80 per cent of the gross revenue for the year 1982-83; the balance 86·20 per cent being made up of State's share of divisible Union taxes and Statutory and other grants from the Government of India. Of the revenue raised by the State, tax revenue constituted 55·15 per cent.

Details of tax revenue for the year 1982-83 along with those for the preceding two years are given below:—

Serial number	Head of revenue	1980-81	1981-82	1982-83	Increase (+) Decrease (—) in 1982-83 with refer- ence to 1981-82
		(Rupees in lakhs)			
1.	Other Taxes on Income and Expenditure	12·31	15·72	16·77	(+) 1·05
2.	Land Revenue	13·34	6·19	7·04	(+) 0·85
3.	Stamps and Registration Fees	16·38	20·89	21·54	(+) 0·65
4.	State Excise	1,27·24	1,58·77	1,90·04	(+)31·27
5.	Sales Tax	2,30·93	2,71·11	3,51·97	(+)80·86
6.	Taxes on vehicles	38·27	47·71	56·02	(+) 8·31
7.	Taxes on Goods and Passengers	19·00	27·93	24·51	(—) 3·42
8.	Taxes and duties on Electricity	4·86	10·82	2·29	(—) 8·53
9.	Other Taxes and Duties on Commodities and Services	25·27	25·44	66·53	(+)41·09
	Total	4,87·60	5,84·58	7,36·71	(+)1,52·13

6.2 Non-Tax Revenue of the State

Receipts from non-tax revenue constituted 44.85 per cent of the revenue raised by the State during 1982-83. Details of non-tax revenue under the principal heads for the year 1982-83 along with those of preceding two years are given below:—

Serial Number	Head of revenue	1980-81	1981-82	1982-83	Increase (+) Decrease (-) in 1982-83 with refer- ence to 1981-82
		(Rupees in lakhs)			
1.	Interest	60.62	33.64	63.86	(+) 30.22
2.	Police	9.38	25.84	25.89	(+) 0.05
3.	Public Works	22.98	33.65	50.71	(+) 17.06
4.	Agriculture	23.10	20.88	21.29	(+) 0.41
5.	Animal Husbandry	31.49	24.41	18.74	(-) 5.67
6.	Forest	1,02.43	3,80.41	2,22.22	(-) 1,58.19
7.	Miscellaneous General Services	18,29.87	0.01	10.09	(+) 10.08
8.	Other Administrative Services	19.06	24.36	49.78	(+) 25.42
9.	Others	94.14	90.39	1,36.46	(+) 46.07
	Total	21,93.07	6,33.59	5,99.04	(-) 34.55

B—Taxation Department

6.3 Irregular set-off of tax

The Assam Finance (Sales Tax) Rules, as adapted by the Government of Meghalaya, provide that sales tax paid by a dealer on the purchase of raw materials for use within the State in the manufacture, making, processing or production of taxable goods on small scale for sale, may, on application by the dealer, be paid to him by way of drawback, set off or refund subject to the following conditions:

- (a) The dealer shall produce a certificate in the prescribed form from the Director of Industries, Government of Meghalaya, to the effect that the raw materials have been used and the tax has actually been paid.

- (b) The concession shall be admissible only to an industrial unit with fixed capital investment not exceeding rupees five lakhs and registered as a small scale industrial unit by the Director of Industries.
- (c) The application for set-off or refund shall be made by the dealer within three months from the date of sale of the taxable goods, in the manufacture, making, processing or production of which the raw materials were used.
- (d) The State Government is to specify by notification in the official gazette the class or classes of goods to be treated as raw materials.
- (e) The amount is to be paid as if it were a refund and the provisions of Rule 46 *ibid* prescribing the monetary limit up to which the various authorities are empowered to pass orders for refund shall apply.

It was seen in audit (November-December 1982) of the accounts of the Superintendent of Taxes, Shillong that a claim for set-off of Rs. 21,484 being the amount of tax and surcharge paid on the purchase of raw materials, was allowed by the Superintendent of Taxes, Shillong from the amount of tax payable by a dealer (a firm) on his sale of manufactured goods during the return period ending 31st March 1982, although (i) the required certificate from the Director of Industries, Government of Meghalaya, was not produced, (ii) the application for set-off was made after more than five months (7th September 1982) from the last date of sale of taxable goods, (iii) the Managing Director of the firm had certified in the application that total capital investment in the Industrial unit did not exceed rupees ten lakhs and (iv) no Government notification specifying the class or classes of goods to be treated as raw materials was available. Besides, orders of the Assistant Commissioner, required in the case of refund exceeding rupees two hundred and fifty, were not obtained.

The set-off was, thus, in violation of all the prescribed conditions.

The matter was reported to Government in March 1983; their reply was awaited (April 1984).

6.4 Irregular exclusion of turnover from Inter-State sales

Under the Central Sales Tax Act, 1956 and the rules made thereunder, where sale of any goods in the course of inter-State trade or commerce has either occasioned the movement of such goods from one State to another or has been effected by a transfer of documents of title to such goods during their movement from one State to another, any subsequent sale of the goods during such movement, effected by a transfer of documents of title to such goods to the Government or to a registered dealer, shall be exempt from tax subject to the dealer making the subsequent sale, furnishing a certificate in form 'EI' duly filled and signed by the registered dealer from whom the goods were purchased and a certificate in form 'D' obtained from the Government department to which the goods were sold (in the case of subsequent sale to Government) or a declaration in form 'C' received from the registered dealer to whom the goods were sold (in the case of subsequent sale to registered dealer).

In the course of audit of accounts of the Superintendent of Taxes, Shillong, it was, however, noticed (November-December 1982) that subsequent sales of Rs. 11,17,866 and Rs. 4,34,291 supported by 'EI' forms, made by a dealer during the return periods ending 30th September 1978 and 31st March 1979, were excluded from turnover for the purpose of taxation, although these were not supported by certificates in form 'D' or declarations in form 'C'. This resulted in underassessment of tax by Rs. 1,55,216.

The matter was reported to Government in March 1983; their reply was awaited (April 1984).

6.5 Non-registration of dealers

Under the Assam Finance (Sales Tax) Act, 1956, as adapted by the Government of Meghalaya, no dealer shall carry on business in taxable goods unless he has been registered and possesses a certificate of registration. The Act also empowers the Commissioner of Taxes to register a dealer compulsorily if, in his opinion, that dealer is liable to registration but has failed to apply for it.

During the course of audit (July-August 1982) of the records of the Superintendent of Taxes, Shillong, on a collateral test check of the vouchers for March 1981 of three Divisions under the Public Health Engineering Department of the Government of Meghalaya it was noticed that seven dealers supplied taxable goods valued at Rs. 25,84,322 (inclusive of tax) to the said three Divisions during January to March 1981 and were paid for the supplies in March 1981. From the records of the Superintendent of Taxes, Shillong, it was, however, found that none of these dealers was registered. Thus, owing to lack of co-ordination between the Taxation Department and the Department obtaining the supplies, tax and surcharge on tax amounting to Rs. 1,70,758 was not levied and realised.

Out of the seven dealers, two dealers were subsequently registered in October 1982 retrospectively, one from July 1980 and the other from August 1980. Further development in respect of the other five dealers was awaited (November 1983).

The matter was reported to Government in October 1983; their reply was awaited (April 1984).

C—Forest Department

6.6 Loss due to non-settlement of sand mahal with the highest tenderer

Tenders were invited in April 1982 for settlement of Kopili Sand Mahal No. 2 for the period from 15th May 1982 to 14th May 1983, with an estimated quantity of sand for collection of 20,000 cubic metres. Four tenders were received. The highest offer (Rs.2.2 lakhs) at the rate of Rs.11 per cubic metre (inclusive of sales tax and surcharge) of sand was from a Government of India Undertaking. The second highest offer of Rs.0.70 lakh was from a local tenderer belonging to a scheduled tribe. The mahal was settled by Government (August 1982) with the local tenderer at the Government valuation of Rs.1.07 lakhs inclusive of sales tax and surcharge.

According to the Assam Settlement of Forest Coupes and Mahals by Tender System Rules, as adapted by the Government of Meghalaya, no preferential treatment and concession was admissible to tenderers belonging to scheduled castes or scheduled tribes in cases where the recognised highest offer for a mahal exceeds rupees one lakh. Non-acceptance of the highest offer in this case was thus irregular and resulted in loss of revenue of Rs.1.13 lakhs.

The matter was reported to the Government in September 1983; their reply was awaited (April 1984).

6.7 Non-settlement of river-bed stone mahals

Sale of five stone (river-bed) mahals for the working period from 15th April 1981 to 14th April 1982 was advertised in April 1981. The highest offers received totalled Rs.0.53 lakh. The Chief Conservator of Forests recommended (August 1981) settlement of the mahals with the highest tenderers despite the offers being rather low because the stones constitute rolling material in river bed and, if not collected in time, they are carried away in the next flood. The mahals, however, remained unsettled for want of Government orders. Consequently there was loss of revenue of Rs.0.53 lakh.

While the question of settling these mahals for the period 1981-82 remained undecided, no tenders were issued out for the subsequent period 1982-83 as well, till February 1983. As a result, these five stone mahals remained unsettled for the operation period April 1982 to April 1983 also resulting in further loss of revenue.

The matter was reported to Government in September 1983; their reply was awaited (April 1984).

CHAPTER VII

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

7.1 Grants

Grants paid out of Government funds during the year comprised about 11 *per cent* of the total expenditure. The broad details of the grants are indicated below with corresponding figures for the previous year.

	1981-82	1982-83
	(Rupees in lakhs)	
Educational institutions	6,77.28	7,49.70
Co-operative Societies	69.42	61.39
District Councils	30.37	37.59
Municipalities	5.89	6.68
Other institutions	38.39	49.33
Total	8,21.35	9,04.69

7.2 Utilisation certificates

The authority signing or countersigning the bill for drawal of grant/loan and its disbursement is required to watch the fulfilment of the conditions subject to which it was sanctioned. According to the rules, in all cases in which conditions are attached to the grants, a certificate of utilisation of grants should be obtained from the grantees and after verification and acceptance, the same should be furnished to the Accountant General by the departmental officers within a reasonable time.

Against grants for Rs.60,13.36 lakhs paid to various bodies/authorities between 1970-71 and 1982-83, utilisation certificates for Rs.6,08.12 lakhs (disbursed on 1,066 occasions) had not been received up to the end of September 1983 and of these cases certificates for Rs.4,39.93 lakhs (disbursed on 796 occasions) were pending for more than three years.

The year-wise break-up of the outstanding utilisation certificates is given in Appendix 7.1.

Co-operation Department

7.3 Financial assistance to co-operative societies including investments

1. Financial assistance

The Government has been rendering financial assistance to Co-operative Societies in the shape of share capital, loans, grants and subsidies. Government investments in share capital at the close of each of the three years ending 31st March 1982 were as under:—

Year ending 31st March	Number of institutions	Total investment (Rupees in lakhs)
1980	917	214.57
1981	987	272.97
1982	1,101	273.65

During 1982-83 total dividend received on the investments was only Rs.1,010.

2. (a) The amounts of loans/grants/subsidies paid to the Co-operative Societies during three years ending 31st March 1982 were as follows:—

Year ending 31st March	Loan				Grants/Subsidies paid during the year
	Opening balance	Disbursed during the year	Repaid during the year	Closing balance	
(Rupees in lakhs)					
1980	47.43	12.65	2.88	57.20	74.00
1981	57.20	8.08	1.21	64.07	65.65
1982	64.07	15.68	2.06	76.79	63.80

(b) The overdue amounts of loan/interest/and unutilised grants and subsidies (received from Government) with various Co-operative Societies at the close of each of the three financial years ending 1981-82 were as follows:—

Year ending 31st March	Number of institutions	Over due amounts	
		Principal	Interest
(Rupees in lakhs)			
1980	45	5.23	5.32
1981	159	6.75	6.34
1982	182	7.70	7.44

Complete records indicating the position of over-due instalments of loans and interest were not available with the Registrar of Co-operative Societies (August 1983). Non-payment/delay in payment of loans and interest was attributed (November 1983) by the Registrar to financial stringency of the Co-operative Societies.

3. Alleged mis-appropriation of cash

According to the department, in 42 societies out of 978 societies which had received Government assistance, funds amounting to Rs.7.91 lakhs were allegedly mis-appropriated during the years from 1975-1982. In 4 cases recovery has been effected of the total amount of Rs.0.12 lakh. Particulars of the remaining cases are as under :—

Year	Number of societies	Amount (Rupees in lakhs)
1975	11	3.62
1976	16	1.72
1977	2	0.18
1978	1	0.07
1979	2	0.15
1980	3	0.27
1981	2	1.76
1982	1	0.02
Total	38	7.79

Out of the 38 cases, 10 cases have been disposed of by the Court but the amount has not so far been realised (March 1984). The remaining 28 cases were pending in the Court (November 1984).

4. Delay in completion of audit

There is considerable shortfall in the audit of the Societies by the Registrar of Co-operative Societies as indicated in the table below:

Nature of Societies	Total number of Societies as on 31st March 1982	Number of Societies audited	Number of Societies where audit was in arrears	Extent of arrears	
				Upto 3 years	More than 3 years
Functioning	549	421	128	82	46
Non-functioning	145	77	68	37	31
Under-Liquidation	284	...	284	48	236
Total	978	498	480	167	313

7.4 Sanction of grant in advance of requirement

In March 1978, the Government sanctioned a sum of Rs.2.50 lakhs as grant to the Meghalaya State Co-operative Marketing and Consumers' Federation, Shillong for construction of a godown. The amount was drawn by the Federation in March 1978 and kept in current deposit account in the Meghalaya Co-operative Apex Bank Limited, Shillong. It was only after a lapse of more than three years that the Federation issued notice inviting tenders in June 1981. Work orders were issued to five contractors in December 1981 for construction of the godown. Till May 1982, the Federation could spend only a sum of Rs.0.52 lakh out of the grant of Rs. 2.50 lakhs on land development and approach road connected with the construction of the godown. Delay in commencement of the construction work of the godown was attributed (May 1982) by the Federation to delay in acquisition of land. The Federation intimated that the balance was spent by June 1984, but the progress in regard to construction of the godown has not been indicated. Disbursement of the grant (March 1978) years before actual need was irregular and resulted in blocking up of a substantial portion of the grant (Rs. 1.98 lakhs) for over four years.

The matter was reported to Government in April 1983; reply was awaited (March 1984).

CHAPTER VIII

GOVERNMENT COMMERCIAL AND TRADING ACTIVITIES

SECTION I

- 8.1 This chapter deals with the results of audit of
- Statutory Corporations,
 - Government Companies, and
 - Departmentally-managed Government Commercial and *quasi*-commercial undertakings.

SECTION II

8.2 Statutory Corporations

8.2.1 Introduction

There were three statutory Corporations in the State as on 31st March 1983, *viz.*, Meghalaya Transport Corporation, Meghalaya State Electricity Board and Meghalaya Warehousing Corporation.

The accounts of Meghalaya Transport Corporation and Meghalaya State Electricity Board were in arrears (September 1983) as detailed below:

Name of Corporation	Extent of arrears
(1) Meghalaya Transport Corporation	1977-78 to 1982-83
(2) Meghalaya State Electricity Board	1981-82 to 1982-83

The position of arrears in the finalisation of accounts was last brought to the notice of Government in September 1983.

Statement showing the summerised financial results of two of the Corporations based on the latest available accounts is given in Appendix 8.1. The financial results of Meghalaya Transport Corporation for the period ending 31st March 1977 had already been included in the Report of the Comptroller and Auditor General of India for the year 1980-81.

8.2.2 Meghalaya State Electricity Board

The Meghalaya State Electricity Board was formed on 21st January 1975 under section 5(i) of the Electricity (Supply) Act, 1948.

The capital requirements of the Board were provided in the form of loans from the Government, the public, the banks and other financial institutions.

The aggregate of long term loans (including loans from Government) obtained by the Board was Rs. 65,99.20 lakhs at the end of 31st March 1980 and represented an increase

of Rs. 3,50.30 lakhs, *i. e.*, 5.60 per cent on the long term loan of Rs. 62,48.90 lakhs at the end of the previous year. Details of loans obtained from different sources and outstanding at the close of two years up to 31st March 1980 are as below—

Sources	Amount outstanding as on	
	31st March 1979	31st March 1980
	(Rupees in lakhs)	
State Government	31,85.45	31,85.45
Life Insurance Corporation of India	6,71.47	6,78.01
Rural Electrification Corporation	6,86.71	8,10.47
Debentures/Bonds	17,05.27	19,25.27
Total	62,48.90	65,99.20

(a) **Guarantees**

Government had guaranteed the repayment of loans raised by the Board to the extent of Rs. 27,35.74 lakhs and the payment of interest thereon.

(b) The Financial position of the Board at the close of the three years up to 31st March 1980 is given in the following table:

Liabilities	1977-78	1978-79	1979-80
	(Rupees in lakhs)		
(a) Loan from Government	31,85.45	31,85.45	31,85.45
(b) Other long-term loans (including bonds)	23,70.40	30,63.45	34,13.75
(c) Reserves and surplus	1,05.89	1,24.57	1,39.79
(d) Current liabilities	9,96.41	10,74.59	12,47.69
Total	66,58.15	74,48.06	79,86.68
Assets			
(a) Gross fixed assets	38,03.22	56,10.10	59,50.09
(b) Less: depreciation	8,25.90	9,07.25	10,57.69
(c) Net fixed assets	29,77.32	47,02.85	48,92.40
(d) Capital work-in-progress	21,53.51	6,39.26	7,33.42
(e) Current assets	15,27.32	18,86.16	21,10.12
(f) Intangible assets	...	2,19.79	2,50.74
Total	66,58.15	74,48.06	79,86.68
Capital employed	35,08.23	55,14.42	57,54.83
Capital invested	56,61.74	61,53.68	64,88.25

Notes: (1) Capital employed represents net fixed assets (excluding capital-work-in-progress) plus working capital.

(2) Capital invested represents long-term loans plus free reserves less intangible assets.

(c) Working results

The working results of the Board for the three years up to 1979-80 are summarised below :

	1977-78	1978-79	1979-80
	(Rupees in lakhs)		
(a) Revenue receipts	4,72.46	4,67.05	6,72.68
(b) Revenue expenditure	4,41.24	3,52.17	4,57.87
(c) Gross surplus for the year (a) — (b)	2,31.22	1,14.88	2,14.81
(d) Appropriations:—			
Interest on loans and bonds	98.23	95.62	1,38.43
Arrear depreciation	46.03	...	29.85
Difference between billing and payment by Assam State Electricity Board for power supply (tariff not finalised)	86.96	19.26	46.53
Total appropriations	2,31.22	1,14.88	2,14.81
(e) Total return on Capital employed	1,36.14	95.62	1,63.28
(f) Total return on capital invested	1,36.14	95.62	1,63.28
(g) Rate of return on:		(per cent)	
(i) Capital employed	3.9	1.7	2.9
(ii) Capital invested	2.4	1.5	2.6

As on 31st March 1980, the Board had a cumulative contingent liability of Rs.19,78.57 lakhs in respect of interest on Government loans.

(d) Operational performance

The following table indicates the operational performance of the Board for the three years up to 31st March 1980:

Particulars	1977-78	1978-79	1979-80
1. Installed capacity (MW)			
(i) Thermal	2.500	2.500	5.000
(ii) Hydel	66.710	126.710	126.710
(iii) Others	1.900	1.954	1.954
Total	<u>71.110</u>	<u>131.164</u>	<u>133.664</u>
2. Normal maximum demand (MW)	60	60	60
3. Power generated (MKWH)			
(i) Thermal	2.15	1.102	Nil
(ii) Hydel	219.57	213.354	314.580
(iii) Others	1.04	1.004	1.001
Total power generated	<u>222.76</u>	<u>215.460</u>	<u>315.581</u>
<i>Less: Auxiliary consumption</i>	2.28	1.622	5.310
4. Net power generated	220.48	213.838	310.271
5. Power purchased	0.01	...	...
6. Total power available for sale	220.49	213.838	310.271
7. Power sold	202.21	192.401	297.071
8. Power supplied free	0.25	0.240	0.250
9. Transmission and distribution losses	18.03	21.197	12.950
10. Load factor (per cent)	42	41	33.7
11. Percentage of transmission and distribution loss to total power available for sale	8.2	9.93	4.17
12. Number of units generated per KW of installed capacity	3132.61	1642.67	2345.14

Note:—As the Thermal plant of Nongwalbibra (5.00 MW capacity) was permanently kept shut down since 1979-80, there was no generation of power from 1979-80 onwards.

(e) The following table gives other details about the working of the Board as at the end of the three years up to 31st March 1980:

Particulars	1977-78	1978-79	1979-80
1. Villages/towns electrified (in numbers)	399	477	546
2. Pump sets/wells energised (in numbers)	47	47	47
3. Number of sub-stations	Not available	441	Not available
4. Transmission/distribution lines (Km.)			
(i) High/Medium Voltage	2,072.46	2,360.06	2,626.08
(ii) Low Voltage	620.35	919.47	1,070.44
5. Connected load (MW)	45.336	45.215	51.046
6. Number of consumers	22,990	24,873	26,409
7. Number of employees	3,499	3,977	4,226

8.2.3 The following table gives the details of power sold and revenue, expenses and profit/loss per KWH sold during the three years up to 31st March 1980:

	1977-78	1978-79	1979-80
1. Units sold (MKWH):			
(a) Agriculture	1.13	0.66	0.032
(b) Industrial	13.39	13.64	14.468
(c) Commercial	4.55	6.89	7.700
(d) Domestic	7.21	8.54	9.920
(e) Others	175.93	162.67	264.931
Total	<u>202.21</u>	<u>192.40</u>	<u>297.071</u>
2. Revenue per Kwh (Paise)	23.36	24.27	22.64
3. Expenditure (inclusive of total depreciation for the year but excluding interest on loan) per Kwh (paise)	11.93	18.30	15.41
4. Profit per Kwh (paise)	11.43	5.97	7.23

8.3 Line losses

8.3.1 Power system losses

Power generated at 11 KV/33 KV was stepped up to 132 KV for transmission which was again stepped down mostly to 440-220 Volts for distribution. Power system losses occurred at various stages in this process, mostly during transformation, transmission and distribution. These losses were to be computed from meters installed at different points in the system. A norm of 15 per cent of power generated had been prescribed for power system losses by the Central Electricity Authority.

The Board had, however, neither installed the necessary meters nor maintained records for determining the quantum of line losses at different stages.

8.3.2 The overall line losses as reported by the Board to the Government during the 3 years up to 1982-83 are indicated in the table below :

Particulars	1980-81	1981-82	1982-83
	(In million units)		
Power generated	352.54	369.66	405.55
Less: Auxiliary consumption	2.85	2.06	2.11
Power available for sale	349.69	367.60	403.44
Power actually sold :			
(a) Within the State	40.06	62.36	72.88
(b) Assam State Electricity Board	277.81	275.72	302.25
Total	317.87	338.08	375.13
Transformation, transmission and distribution losses on power sold :			
(i) Within the State—			
Units	20.71	18.49	16.22
Percentage	51.70	29.65	22.26
(ii) to Assam State Electricity Board—			
Units	11.11	11.03	12.09
Percentage	4.00*	4.00*	4.00*
(iii) in total—			
Units	31.82	29.52	28.31
Percentage	9.10	8.00	7.00

*In the absence of recording of the actual power loss on power supplied to Assam State Electricity Board, the loss is assumed by the Board to be standard 4 per cent.

8.3.3 On a check by Audit with reference to total bills for energy, it was noticed that the power system loss for the State excluding that in respect of bulk consumers reckoned at 4 per cent was approximately 33.2 per cent in 1980-81, 22.5 per cent in 1981-82 and 17.7 per cent in 1982-83. The percentage of line losses in the State system was, thus, much higher than the prescribed norm of 15 per cent.

8.3.4 An analysis in audit disclosed the following :

- (a) At the generating power stations (stage I and II) at Sumer and Umsumer metering arrangements to record the power generated and transformed existed at the bus bar and at the generating stations of Kyrdemkulai Hydro Electric Project and Umtru Hydro Electric Project, metering arrangements to record the power generated and the power transmitted existed at both the points, *i. e.*, at the generating and the transmitting point. The Board had, however, not computed the transformation losses in any of the power stations for the reasons that the meter readings had not been recorded properly and regularly.
- (b) Transformation losses also occur while stepping down voltages in the sub-stations. Though meters were installed at both in-coming and out-going feeders in some grid stations, no records of such losses had been maintained for the reason mentioned above.
- (c) Transmission losses occur while transmitting power on the following high voltage transmission lines of the Board.

Voltage (KV)	Circuit kilometres
(i) 132	363.73
(ii) 33	961.00

There were 3 sub-stations of 132 KV (at Mawlai, Khliehriat and Cherra) where metering arrangements existed at the receiving and out-going feeders as on 31st March 1983 but records were not maintained properly. In 30 sub-stations of 33/11 KV even metering arrangements were not available. As such transmission losses could not be computed.

The Board took up the study on line losses in 1981-82 at a cost of Rs. 0.75 lakh and noticed the occurrence of losses on certain lines as detailed below :

Particulars of lines	Period covered under study	Percentage of loss
(1). Mawlai-Khliehriat 132 KV line (56 Kms.)	25th March 1983 to 1st April 1983	3.37
(2). Khliehriat-Jowai 33 KV line (22 Kms.)	15th May 1983 to 22nd May 1983	3.14
(3). L. T. Line Mookyniang Village consisting of 12 consumers	27th March 1983 to 29th March 1983	14.79

(d) Finally, losses occur at the distribution stage when power received is stepped down to 11 KV and below and distributed to various consumers. The difference between the power received by the distribution sub-stations and the power sold to consumers represents transformation loss at this stage and distribution losses. As metering arrangements were not available at all the sub-stations, distribution losses were not computed by the Board. The Board stated (September 1983) that suitable arrangements were being made to install meters in all the sub-stations for monitoring the losses in order to take remedial measures. The Board had not so far (March 1984) taken steps in this regard and it had neither formulated any time bound plan for reduction of line losses nor introduced a system for continuous monitoring and controlling the losses.

8.3.5 The Board created an Inspection wing in May 1983 with one Executive Engineer and one Sub-Divisional Officer to check the accuracy of meter readings and line losses and also to test meters periodically. This wing is yet (November 1983) to prepare a systematic and comprehensive programme so as to cover all the consumers periodically.

8.4 Infructuous purchase of cable

The Board procured (May 1980) 103 kilometres of ACSR Rabbit conductor at a cost of Rs. 4.65 lakhs from a local firm for the construction of 11 KV line of the Umiam-Umtru Stage IV Hydro Electric Project. Subsequently, the Board decided (October 1980) to construct 33 KV line as the 11 KV line was reported to be unsuitable to cater to the actual voltage needs of the project. The conductor purchased (value: Rs. 4.65 lakhs) remained unutilised (March 1984) consequently resulting in locking up of funds since March 1980 and loss of interest thereon.

The matter was reported to Government in October 1983 ; reply was awaited (March 1984).

8.5 Avoidable expenditure on rent

A building constructed at Kyrdemkulai for the office of the Superintending Engineer, Stage IV Circle at a cost of Rs. 1.43 lakhs was taken possession of from the contractor in September 1981. The Board entrusted the work of completion of sanitary and water supply works of the building only in June 1983 at Rs. 14,098 and the work was completed in July 1983 and the Circle Office located at a rented building was shifted to this building in August 1983. Owing to the delayed execution of sanitary fittings and water supply system in the building, the Circle Office had continued to be located in a hired building at Shillong at a monthly rent of Rs.1,200 which resulted in an avoidable expenditure of Rs.0.26 lakh on rent from 1st October 1981 to July 1983.

The matter was reported to the Government in October 1983; reply was awaited (January 1984).

8.6 Meghalaya State Warehousing Corporation

8.6.1 *Capital*: The paid-up capital of the Meghalaya State Warehousing Corporation was Rs.36.12 lakhs (State Government: Rs.24.06 lakhs, Central Warehousing Corporation: Rs.12.06 lakhs) as on 31st March 1983 as against Rs.27.12 lakhs at the end of the previous year.

8.6.2 *Financial Position*: The table below summarises the financial position of the Corporation under broad headings for the three years up to 31st March 1983.

	1980-81	1981-82	1982-83
	(Rupees in lakhs)		
Liabilities :			
(a) Paid-up capital	24.12	27.12	36.12
(b) Reserves and surplus	2.89	2.89	2.96
(c) Trade dues and other current liabilities (including provisions)	2.03	1.82	4.20
Total	29.04	31.83	43.28

Assets :

(a) Gross block	5.45	6.15	8.43
(b) Less: depreciation	1.69	1.96	2.30
(c) Net fixed* assets	3.76	4.19	6.13
(d) Capital work-in-progress	2.05	2.05	...
(e) Investments	0.78	0.90	1.13
(f) Current assets, loans and advances	22.45	24.69	36.02
Total	29.04	31.83	43.28
Capital employed	24.18	27.06	37.95
Capital invested	27.01	30.01	39.08

Notes: (I) Capital employed represents net fixed assets *plus* working capital.

(II) Capital invested represents paid-up capital *plus* long-term loans and free reserves at the close of the year.

8.6.3 *Working results*: The following table gives the details of the working results of the Corporation for the three years up to 31st March 1983:

Particulars	1980-81	1981-82	1982-83
(Rupees in lakhs)			
1. Income :			
(i) Warehousing charges	0.61	1.22	1.28
(ii) Other income	1.46	1.22	1.37
Total	2.07	2.44	2.65
2. Expenses :			
(i) Establishment charges	1.16	1.11	1.57
(ii) Other expenses	0.27	1.22	0.95
Total	1.43	2.33	2.52

3. Profit before tax	0.64	0.11	0.13
4. Provision for tax	0.25	0.01	...
5. Other appropriations	0.27	0.03	0.13
6. Amount available for dividend	0.12	0.07	...
7. Dividend paid	0.12	0.07	...
8. Total return on capital employed/invested	0.64	0.11	0.13
9. Percentage of return on :			
(a) Capital employed	2.64	0.40	0.34
(b) Capital invested	2.37	0.37	0.33

8.6.4 *Operational performance*: The following table gives details of the storage capacity created, capacity utilised and other information about the performance of the Corporation for the three years up to 31st March 1983 :

Particulars	1980-81	1981-82	1982-83
1. Number of stations covered	1	1	1
2. Storage capacity (own) created up to the end of the year (tonnes in lakhs)	0.016	0.016	0.020
3. Average capacity utilised during the year (tonnes in lakhs)	0.013	0.018	0.023
4. Percentage of utilisation	80.4	114.4	129.7
5. Average revenue per tonne (Rupees)	21.45	26.13	30.64
6. Average expenses per tonne (Rupees)	14.82	24.95	29.14

Meghalaya Transport Corporation

8.7 Extra expenditure on printing

Prior to formation of the Corporation (*i. e.*, 1st October 1976), the Director of Transport, Meghalaya had asked (April 1976) firm 'A' (a local printing press) to print 29 items of money value books on the condition that the printing press

would execute an agreement for the work immediately. Neither any tender was invited for the work, nor was an agreement executed by the Department setting out *inter alia*, the rates, etc. The firm supplied during August 1978 the printed money value books and claimed in August 1978 Rs.3.03 lakhs for the work inclusive of Rs.1.94 lakhs towards the cost of 3,491 reams of paper at Rs.55.50 per ream. In November 1978, the firm allowed a discount of 3 per cent on printing charges of Rs.1.09 lakhs. A sum of Rs.2.99 lakhs was paid to the firm on different dates during 1979-80. It was, however, seen in audit (May 1981) that during 1977-78 and 1978-79 when this printing work was being done, the Corporation made local purchases of the same kind of paper supplied by the firm at Rs.45.00 per ream. The payment to the firm at the enhanced rate for the same kind of paper resulted in an extra expenditure of Rs.36,655. The Corporation had not, thus ensured reasonableness of the claims made and admitted towards cost of paper supplied (Rs.1.94 lakhs).

The matter was reported to Government/Management in February 1983 ; reply was awaited (March 1984).

SECTION III

8.8 Government Companies

8.8.1 There were nine Government Companies (including three subsidiaries) in the State as on 31st March 1983.

8.8.2 Compilation of accounts

Only one Government Company *viz.*, Meghalaya Watches (Pvt.) Limited finalised its accounts for the latest year (ending 31st December 1982) and five Companies *viz.*, Meghalaya Mineral Development Corporation Limited, Meghalaya Government Construction Corporation Limited, Mawmluh Cherra Cements Limited, Forest Development Corporation of Meghalaya Limited and Meghalaya Bamboo Chips (P) Limited for the earlier years. A synoptic statement showing the summarised financial results of 6 Companies based on the latest available accounts is given in Appendix 8.2.

The accounts of the following companies were in arrears for the periods noted against each.

Name of Company	Extent of arrears
(1) Meghalaya Tourism Development Corporation Limited*	1977-78 to 1982-83
(2) Mawmluh Cherra Cements Limited	1979-80 to 1982-83
(3) Forest Development Corporation of Meghalaya Limited	1980-81 to 1982-83
(4) Meghalaya Handicrafts Development Corporation Limited (Subsidiary of Meghalaya Industrial Development Corporation Limited)	1979-80 to 1982-83
(5) Meghalaya Bamboo Chips (P) Limited (Subsidiary of Meghalaya Industrial Development Corporation Limited)	1981-82 to 1982-83
(6) Meghalaya Industrial Development Corporation Limited	1980-81 to 1982-83
(7) Meghalaya Government Construction Corporation Limited	1980-81 to 1982-83
(8) Meghalaya Mineral Development Corporation Limited	1982-83

The position of arrears in the finalisation of accounts was last brought to the notice of the Government in September 1983.

SECTION IV

8.9 Departmentally-managed Government commercial and quasi-commercial undertaking

As on 31st March 1983, there was only one departmentally managed Government commercial undertaking in the State, *viz.*, Pinewood Hotel.

*The case for entrustment of Audit has not yet been decided as the matter regarding appointment of Statutory auditors for auditing its accounts is pending with the Company/Company Law Board.

The accounts of the undertaking are in arrears since the year ended 31st December 1979 up to 1982-83.

The matter was reported to Government in September 1983; reply was awaited (March 1984).

C. K. Joseph

Shillong,

The *17-05-85*

(C. K. JOSEPH)
Accountant General (Audit)
Assam, Meghalaya, Arunachal
Pradesh and Mizoram

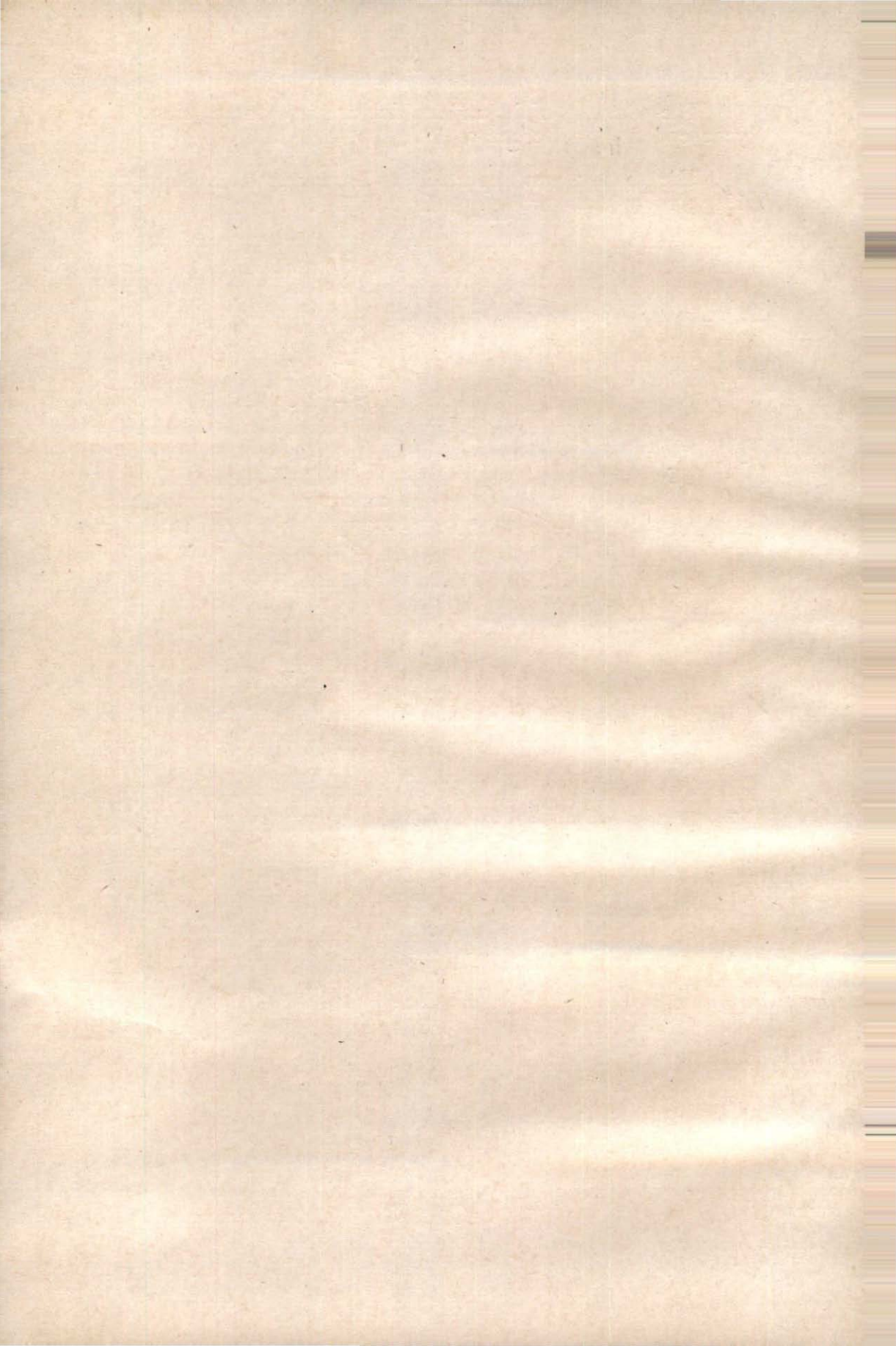
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T. N. Chaturvedi

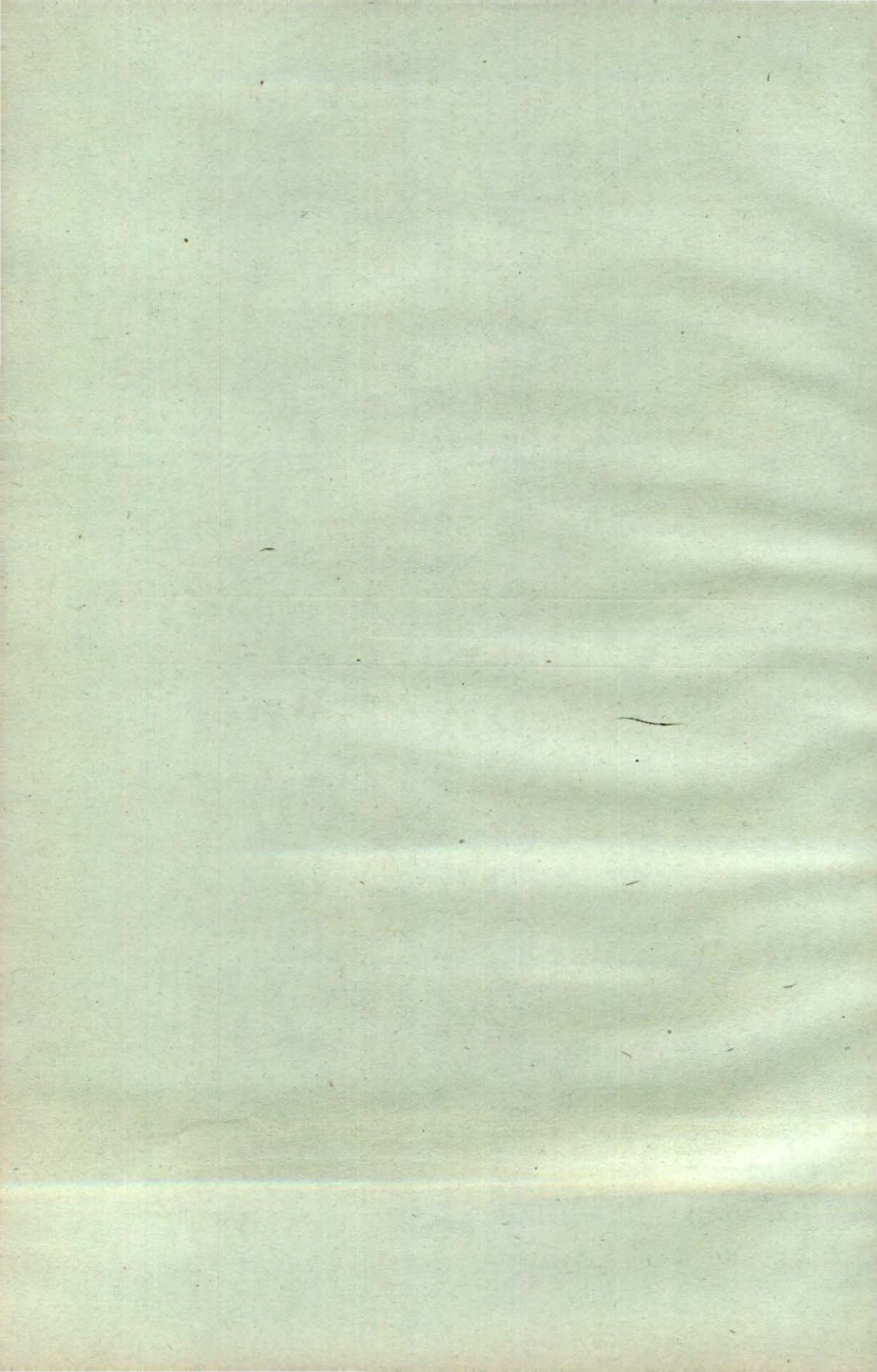
New Delhi,

The *17-08-85*

(T. N. CHATURVEDI)
Comptroller and Auditor
General of India



APPENDICES



APPENDIX 2.1

(Reference : Paragraph 2.4, page 22)

**Statement showing grants/appropriations in which savings
(more than Rs. 10 lakhs in each case) exceeded 10 per
cent of the total provision**

Serial number	Number and name of grant/appropriation	Total provision	Expenditure	Saving	Percentage
(Rupees in lakhs)					
1.	25—Aid Materials and equipments	40.67	9.99	30.68	75
2.	33—Labour and Employment etc.	54.89	37.99	16.90	31
3.	41—Co-operation etc.	1,37.16	1,04.46	32.70	24
4.	42—Special and Backward Areas etc.	1,06.52	43.07	63.45	60
5.	52—Forest etc.	6,47.28	2,84.22	3,63.06	56
6.	56—Village and Small Industries	86.40	69.01	17.39	20

Capital Section

7.	27—Medical, Family Welfare etc.	30.00	14.82	15.18	51
8.	28—Public Health, Sanitation and Water Supply etc.	9,56.99	7,55.64	2,01.35	21
9.	41—Co-operation, Capital Outlay on Co-operation etc.	1,02.80	78.08	24.72	24
10.	42—Special and Backward Areas etc.	2,85.07	2,49.08	35.99	13
11.	46—Minor Irrigation etc.	55.00	24.26	30.74	56
12.	58—Roads and Bridges etc.	12,26.23	8,66.57	3,59.66	29

Loans and Advances Section

13.	61—Loans to Government Servants	1,17.91	93.88	24.04	20
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Debt Section

14.	63—Inter-State Settlement	65.27	...	65.27	100
15.	Internal Debt of the State Government	20,48.70	8,10.50	12,38.20	60
16.	Loans and advances from Central Government	4,72.06	2,14.34	2,57.72	55

APPENDIX 7.1

Wanting utilisation certificates

(Reference : Paragraph 7.2, page 70)

Department	Year of payment	Number of certificates awaited	Amount (Rupees in lakhs)
1. Industries, Sericulture and Weaving	1978-79 and earlier years	350	63.86
	1979-80	72	38.35
	1980-81	37	46.68
		<u>459</u>	<u>1,48.89</u>
2. Co-operation	1978-79 and earlier years	147	1,15.12
	1980-81	12	21.09
		<u>159</u>	<u>1,36.21</u>
3. Education	1978-79 and earlier years	42	67.34
	1980-81	24	6.02
	1981-82	78	27.99
		<u>144</u>	<u>1,01.35</u>
4. Forest	1978-79 and earlier years	168	64.58
	1979-80	11	9.84
	1980-81	17	9.05
	1981-82	19	9.17
		<u>215</u>	<u>92.64</u>
5. Social Security and Welfare	1976-77 and earlier years	25	40.52
		<u>25</u>	<u>40.52</u>
6. District Council Affairs	1976-77 and earlier years	10	37.12
		<u>10</u>	<u>37.12</u>

Department	Year of payment	Number of certificates awaited	Amount (Rupees in lakhs)
7. Town and Country Planning	1976-77 and earlier years	14	20.47
		14	20.47
8. Mines and Minerals	1976-77	2	9.00
		2	9.00
9. Land Revenue	1977-78 and earlier years	3	6.00
		3	6.00
10. Municipal Administration	1978-79 and earlier years	7	5.28
		7	5.28
11. Public Works	1976-77 and earlier years	16	3.34
		16	3.34
12. Border Area Development	1978-79	1	2.00
		1	2.00
13. Animal Husbandry and Veterinary	1976-77 and earlier years	6	1.99
		6	1.99
14. Dairy Development	1976-77 and earlier years	1	1.55
		1	1.55
15. Tourism	1976-77	3	1.50
		3	1.50
16. Roads and Bridges	1976-77 and earlier years	1	0.26
		1	0.26
Grand Total—		1,066	6,08.12

APPENDIX 8.1

(Reference: Paragraph 8.2.1, page 74)

**Statement showing summarised financial results of
Statutory Corporations**

1. Name of the Corporation	Meghalaya State Electricity Board	Meghalaya State Ware-housing Corporation
2. Name of the Administrative Department	Power (Electricity) Department	Co-operation Department
3. Date of incorporation	21-1-1975	30-3-1973
4. Period of accounts	1980-81	1982-83
(Rupees in lakhs)		
5. Capital invested	71,11.17	39.08
6. Profit	1,23.14	0.13
7. Total interest charged to Profit and Loss Account	Nil	Nil
8. Interest on long-term loans	Nil	Nil
9. Total return on capital invested (6+8)	1,23.14	0.13
10. Capital employed	61,04.24	37.95
11. Total return on capital employed (6+7)	1,23.14	0.13
(Percentages)		
12. Percentage of total return on capital invested	1.73	0.33
13. Percentage of total return on capital employed	2.01	0.34

Notes:—(i) Capital invested represents paid-up capital plus long-term loan plus free reserves less intangible assets.

(ii) Capital employed represents net fixed assets plus working capitals.

APPENDIX 8-2

(Reference: Paragraph

Statement showing summarised financial results

(Figures in columns 6 to 12 are

Serial No.	Name of the Company	Name of the Deptt./ Admn.	Date of incorporation	Period of accounts	Total capital invested	Profit (+) Loss (-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Meghalaya Mineral Development Corporation Limited	Mines and Minerals	31st March 1981	1981-82	4.00	...
2.	Meghalaya Government Construction Corporation Limited	Works and Housing	26th March 1979	1979-80 (ending June)	28.35	(+) 0.37
3.	Meghalaya Watches (P) Limited	Industries	7th August 1979	1982 (year ended on 31-12-82)	33.78	(-) 0.55
4.	Mawmluh Cherra Cements Limited	Industries	20th May 1955	1978-79 (year ended on 30.6.79)	1,324.45	(-) 48.00
5.	Forest Development Corporation of Meghalaya Limited	Forest	30th January 1975	1979-80	61.19	(-) 2.91
6.	Meghalaya Bamboo Chips (P) Limited	Industries	14th September 1979	1980-81	10.00	...

Notes:—(1) Capital invested represents *paid-up* capital

(2) Capital employed represents net fixed assets

8.8.2, page 85)

of some of the Government Companies

rupees in lakhs)

Total interest charged to profit and loss account	Interest on long term loan	Total return on capital invested (7)+(9)	Capital employed	Total return on capital employed	Percentage of total return on capital invested	Percentage of total return on capital employed
(8)	(9)	(10)	(11)	(12)	(13)	(14)
...	Under construction	...	...	...
...	...	0.37	28.06	0.37	1.30	1.30
...	29.67	...	...	...
32.28	28.41	...	2,76.01	...	...	...
...	23.14	...	...	...
Under construction	16.61	...	...	...

plus long-term loan *plus* free reserves.

excluding capital works-in-progress *plus* working capital.

