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

**FOR THE YEAR ENDED 31 MARCH 2000**

**(CIVIL)**

**GOVERNMENT OF RAJASTHAN**

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## Preface

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.
2. Chapters I and II of this Report respectively contain Audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2000.
3. The remaining chapters deal with the findings of performance audit and audit of transactions in the various departments including the Public Works and Irrigation Department, audit of Stores and Stock, audit of Autonomous Bodies and departmentally run commercial undertakings.
4. The Report containing the observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing such observations on Revenue Receipts are presented separately.
5. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 1999-2000 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 1999-2000 have also been included wherever necessary.





## OVERVIEW

This Report contains two chapters on the observations of Audit on the State's Finance Accounts and Appropriation Accounts for the year 1999-2000 and five chapters which include 4 reviews on schemes and 51 individual audit observations.

### 1. The Finances of the State Government

The Revenue expenditure (Rs 13430 crore) during the year exceeded the revenue receipts (Rs 9790 crore) resulting in a revenue deficit of Rs 3640 crore. The Fiscal Deficit increased substantially to Rs 5361 crore and was financed by net proceeds of the Public Debt (Rs 4282 crore), and partly by the surplus from Public Account. Revenue Deficit accounted for 68 *per cent* of the borrowed funds and had been applied for meeting revenue expenditure. During the year, Revenue Deficit increased by 21 *per cent* which was partly due to more expenditure on interest payments by Rs 582 crore and on pensions and other retirement benefits by Rs 457 crore due to reduction of retirement age from 60 to 58 years.

Revenue expenditure accounted for most (90 *per cent*) of the total expenditure of the State Government (against capital expenditure of 10 *per cent*) and increased by 16 *per cent* during 1999-2000. The rate of growth over four years in Non-Plan component (75 *per cent*) of revenue expenditure far surpassed that in Plan expenditure (2 *per cent*).

Interest payments increased steadily by 129 *per cent* from Rs 1234 crore in 1995-96 to Rs 2825 crore in 1999-2000. During the year, interest payments amounted to 21 *per cent* of revenue expenditure of the State Government and consumed 62 *per cent* of tax revenue.

The relative share of the revenue receipts, which was the most significant source of fund for the State Government, remained constant at 62 *per cent* during 1999-2000. The share of recoveries of loans and advances increased marginally from 0.58 *per cent* to 0.76 *per cent*. The share of receipts from public debt accelerated from 25 *per cent* in 1998-99 to 27 *per cent* in 1999-2000. The share of net receipts from the Public Account declined marginally from 10.42 *per cent* to 9.88 *per cent*.

The available funds were mainly applied for revenue expenditure, whose share increased from 84 *per cent* to 85 *per cent* during 1999-2000 and was higher than the share of the revenue receipts (62 *per cent*) in the total receipts of the State Government. The percentage of capital expenditure declined substantially from 13 *per cent* to 10 *per cent*. Lending for development purposes declined marginally from 3 *per cent* to 2 *per cent*.

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The abbreviations used in this Report are listed in the Glossary at Appendix-XXXIX (Pages 256-260).



The share of the tax revenue, which was the major constituent (46 per cent) of the revenue receipts, increased from 36 per cent in 1995-96 to 46 per cent in 1999-2000 but the rate of growth of tax revenue declined from 18 per cent in 1995-96 to 15 per cent in 1999-2000. The non-tax revenue constituted 16 per cent of the revenue receipts of the Government and their share in the revenue receipts remained static since 1997-98.

Financial assistance to the local bodies and others increased from Rs 1562 crore in 1995-96 to Rs 2039 crore in 1999-2000.

During 1999-2000, the capital expenditure decreased by 15 per cent against the previous year, as a result of which its shares in total expenditure declined from 13 per cent in 1998-99 to 10 per cent in 1999-2000.

Government made further investment of Rs 42.43 crore in statutory corporations, Government companies, cooperative institutions, etc. in 1999-2000. Dividend/interest of Rs 5.29 crore only was received from total investment of Rs 2560.08 crore, representing a meagre return of 0.21 per cent. As on 31 March 2000, 32 of the Statutory Corporations, Government companies and Joint Stock companies in which Government had invested Rs 1865.24 crore, were running in loss and the accumulated loss was Rs 714.28 crore upto March 2000, as per their respective finalised accounts for the years 1982-83 to 1999-2000.

The financial results of 5 major and 12 medium irrigation projects with a capital expenditure of Rs 2530.73 crore at the end of March 2000 showed that revenue realised (Rs 36.96 crore) from these projects during 1999-2000 was only 1.46 per cent of the capital expenditure and these were not sufficient to cover even the direct working expenses (Rs 81.66 crore). After meeting the working and maintenance expenditure (Rs 81.98 crore) and interest charges (Rs 248.75 crore), the schemes suffered a net loss of Rs 293.77 crore.

As of 31 March 2000, there were 510 incomplete projects in which Rs 3632 crore were blocked.

During the preceding five years, the Government took ways and means advances/overdraft on 219 to 349 days and paid interest between Rs 4 crore and Rs 27 crore.

During the five year period, the total liabilities of the Government had grown by 113 per cent. This was on account of 162 per cent growth in internal debt, 99 per cent growth in loans and advances from Government of India and 102 per cent growth in other liabilities. During 1999-2000, Government borrowed Rs 1223.35 crore in the open market at interest rates of 12.25, 11.85 and 11 per cent per annum.

*(Paragraphs 1.1 to 1.10)*



### Indicators of the financial performance

A consistently negative BCR, rising interest ratio, negligible returns on investments had adversely affected the sustainability of the State finances. Similarly, revenue and fiscal deficits, high amount of guarantees, falling assets to liability ratio have added considerably to the vulnerability of State finances. The Revenue Deficit which had increased to Rs 2996 crore in 1998-99 from Rs 582 crore in the previous year was pushed up further by Rs 644 crore to reach a level of Rs 3640 crore. The State Government took Ways and Means Advances/Overdraft on 349 days during the year, implying that this facility from RBI was used more or less as a regular means of financing the State Government's expenditure. The closing Cash Balance of Rs 10.66 crore is to be seen in the background of outstandings on account of Ways and Means Advances/Overdraft amounting to Rs 930.40 crore implying a net negative Cash Balance at the end of the year. Meanwhile, the borrowings went up tremendously which had been applied for meeting revenue expenditure and to repay the Ways and Means Advances/Overdraft taken during the year indicating that the State Government had used long term loans to repay short term loans. All this is bound to push up in future the already high interest burden, leaving very little for development expenditure. The huge amount lying blocked in incomplete projects along with mounting outstanding revenues are further areas of concern for the Government.

(Paragraph 1.11)

### 2. Appropriation Audit and control over expenditure

The supplementary provision of Rs 6598.13 crore obtained during 1999-2000 constituted 35 *per cent* of the original budget provision of Rs 19008.30 crore. In 13 cases supplementary provision aggregating Rs 30.39 crore proved unnecessary while in 3 cases supplementary provision of Rs 335.82 crore proved insufficient by more than Rs 20 lakh in each case, leaving an uncovered excess expenditure of Rs 19.15 crore. Supplementary grants and appropriations aggregating Rs 6228.16 crore were obtained in 18 cases when the additional requirement of funds was Rs 5924.48 crore only.

During 1999-2000, the expenditure of the State Government exceeded the budget provision in 3 grants and 10 appropriations (13 cases), by amounts aggregating Rs 19.15 crore and Rs 0.06 crore respectively. The excess expenditure required regularisation under Article 205 of the Constitution of India.

Persistent savings in 8 cases ranging between 21 and 88 *per cent* of the grant occurred during the period 1997-2000.

Augmentation/reduction of provision by way of re-appropriation in 27 cases proved either in excess of requirement or unnecessary.

Surrender of funds aggregating Rs 2273.37 crore was made on the last working day of the financial year 1999-2000. While in 16 cases savings of



Rs 135.64 crore were not surrendered, in 11 cases Rs 59.88 crore were surrendered in excess of savings and in one case surrender of Rs 11.71 crore was made even though the expenditure exceeded the budget provision.

Expenditure totalling Rs 13.29 crore was incurred in 2 cases without any provision either in the original estimates or in the supplementary demand indicating lack of control over expenditure.

Out of 626 heads of account, explanations for variations were not received in respect of 213 (34 *per cent*) heads of account as of September 2000.

*(Paragraphs 2.1 to 2.3)*

### **Audit of Abstract Contingent Bills**

A test-check of 4150 Abstract Contingent (AC) bills aggregating Rs 273.39 crore drawn during 1986-2000 was conducted in 140 offices of 9 districts during November 1999 to June 2000. Irregularities noticed include non-submission of 897 AC bills aggregating Rs 144.07 crore, delayed submission of 1206 Detailed Contingent (DC) bills in 94 offices, drawal of 66 AC bills for Rs 1.66 crore without necessity, drawal of 81 AC bills without assessing requirements, drawal of AC bills beyond/without competency, drawal of AC bills in excess of budget provision, drawal of funds through Fully Vouched Contingent bills in place of AC bills to avoid submission of DC bills, expenditure on prohibited works/items irregularly adjusted through DC bills, diversion of Calamity Relief Fund through AC bills, etc.

*(Paragraph 2.4)*

### **3. Audit of Environmental Acts and Rules relating to Water Pollution**

The implementation of the Environmental Acts and Rules relating to water pollution had been entrusted to the Rajasthan State Pollution Control Board (Board) constituted in 1975. The Board has neither prepared any comprehensive programme nor prescribed any procedure for conducting periodical survey to identify the polluting units. A large number of highly polluting units were running in the State without consent of the Board. Many textile dyeing and printing industries were polluting the water in rivers, lakes and wells. Works of sewage treatment and solid waste management were not taken up. During 1994-2000, the Board underutilised available funds, resulting in cumulative unspent balance of Rs 10.50 crore as of March 2000. The position of assessment and collection of water cess, a main source of revenue, to augment programmes relating to water pollution was not satisfactory. Significant points noticed during review were as under:

Of the 1670 highly polluting units (red category) identified by the Board, 1317 units were running without consent.



151 textile industries of dyeing and printing at Pali besides running without consent were polluting the water through discharge of their untreated waste water into various *nallahs* joining river Bandi. The Board neither took any tangible action nor assessed and recovered water cess from these industries.

459 textile dyeing and printing and paper units at Sanganer were releasing 39.52 lakh litres of effluent waste per day on open land and in municipal drains without treatment, thereby likely to cause deterioration in ground water quality.

Problem of water pollution in villages along river Ghaggar could not be arrested as the contaminated and polluted water from Punjab and Haryana was not controlled.

Choking of under-ground drains at Bharatpur and falling of sullage water in Sujan Ganga canal converted the canal into a large septic tank and affected the environmental condition of the city. The Board neither took any punitive and remedial measures nor prepared preliminary feasibility report as per guidelines of National River Conservation Project.

Of the amount of Rs 11.88 crore of water cess assessed, Rs 6.00 crore were still to be recovered from Public Health Engineering Department. This also resulted in non-levy of interest of Rs 8.87 crore for delayed assessments and non-recovery of interest of Rs 8.79 crore on arrear of cess.

Instead of utilising the amount of Rs 9.23 crore of water cess towards Water Pollution Control Programme, the Board deposited Rs 5.41 crore in Personal Deposit account and Rs 2.51 crore in the Bank, details of balance amount of Rs 1.31 crore were not intimated.

*(Paragraph 3.1)*

#### **4. Family Welfare Programme**

The State Government failed in achieving demographic goals laid down in National Health Policy, 1983 regarding Infant Mortality Rate, Couple Protection Rate, Maternal Mortality Rate and Annual Natural Growth Rate as well as targets/expected levels of achievements. There was shortage of 76 Community Health Centres. Under All India Hospitals Post-Partum Programme the expenditure was more than the amounts released by Government of India (GOI) in various years. Out of grants received from GOI under Reproductive and Child Health Programme, most of the funds were kept in personal deposit (PD) account or retained by the State Government. Under Phase I and II of Social Safety Net (SSN) scheme, a large number of buildings were not completed/handed over by the Public Works Department. Further, grants of Rs 17.10 crore received under Phase III and IV of SSN scheme during 1994-96 remained unutilised and were lying in PD account. Significant points noticed were as follows:

Targets/expected level of achievements of 'Sterilisation' and 'Intra Uterine



Device' were short achieved by 49 to 62 *per cent* during 1997-2000 and 26 to 44 *per cent* during 1995-2000 respectively at State level. In some districts, shortfall regarding these activities remained between 34 and 81 *per cent* during 1998-2000.

Grant of Rs 6.75 lakh received under 'Sterilisation Bed Scheme' was diverted to other schemes.

Out of grants of Rs 15.30 crore received during 1997-2000 under 'Reproductive and Child Health Programme', Rs 1.86 crore only were spent. Remaining amount was either retained by the State Government or transferred to PD account.

Advance payment of Rs 31.50 lakh was made (March 1999) to Rajasthan Handloom Development Corporation for supply of cotton bandage but the material supplied was defective. The supply orders had been cancelled but the amount was not refunded as of June 2000.

Under SSN scheme, 405 buildings though completed were not handed over which resulted in blocking of Rs 6.72 crore.

Out of 123 tube wells sanctioned under SSN Scheme, 82 tube wells only were installed. Of these, 31 tube wells only were made operational.

Grants amounting to Rs 17.10 crore, received during 1994-96 under phase III and IV of SSN scheme, remained unutilised and were lying in PD account.

Despite Rs 1.11 crore spent on running and maintenance of an off set press, expenditure of Rs 1.09 crore was incurred on printing work which was got done from market.

Grant amounting to Rs 26.94 lakh received during 1994-95 for payment of honorarium to village health guides was lying unutilised in PD account.

*(Paragraph 3.2)*

## **5. Elementary Education in Rajasthan**

The Government of India (GOI) evolved (1968) a National Policy on Education but the State Government did not frame its own education policy although various programmes/schemes were implemented from time to time. Several deficiencies/shortcomings, etc. were noticed in implementation of programmes/schemes in the State under elementary education. GOI released Rs 13.02 crore under Operation Black Board Scheme. Of this, Rs 8.61 crore only were spent. Buildings of State Institute of Educational Research and Training and District Institute of Education and Training( DIET) were lying incomplete/unutilised though Rs 78.57 lakh were spent on them. Important points noticed were as under:

The enrolment of boys and girls declined by 13 and 8 *per cent* respectively in



1998-99 in schools under elementary education in comparison to enrolment of 1997-98. There were wide variations between the figures of enrolment shown by the department in their publication and those as per records of District Education Officers. Thus the figures were not reliable.

Percentage of retention of enrolled students ranged from 75 to 87 in upper primary classes and 40 to 45 in primary classes, which disclosed a high percentage of drop out during 1995-99.

Percentage of children enrolled in class-V under primary education out of total students enrolled in class I was 37 to 45 only during 1994-99 at the State level while it was 13 to 52 only during 1999-2000 in districts test-checked.

Grants of Rs 13.02 crore, received from GOI during 1993-98 in Operation Black Board Scheme, were transferred to personal deposit accounts. Of these, Rs 8.61 crore only were spent. Moreover, Rs 1.95 crore, though shown spent, were lying unutilised with *Zila Parishads* of 7 districts.

Despite abolition of 24 posts in May 1996, six posts were still continuing in State Institute of Educational Research and Training (SIERT) resulting in avoidable expenditure of Rs 20.78 lakh.

Buildings of SIERT and DIET were lying incomplete/unutilised after incurring an expenditure of Rs 78.57 lakh.

In Mid Day Meal Scheme, there was short lifting of foodgrains ranging between 11 and 64 *per cent*. Further, 235 metric tonne wheat valuing Rs 10.57 lakh was distributed irregularly to students of private and unaided schools. Cooked meal was not served as envisaged in the guidelines.

In *Saraswati Bahen Yojana*, only 550 *Saraswati Shalas* were working against sanction of 1770 *shalas*. Not even a single student of *Saraswati Pathshalas* passed regular V standard examination in 2 districts. Rs 10.78 lakh were unauthorisedly spent on training of *Saraswati Bahens*.

Rs 53.38 lakh remained unutilised in absence of guidelines and teaching-learning material in Area Intensive Programme for educationally backward minorities.

1382 teachers were deployed in excess in schools in urban areas resulting in nugatory expenditure of Rs 10.40 crore in one year and adverse effect on schools of rural areas.

Advance payment of Rs 41.85 lakh for purchase of jeeps was made in January 1998 but delivery was awaited as of August 2000.

Grant of Rs 20.14 lakh was paid to a grantee institution irregularly as election of managing committee was not conducted and grant of Rs 15.86 lakh was paid to a school without obtaining essential certificate of maintenance of its building.

(Paragraph 3.3)



## **6. Forestry Development Project**

The Forestry Development Project was launched in April 1995 and an expenditure of Rs 136.19 crore had been incurred upto March 2000. Though the Forest Department claimed to have achieved the targets fixed for different activities under the Project except Farm Forestry, the Project suffered from elementary deficiencies viz., non-preparation of micro-plans, non-assessing of areas to be covered resulting in short plantation, raising and distribution of seedlings without assessing requirement. No action was taken for poor survival and damaged plantations. Significant points noticed were as under:

Expenditure of Rs 15.99 lakh became infructuous as only work of fencing and digging of trenches was done, but no plantation work could be undertaken due to unsuitability of sites, etc.

3307 hectare area remained uncovered due to short plantation of 27.39 lakh plants in 17 divisions.

Rs 86.39 lakh were spent on activities other than plantation. Similarly, expenditure of Rs 26.44 lakh was incurred on activities not related to research works as envisaged in the Project.

In 31 sites on which plantation was done at a cost of Rs 1.01 crore survival rate was below 40 *per cent*.

The provision of model cost did not include weeding on trenches and ditches, weeding and hoeing of plants more than 2 times, digging of trench/v-ditch, seed sowing on v-ditch/trench/pits, weeding and hoeing of plants after first maintenance year and repair of *thanwlas* during second and subsequent year, even then Rs 33.40 lakh were irregularly spent on such activities.

Expenditure of Rs 20.10 lakh towards payment of electricity bills, repair and maintenance of vehicles, office expenses, etc. was incurred out of the funds meant for plantation and their maintenance.

In construction works, cement was consumed less by 1 to 63 *per cent* and excess by 1 to 177 *per cent* in 46 and 22 anicuts respectively. 41 anicuts/earthen dams (cost : Rs 94.12 lakh) were constructed by Village Forest Protection and Management Committees against the Government order.

*(Paragraph 4.1)*

## **7. Utility of Government live-stock farms**

Government of Rajasthan has set up Cattle Breeding Farms at Ramsar (Ajmer), Kumher (Bharatpur), Dug (Jhalawar) and Nagaur to increase the number of superior quality cattle, mainly cows and buffaloes. As a result of test-check of records of these farms, following points were noticed:



Out of Rs 5.30 crore, Rs 3.66 crore were spent on establishment expenses leaving only 31 *per cent* towards operational expenses.

Targets fixed for rearing were achieved only to the extent of 23 *per cent* during 1998-2000.

After incurring expenditure of Rs 58.11 lakh only 85 buffalo calves were purchased against the target of 540. Of these, only 77 calves could be distributed.

Fodder for Rs 35.02 lakh had been purchased during 1995-2000 despite availability of cultivable land of 393.82 hectares.

At the Goat Development Centre, Ramsar shortfall in buck distribution, goat husbandry training and castration ranged between 12 and 86 *per cent* during 1995-99.

(Paragraph 3.4)

#### **8. Utilisation of Special Grants recommended by Tenth Finance Commission**

On recommendation of the Tenth Finance Commission (TFC), Government of India (GOI) released grants of Rs 110.43 crore against which State Government released Rs 128.74 crore during 1996-2000, Rs 109.41 crore were spent during the period. Important points noticed in test-check were as under:

Of 20 outpost buildings sanctioned under TFC for the Police Department only 7 buildings were completed.

Non-completion of construction of Swimming Pool and Motor Driving School under Police Department, resulted in blocking of Rs 1.61 crore.

Grant of Rs 1.05 crore meant for construction of Police barracks at Police Training School, Kherwara was not utilised but transferred to Personal Deposit (PD) account of Rajasthan State Bridge and Construction Corporation Limited in March 2000 and frozen by the State Government till further orders.

Grants of Rs 2.88 crore received (February 1999) from GOI for fire services, remained unspent (February 2000).

Rs 4.75 crore were spent on computerisation of treasuries but computers had been installed at district centres of National Informatics Centre, which were shifted to 28 treasuries only as against 252 district/sub treasuries, etc. as of September 2000.

Grants amounting to Rs 1.15 crore, received for construction of toilets in primary schools (513) and secondary/senior secondary schools (638) were not utilised in TFC period. Instead, Rs 63.80 lakh were drawn on 31 March 2000 and distributed among District Education Officers in April 2000 while



Rs 51.30 lakh were transferred to PD accounts of *Zila Parishads* in March 2000.

4442 hand pumps were got installed in schools at rates higher than those approved resulting in extra expenditure of Rs 3.06 crore.

Contrary to the guidelines/instructions issued by the State Government for utilisation of Calamity Relief Fund, expenditure was incurred irregularly on Government buildings (Rs 53.38 lakh), in municipal areas (Rs 5.11 lakh), through contractors (Rs 3.16 crore), on road works (Rs 41.88 lakh) not covered under State Road Policy and without obtaining technical sanction (Rs 23.63 lakh). Detailed contingent bills of Rs 12.04 crore were also not submitted as of March 2000.

Out of Rs 110.43 crore released by GOI, utilisation certificates amounting to Rs 63.25 crore were pending.

*(Paragraph 3.8)*

## **9. Implementation of Prevention of Food Adulteration Act**

Test-check of records relating to implementation of Prevention of Food Adulteration Act revealed as under:

Percentage of shortfall in collection of samples ranged between 43 and 63. Performance of 17 Inspectors was very poor ranging from 0 to 20 *per cent*.

Out of the 5439 samples analysed, only 1225 samples (23 *per cent*) were found adulterated. Samples of alcoholic beverage (Toddy) were not collected.

There was unfruitful expenditure of Rs 4.04 lakh on pay and allowances of a lady contact and wasteful expenditure of Rs 9.06 lakh on pay and allowances of laboratory staff which remained idle.

Prosecution in 104 cases of food adulteration was not launched in courts and accused in 161 cases were acquitted. 354 court cases were pending in respect of 2 Chief Medical and Health Officers (CMHOs) while no records were maintained in 5 out of 7 CMHOs test-checked.

*(Paragraph 3.9)*

## **10. Parwan Lift Irrigation Scheme**

Parwan Lift Irrigation Scheme (commenced in 1981) aimed at providing irrigation facilities in the Culturable Command Area of 8181 hectare (ha) (subsequently revised to 9531 ha). The scheme envisaged to be completed in 1985 was still incomplete as of September 2000. Important findings are as under:

The latest projections by department estimated the cost of scheme as Rs 38.44 crore with the date of completion as March 2001 as against the original



estimate of Rs 3.49 crore (1980) targeted to be completed by 1985. This was due to defective designing, improper planning and abnormal time overrun, etc.

The feeder channel and Left Main Canal were constructed for discharge of 230 cusecs and 220 cusecs against the approved discharge of 160 cusecs and 124.15 cusecs respectively thereby incurring extra expenditure of Rs 1.07 crore.

An extra cost of Rs 46.03 lakh was incurred on construction of pick-up-weir of 3 Metre (M) height without ascertaining actual final requirement of water (instead of 2 M) and likely avoidable expenditure of Rs 5 crore on construction of bridge on causeway coming under submergence.

Excess payment of Rs 7.29 lakh was made to a contractor due to wrong classification of strata.

Extra expenditure of Rs 50.60 lakh was incurred due to splitting of work of pick-up-weir (Rs 22.63 lakh) and award of works at higher rates (Rs 27.97 lakh).

Rs 1.89 crore remained blocked due to procurement of pumping equipment in advance and non-laying of alternative power line and avoidable payment of interest amounting to Rs 50.51 lakh thereon was made.

(Paragraph 4.9)

## 11. Rajasthan Vidhan Sabha Bhawan Project

The work of building of *Rajasthan Vidhan Sabha Bhawan* (estimated cost: Rs 77.02 crore) was still in progress (October 2000) after incurring Rs 78.43 crore upto March 2000. Sanction of revised proposals (Rs 121.22 crore) was awaited. A test-check revealed the following main points :

Though 25048.66 cum of earth was available at site yet 19292.152 cum of earth was transported at a cost of Rs 20.93 lakh from outside the campus. Due to incorrect rate analysis Rs 10.13 lakh were paid extra as transportation cost.

Had the decision of change in specification of stone work been taken at initial stage Government could have saved Rs 52.96 lakh.

Extra expenditure of Rs 16.77 lakh was incurred on raising the height of Assembly hall, changing the direction of existing dais and on dismantling the already constructed dais due to improper drawing and design of Assembly hall.

4798.565 metric tonne of steel costing Rs 7.82 crore was purchased by the Chief Engineer (Project) from a firm other than the lowest tenderer without testing it for corrosion properties and with reference to specification quoted.

Rs 73.27 lakh payable to Rajasthan State Electricity Board and Rajasthan State Bridge and Construction Corporation Limited were lying in deposit since



March 1999 so as to utilise budget provision for the year 1998-99. Expenditure of Rs 2.09 crore was incurred without proper planning and fixing priority on purchase of certain items much prior to their actual requirement and not commissioning due to non-availability of site for their installation.

The Project had to bear an extra expenditure of Rs 1.01 crore on account of interest due to delay in payment of cost of land.

*(Paragraph 4.21)*

## **12. Stores and Stock**

A review of stores and stock management in Indira Gandhi Nahar Pariyojana for the period 1997-2000 revealed as under:

The accounts had not been rendered to the Accountant General since 1995-96.

Material worth Rs 8.14 crore was lying unutilised upto 1998-99.

Non-utilisation of 3863.35 metric tonne of coal procured between 1977 and 1995 would result in loss of Rs 37.21 lakh.

15 scrapers (depreciated cost : Rs 31.25 lakh) declared surplus (January 1999) and 447 unserviceable articles (vehicle, machinery and other stores items valuing Rs 20.08 lakh) were pending disposal in 11 divisions.

Pumps and other electrical material for two pumping stations of Sahwa Lift Scheme procured at a cost of Rs 7.59 crore between December 1995 and December 1996 and one 670 KW capacity Electric Motor for pumping station I, Rajiasar purchased against an advance payment of Rs 15.61 lakh (March 1998) were lying unused.

An amount of Rs 72.44 lakh on account of hire charges of machines deployed between March 1972 and October 1996 had not been recovered from other departments/local bodies.

*(Paragraph 5.1)*

## **13 Urban Employment Generation Programme**

The main urban employment generation programme implemented in Rajasthan State include *Swarn Jayanti Shahari Rojgar Yojana* (SJSRY) and Prime Minister's Rojgar Yojana (PMRY) launched in 1997 and 1993 respectively. A test-check of the records relating to the programme covering the period 1995-2000 revealed as under:

Instead of utilising the funds, Rs 2.56 crore were kept by 5 Urban Local Bodies in Fixed Deposit Receipts.



Rs 1.31 crore were spent on administrative and office expenses in excess over the prescribed norms of 5 per cent of allotment.

Assistance of Rs 2.31 crore was given to 8371 unidentified families under self employment and payment of Rs 1.83 crore was made to non-Below Poverty Line (BPL) families under wage employment.

40 works were left incomplete after incurring expenditure of Rs 49.67 lakh.

21 works costing Rs 40.92 lakh were executed during 1996-98 through contractors depriving employment to BPL families.

Outstanding loans with interest were found to the extent of 89 per cent (Nehru Rojgar Yojana, Prime Minister's Integrated Urban Poverty Eradication Programme and SJSRY) and 93 per cent (PMRY) of the amounts of loans disbursed. During test-check, 492 cases out of 1140 were found to be of non-performing assets.

Payment of Rs 11.20 lakh was made to an NGO for imparting training without any supporting document.

(Paragraph 6.5)

#### 14. Lok Jumbish

*Lok Jumbish Parishad* was set up in 1992 with the objective of achieving the goals of National Policy on Education through people's mobilisation and their participation. Following points were noticed in audit:

Excess expenditure of Rs 2.77 crore was booked by *Lok Jumbish Parishad* on the basis of utilisation certificate without reconciling the figures with the accounts of Accountant General (Accounts and Entitlement).

Contribution and interest of Employees Provident Fund (Rs 1.66 crore) for the period 1995-99 were not deposited with Regional Commissioner, Provident Fund, Jaipur.

Grant received during 1998-99 under Centrally sponsored scheme 'Non-formal Education' amounting to Rs 3.18 crore, though instructed (March 1999) by Government of India to be refunded, was not refunded.

Block level management cost amounting to Rs 2.49 crore was irregularly charged to project activities to keep this cost within the prescribed ceiling of 6 per cent for the year 1997-98 of 62 blocks.

The Grant-in-aid Committee for release of grants to non-Government Organisations were not formed. The grants amounting to Rs 21.62 crore had been sanctioned and released by by-passing the prescribed procedure, of which Rs 20.87 crore were adjusted upto 1999-2000.



Avoidable expenditure of Rs 74.49 lakh was incurred on hiring services of architect consultants although one Chief Engineer at *Lok Jumbish Parishad* headquarters and a Junior Engineer at each block was available.

Unauthorised expenditure was incurred on free distribution of text books, teaching, learning material and uniforms amounting to Rs 7.01 crore.

Excess expenditure of Rs 26.26 lakh was incurred on Innovation Project.

Irregular purchase of vehicles costing Rs 13.72 lakh was made.

*(Paragraph 6.6)*

### **15. Member of Parliament Local Area Development Scheme**

A test-check of Member of Parliament Local Area Development Scheme for the period 1997-2000 revealed as under:

Of Rs 198.51 crore released by Government of India to District Collectors (DCs), Rs 107.01 crore (54 *per cent*) remained unutilised. Rs 1.39 crore were outstanding against *Avas Vikas Sansthan* which was already closed from March 1999.

Of the 3,449 works recommended by Members of Parliament, 3,113 works of Rs 36.19 crore were sanctioned of which 252 works (estimating Rs 2.22 crore) were not taken up though executing agencies had received Rs 0.92 crore and 78 works were left incomplete/abandoned though Rs 0.57 crore were spent on their execution.

Sanctioning of 605 works of Rs 6.60 crore was delayed by 1 to 21 months and completion of 116 works of Rs 1.67 crore was delayed by 1 to 26 months.

Rupees 51.16 lakh were spent on execution of inadmissible works.

Utilisation certificates for Rs 1.36 crore were not furnished by 2 District Collectors.

Registers of assets were not maintained by District Collectors except Udaipur.

District Collectors did not ensure provisions for maintenance and upkeep of 1,369 works completed under the scheme.

*(Paragraph 6.7)*

### **16. Diversion of funds**

Central assistance of Rs 40.69 lakh sanctioned (January 1997) for Barmer district under Border Area Development Programme (BADP) was unauthorisedly utilised on purchase of 290 hand-held wireless sets which were issued to non -BADP districts/BADP districts in excess of requirement.

*(Paragraph 6.8)*



## 17. Excess payment/extra expenditure

(i) Failure to exercise prescribed checks by the Treasury Officers led to excess payment of pension aggregating to Rs 49.38 lakh by 6 Public Sector Banks in 342 cases during April 1999 to March 2000.

*(Paragraph 3.7)*

(ii) Purchase of 800 mg Ethambutol tablet (an anti-tuberculosis drug) by the Director, Medical and Health Services, Jaipur during 1997-99 at higher cost without any rate analysis resulted in excess expenditure of Rs 15.40 lakh.

*(Paragraph 3.11)*

(iii) Switching over the system of execution of works from labour rate to through rate by the Area Development Commissioner, Indira Gandhi Nahar Pariyojana, Bikaner, without considering the financial implications involved led to avoidable extra cost of Rs 6.48 lakh on *Naka shutters* (2041)/frames (3394) procured by the contractor during April 1994 to March 2000 in 14 divisions. Besides, an expenditure of Rs 24.71 lakh was incurred on idle wages of staff of Departmental Mechanical Workshop at Suratgarh for the period October 1993 to December 1997.

*(Paragraph 4.2)*

(iv) Due to non-availing the PRE-PAID freight facility allowed by Railways on transportation of coal by the Executive Engineers, Mohangarh Brick Kiln Division, Command Area Development, Bikaner and Jaisalmer Brick Kiln Division, Jaisalmer an extra expenditure of Rs 33.65 lakh was incurred on procurement of 24,153.57 metric tonne of coal during January 1995 to March 1998.

*(Paragraph 4.3)*

(v) Improper planning and monitoring by Superintending Engineer, Stage II, Circle III, Indira Gandhi Nahar Pariyojana, Jaisalmer led to extra expenditure of Rs 20.95 lakh on purchase of 3600 metric tonne of cement at higher rates.

*(Paragraph 4.8)*

(vi) Due to defective and delayed execution of Bari Mansarovar Irrigation Project (Chittorgarh district), the project scheduled to be completed by 1995 at an estimated cost of Rs 4.92 crore was still lying incomplete despite expenditure of Rs 11.81 crore incurred upto March 2000.

*(Paragraph 4.10)*

(vii) Department's failure in planning the World Bank Aided Project of Modernisation of Hydrometeorological Observation Network under Agricultural Development Project in Rajasthan and its close monitoring led to non-completion of work by the consultant firm of United Kingdom in time



resulting in creation of extra liability of Rs 84.62 lakh due to increase in consultancy fees.

(Paragraph 4.11)

(viii) Non-observance of codal provisions by allowing lifts separately even when the earth work for construction of earthen dam of Mewara Minor Irrigation Project was done by mechanical means led to excess payment of Rs 23.28 lakh to contractor.

(Paragraph 4.12)

(ix) Delay in clearance of site and finalisation of drawing and design of the new PHED minor between RD 0.500 to RD 11.820 of 'Z' distributary of Gang Canal for Water Supply Scheme, Sriganaganagar before inviting (July 1997) tenders led to extra expenditure of Rs 25.01 lakh.

(Paragraph 4.13)

(x) Failure of the Public Works Department in making comparative analysis of the rates of different tenders for construction of 13 buildings in Maharao Bhim Singh Hospital, Kota and J K Lon Hospital, Kota during the same period and in same campus resulted in excess expenditure of Rs 28.17 lakh.

(Paragraph 4.23)

## 18. Loss to Government

(i) At the instance of Audit (July 1998) a special enquiry conducted by the Finance Department disclosed *prima facie* embezzlement of Rs 41.82 lakh caused by manipulating the accounts of Divisional Forest Officer, Baran during the period January 1995 to December 1998.

(Paragraph 4.6)

(ii) Agreement for remodeling of Right Main Canal of Mahi Banswara involving deep cutting in strata of phyllite, mica, etc. (item 1(f)) and hard rock requiring blasting (item 1(g)), but the contractor executed the work for 12,562.58 cum (1(f)) and 1,52,080.91 cum (1(g)) without breaking large stones which led to overpayment of Rs 21.36 lakh.

(Paragraph 4.15)

(iii) Preparation of incorrect Schedule 'G' for the work of providing, laying and jointing of Reinforced Cement Concrete pipes for the Sewerage Scheme, Jaipur City, based on defective rate analysis, resulted in undue benefit to contractor amounting to Rs 87.60 lakh and loss to the Government.

(Paragraph 4.20)



(iv) Failure of the department in taking timely action not only resulted in loss of Rs 42.32 lakh to Government on repairs of roads under 2 packages (SA-7 and Bh-1) at Sawaimadhapur and Bharatpur but facilitated the contractor also in obtaining forged payment of Rs 16.24 lakh from Insurance Company on account of damages caused by floods.

(Paragraph 4.24)

### 19. Avoidable/Unfruitful/Wasteful expenditure

(i) Poor planning, monitoring and non-posting of staff on fodder seed production farm at Mohangarh (Jaisalmer district) resulted in wasteful expenditure of Rs 37.69 lakh on civil works and pay and allowances of staff of the farm during 1990-98 as improved variety of seeds could also not be produced due to posts remaining vacant and non-availability of water.

(Paragraph 3.5)

(ii) Failure of the Medical and Health Department to ensure timely completion/handing over of the Sub Health Centre buildings resulted in unfruitful expenditure of Rs 18.94 crore on 464 buildings lying incomplete, 436 buildings completed but not handed over and construction of 45 buildings had not yet been started.

(Paragraph 3.10)

(iii) Lack of proper examination of initial proposals and clearing without assessing the return on investment and productivity of Sheep Breeding Farm, Fatehpur (Sikar district) led to termination of contract and infructuous expenditure of Rs 24.40 lakh.

(Paragraph 3.12)

(iv) Department's failure to develop the Reserve Pasture Land situated at Jamdoli (Sector II) of Sheep Breeding Farm, Jaipur for producing green fodder resulted in unfruitful expenditure of Rs 13.37 lakh which consequently led to purchase of more dry fodder.

(Paragraph 3.13)

(v) Failure of the Tribal Area Development Department to ensure completion of 16 hostel buildings by the *Avas Vikas Sansthan* (closed in March 1999) resulted in unfruitful expenditure of Rs 4.26 crore and blocking of Rs 2.92 crore.

(Paragraph 3.14)

(vi) Improper planning and ignoring the observations of Field Testing Unit to improve the quality of work led to water course of Chack I of Kanakpura minor lying incomplete and in damaged condition resulting in unfruitful expenditure of Rs 14.33 lakh.

(Paragraph 4.5)



(vii) Awarding (January 1996 to September 1997) of earth work excavation, bentonite treatment and cement concrete lining of RD 45 to RD 60 of Gadra Road Sub-branch without test reports of soil led to avoidable expenditure of Rs 84.39 lakh (likely to increase to Rs 104.69 lakh on completion) on extra earth excavation and its filling.

*(Paragraph 4.7)*

(viii) Improper planning led to unfruitful expenditure of Rs 73.18 lakh on construction of approach drain of 1350 metre (M) length from RD 1350 M of approach channel to Bisalpur reservoir 302.5 M to 308 M as neither the irrigation targets were achieved nor there was any utility of the scheme.

*(Paragraph 4.16)*

(ix) Non-ensuring the availability of forest land before sanction/commencement of the construction of Mudasil Minor led to non-completion of excavation work in RD 0 to 5 km resulting in unfruitful expenditure of Rs 92.08 lakh besides denial of irrigation and drinking water facilities to tribals.

*(Paragraph 4.17)*

(x) Excavation and widening in km 0 to km 5 in Baran Weir Feeder Channel at a cost of Rs 36.98 lakh proved unproductive as the work was lying incomplete pending enquiry to ascertain the quality, payments made and necessity of the work.

*(Paragraph 4.18)*

(xi) Failure of the Public Health Engineering Department to prepare technical estimates in time, to acquire land for sewerage treatment plant and to plan and monitor the Mahamandir Sewerage Scheme, Jodhpur efficiently led the scheme remaining incomplete for more than 7 years even after incurring an expenditure of Rs 4.75 crore alongwith other irregularities amounting to Rs 1.39 crore.

*(Paragraph 4.19)*

(xii) Starting of construction of submersible bridge at Sonarmata on Jhakham river in anticipation of adequate funds led to the works lying incomplete rendering the expenditure of Rs 20.29 lakh unfruitful.

*(Paragraph 4.26)*

(xiii) Failure of the District Rural Development Agency, Udaipur in planning, surveying and monitoring the works of digging of wells by 578 beneficiaries under *Jeevan Dhara* Scheme (now *Jawahar Rojgar Yojana*) in 9 *Panchayat Samitis* resulted in unfruitful expenditure of Rs 74.68 lakh on wells lying incomplete/abandoned.

*(Paragraph 6.9)*



(xiv) District Rural Development Agency, Bikaner undertook plantation work under Desert Development Programme through District Forest Officer, Bikaner at 69 sites during 1993-97. Of these, plantation on 9 sites done at a cost of Rs 46.95 lakh failed rendering the expenditure wasteful.

(Paragraph 6.10)

(xv) Non-ensuring timely completion/handing over of hostel buildings by *Avas Vikas Sansthan* (AVS) resulted in unfruitful expenditure of Rs 5.78 crore on hostels lying incomplete/not handed over thereby blocking Rs 2.29 crore with AVS.

(Paragraph 6.11)

## 20. Other points of interest

(i) A test-check of Personal Deposit (PD) accounts in respect of 10 Drawing and Disbursing Officers revealed that Rs 308.82 crore were transferred to PD accounts without immediate requirement. Other irregularities such as irregular drawal of funds, non-adjustment of advances, non-closure of PD accounts, etc. were also noticed.

(Paragraph 3.6)

(ii) Failure of the department to initiate timely action as per terms and conditions of loan granted (December 1991) to Rajasthan State Cooperative Oil Seeds Growers' Federation Limited (*Tilam Sangh*) resulted in non-recovery of interest of Rs 1.75 crore.

(Paragraph 6.2)

(iii) Due to non-deposition of Provident Fund (PF) subscription of the employees of University of Rajasthan for the year 1996-97 in the PF resulted in creation of interest liability of Rs 1.96 crore. The cash credit limit of the University was raised temporarily from Rs 4 crore to Rs 5.50 crore without obtaining the concurrence of State Government which led to excess payment of interest of Rs 1.85 crore to Bank during 1991-99.

(Paragraph 6.3)

(iv) Financial irregularities viz. blocking of funds (Rs 62.35 lakh), irregular diversion of Replacement Fund, irregular grant of Leave Travel Concession (LTC) subsidy, swimming pool without use (expenditure: Rs 24.21 lakh) and loss in University Press (Rs 25.56 lakh during 1995-98) were noticed in the Jai Narain Vyas University, Jodhpur.

(Paragraph 6.4)





# CHAPTER-I

## AN OVERVIEW OF THE FINANCES OF THE STATE GOVERNMENT

### 1.1 Introduction

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

### 1.2 Financial position of the State

The Government accounting system does not attempt a comprehensive accounting of fixed assets i.e. land and buildings etc., owned by the Government. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred by the Government. Exhibit-I (Page 3) presents an abstract of such liabilities and the assets as on 31 March 2000, compared with the corresponding position on 31 March 1999. While the liabilities in this statement consist mainly of monies owed by the State Government such as internal borrowings, loans and advances from the Government of India, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital expenditure and loans and advances given by the State Government. Exhibit-I shows that while the liabilities grew by 21 *per cent*, the assets grew by only 9 *per cent* during 1999-2000, mainly as a result of a very high (57 *per cent*) growth in the deficit on the Government account, resulting from a 21 *per cent* growth in the revenue deficit during the year. This shows an overall deterioration in the financial condition of the Government.

### 1.3 Financial operations of the State Government

*1.3.1* Exhibit-II (Pages 4-5) gives the details of the receipts and disbursements of the State Government. The Revenue expenditure (Rs 13430 crore) during the year exceeded the revenue receipts (Rs 9790 crore) resulting in a revenue deficit of Rs 3640 crore. The Revenue receipts comprised tax



revenue (Rs 4531 crore), non-tax revenue (Rs 1574 crore), State's share of Union taxes and duties (Rs 2185 crore) and grants-in-aid from the Central Government (Rs 1500 crore). The main sources of tax revenue were sales tax (54 per cent), state excise (21 per cent), taxes on vehicles (10 per cent) and stamps and registration fees (8 per cent). Non-tax revenue came mainly from interest receipts (43 per cent), receipts from non-ferrous mining and metallurgical industries (22 per cent), miscellaneous general services (9 per cent) and water supply and sanitation (8 per cent).

**1.3.2** The net addition to Public Debt as adjusted by the effect of remittance, suspense balance, etc. was Rs 5957.82 crore. After meeting the capital expenditure (Rs 1517.27 crore) and lending for development and other purpose (Rs 324.05 crore) this had generated a surplus of Rs 4116.50 crore. After meeting the Revenue Deficit of Rs 3639.95 crore there was increase in cash balance by Rs 476.55 crore.

**1.3.3** The financial operations of the State Government pertaining to its receipts and expenditure are discussed in the following paragraphs, with reference to the information contained in Exhibit-II and the time series data for five years period from 1995-96 to 1999-2000, presented in Exhibit-IV (Page 7).

#### **1.4 Sources and application of funds**

**1.4.1** Exhibit-III (Page 6) gives the position of sources and application of funds during the current and the preceding year. The main sources of funds include the revenue receipts of the Government, recoveries of the loans and advances, public debt and the receipts in the Public Account. These are applied mainly on revenue and capital expenditure and on lending for developmental and other purposes. It would be seen that the revenue receipts constitute the most significant source of fund for the State Government. Their relative share remained constant at 62 per cent during 1999-2000. The share of recoveries of loans and advances increased marginally from 0.58 per cent to 0.76 per cent. The share of receipts from public debt accelerated from 25 per cent in 1998-99 to 27 per cent in 1999-2000. The share of net receipts from the Public Account declined marginally from 10.42 per cent to 9.88 per cent.

**1.4.2** The available funds were mainly applied for revenue expenditure, whose share increased from 84 per cent (1998-99) to 85 per cent during 1999-2000, and was higher than the share of the revenue receipts (62 per cent) in the total receipts of the State Government. This led to the Revenue Deficit. The increase in the revenue expenditure and the consequent Revenue Deficit was partly due to more expenditure in comparison to previous year on interest payments by Rs 582 crore and on pensions and other retirement benefits by Rs 457 crore due to reduction of retirement age from 60 to 58 years. A notable change during the year was that the percentage of capital expenditure declined substantially from 13 per cent to 10 per cent. The lending for development purposes also declined marginally from 3 per cent to 2 per cent.

## EXHIBIT-I

## SUMMARISED FINANCIAL POSITION OF THE GOVERNMENT OF RAJASTHAN AS ON 31 MARCH 2000

(Rupees in crore)

As on 31 March 1999	Liabilities	As on 31 March 2000
5133.97	<b>Internal Debt-</b>	6979.97
4227.38	Market Loans bearing interest	5346.79
2.25	Market Loans not bearing interest	5.64
79.98	Loans from Life Insurance Corporation of India	91.27
45.64	Loans from the General Insurance Corporation of India	57.92
323.35	Loans from the National Bank for Agriculture and Rural Development	392.92
71.08	Loans from the National Cooperative Development Corporation	59.19
0.32	Compensation and other bonds	0.32
144.85	Loans from other Institutions	630.57
239.12	Ways and Means Advances	395.35
645.88	<b>Overdrafts from Reserve Bank of India</b>	535.05
9933.76	<b>Loans and Advances from Central Government</b>	12480.70
704.82	Pre 1984-85 Loans	655.39
5085.16	Non-Plan Loans	6691.86
3997.50	Loans for State Plan Schemes	4558.06
2.70	Loans for Central Plan Schemes	1.81
143.58	Loans for Centrally Sponsored Plan Schemes	153.58
-	Ways and Means Advances	420.00
35.00	<b>Contingency Fund</b>	35.00
5394.28	<b>Small Savings, Provident Funds, etc.</b>	6687.66
2812.75	<b>Deposits</b>	2904.64
375.60	<b>Reserve Funds</b>	388.97
488.94	<b>Deposits with Reserve Bank</b>	-
-	<b>Reserve Fund Investments</b>	33.87
24820.18		30045.86
As on 31 March 1999	Assets	As on 31 March 2000
16079.33	<b>Gross Capital Expenditure</b>	17596.60
2517.65	Investments in shares of Companies, Corporations, etc.	2560.08
13561.68	Other Capital Expenditure	15036.52
2164.72	<b>Loans and Advances</b>	2368.73
1411.91	Loans for Power Projects	1611.42
639.32	Other Development Loans	606.99
113.49	Loans to Government servants and Miscellaneous loans	150.32
126.27	<b>Reserve Fund Investments</b>	-
2.46	<b>Advances</b>	1.04
35.67	<b>Remittance Balances</b>	34.43
45.74	<b>Suspense and Miscellaneous Balances</b>	51.51
23.05	<b>Cash</b>	10.66
0.11	Cash in Treasuries and Local Remittances	0.53
22.27	Departmental Cash Balance	3.13
0.50	Permanent Advances	0.53
0.17	Cash Balance Investments	0.17
-	Deposits with Reserve Bank	6.30
6342.94	<b>Deficit on Government Account -</b>	9982.89
2996.30	(i) Revenue Deficit of the Current Year	3639.95
3346.64	(ii) Accumulated deficit at the beginning of the year	6342.94
24820.18		30045.86



EXHIBIT-II

ABSTRACT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR 1999-2000

(Rupees in crore)

Receipts		Disbursements					
1998-99	1999-2000	1998-99		Non-Plan	Plan	Total	1999-2000
	<b>Section-A: Revenue</b>						
8579.27	<b>I. Revenue receipts</b>	9789.60	<b>I. Revenue Expenditure</b>				
3939.34	Tax revenue	4530.90	General Services	5666.49	16.17	5682.66	
			4923.34	Social Services	4364.43	1121.80	5486.23
1353.39	Non-tax revenue	1573.77	2773.20	Education, Sports, Art and Culture	2725.11	366.88	3091.99
			819.47	Health and Family Welfare	604.35	253.68	858.03
1964.28	State's share of Union Taxes and Duties	2184.84	873.73	Water Supply, Sanitation, Housing and Urban Development	641.33	377.63	1018.96
			7.36	Information and Broadcasting	5.99	0.50	6.49
332.34	Non-Plan grants	482.68	76.18	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	22.27	49.64	71.91
			36.66	Labour and Labour Welfare	25.23	8.92	34.15
396.08	Grants for State Plan Schemes	376.74	326.54	Social Welfare and Nutrition	330.19	64.51	394.70
			10.20	Others	9.96	0.04	10.00
593.84	Grants for Central and Centrally Sponsored Plan Schemes	640.67	2064.83	<b>Economic Services-</b>	1737.85	504.76	2242.61
			501.82	Agriculture and Allied Activities	312.81	170.55	483.36
			220.92	Rural Development	71.99	210.60	282.59
			8.72	Special Areas Programmes	5.26	(-) 0.02	5.24
			679.52	Irrigation and Flood Control	649.46	61.16	710.62
			299.02	Energy	473.77	8.07	481.84
			112.44	Industry and Minerals	36.40	38.54	74.94
			180.85	Transport	153.85	-	153.85
			5.20	Science, Technology and Environment	1.68	1.65	3.33
			56.34	General Economic Services	32.63	14.21	46.84
2996.30	<b>II. Revenue deficit carried over to Section B</b>	3639.95	28.52	<b>Grants-in-aid and Contributions</b>	18.05	-	18.05
11575.57	<b>Total</b>	13429.55	11575.57	<b>Total</b>	11786.82	1642.73	13429.55
	<b>Section-B - Others</b>		1792.03	<b>II. Capital Expenditure</b>	34.83	1482.44	1517.27
(-)226.78	<b>III. Opening Cash balance including Permanent Advances and Cash Balance Investments</b>	(-)465.89	45.19	General Services	-	198.96	198.96
			643.63	Social Services	34.71	416.09	450.80
			22.41	Education, Sports, Art and Culture	-	20.85	20.85
			40.59	Health and Family Welfare	-	22.41	22.41
			553.12	Water Supply, Sanitation, Housing and Urban Development	34.71	346.92	381.63
			0.02	Information and Broadcasting	-	*	*
			20.45	Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes	-	24.70	24.70
			1.51	Social Welfare and Nutrition	-	0.49	0.49
			5.53	Others	-	0.72	0.72
			1103.21	<b>Economic Services</b>	0.12	867.39	867.51
			150.90	Agriculture and Allied Activities	-	131.74	131.74
			123.48	Rural Development	-	105.26	105.26
			32.00	Special Areas Programmes	-	31.40	31.40
			578.60	Irrigation and Flood Control	-	469.39	469.39
			0.30	Energy	-	2.05	2.05
			2.82	Industry and Minerals	-	10.00	10.00
			208.62	Transport	-	115.67	115.67
			0.20	Science, Technology and Environment	-	0.01	0.01
			6.29	General Economic Services	0.12	1.87	1.99

Rs 37,259 only.

(Rupees in crore)

Receipts		Disbursements	
1998-99	1999-2000	1998-99	1999-2000
80.45	120.04	443.01	324.05
0.18	0.03	255.01	199.54
49.03	47.73	69.82	84.56
31.24	72.28	118.18	39.95
3976.75	5267.47	2996.30	3639.95
1175.36	1867.47	503.56	985.36
837.89	45.40*	-	-
1963.50	3354.60	348.34	807.66
17348.17	21681.21	15909.58	20125.54
1726.22	1842.39	521.44	549.01
371.48	765.34	331.55	591.83
21.76	50.58	19.60	56.34
2237.03	1797.31	2234.94	1796.08
12991.68	17225.59	12802.05	17132.28
		(-) 465.89	10.66
		0.11	0.53
		(-)488.94	6.30
		22.77	3.66
		0.17	0.17
21178.59	26602.83	21178.59	26602.83

\* Represents receipts: Rs 6192.89 crore and disbursements: Rs 6147.49 crore.



**EXHIBIT-III**  
**SOURCES AND APPLICATION OF FUNDS**

(Rupees in crore)

Sources		
1998-99		1999-2000
8579.27	1. Revenue receipts	9789.60
80.45	2. Recoveries of Loans and Advances	120.04
2827.31	3. Increase in Public debt other than Overdraft	4392.94
645.88	4. Increase (+)/Decrease (-) in Overdraft	(-) 110.83
	5. Net receipts from Public Account	
1204.78	Increase in Small Savings, Provident Funds etc.	1293.38
189.63	Increase in Deposits and Advances	93.31
39.93	Increase in Reserve Funds	173.51
2.17	Net effect of Suspense and Miscellaneous transactions	(-) 5.76
2.08	Net effect of Remittance transactions	1.23
239.11	6. Decrease in closing cash balance	-
<b>13810.61</b>	<b>Total</b>	<b>15747.42</b>
Application		
1998-99		1999-2000
11575.57	1. Revenue expenditure	13429.55
443.01	2. Lending for development and other purposes	324.05
1792.03	3. Capital expenditure	1517.27
-	4. Increase in closing Cash Balance	476.55
<b>13810.61</b>	<b>Total</b>	<b>15747.42</b>

**Explanatory Notes for Exhibit-I, II and III:**

1. The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts.
2. Government accounts being mainly on cash basis, the deficit on Government account, as shown in Exhibit-I, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures etc., do not figure in the accounts.
3. Suspense and Miscellaneous balances include cheques issued but not paid, payments made on behalf of the State and other pending settlement etc.
4. There was a difference of Rs 536.71 crore ( net credit) between the figures reflected in the accounts and that intimated by the RBI under "Deposit with Reserve Bank". Following reconciliation and subsequent adjustments, a difference of Rs 1.31 crore (net debit) remained to be reconciled as of May 2000.

**EXHIBIT-IV**  
**TIME SERIES DATA ON STATE GOVERNMENT FINANCES**

(Rupees in crore)

	1995-96	1996-97	1997-98	1998-99	1999-2000
<b>Part A. Receipts</b>					
<b>1. Revenue Receipts</b>	<b>7630</b>	<b>7560</b>	<b>8404</b>	<b>8579</b>	<b>9790</b>
(i) Tax Revenue	2731(36)	3124(41)	3611(43)	3939(46)	4531(46)
Taxes on Agricultural Income	A	B	C	D	E
Taxes on Sales, Trade, etc.	1400(51)	1599(51)	1827(51)	2059(52)	2425(54)
State Excise	706(25)	785(25)	923(25)	990(25)	961(21)
Taxes on Vehicles	246(9)	277(9)	347(10)	364(9)	455(10)
Stamps and Registration fees	228(9)	276(9)	312(9)	344(9)	377(8)
Land Revenue	34(1)	38(1)	45(1)	33(1)	35(1)
Other Taxes	117(4)	149(5)	157(4)	149(4)	278(6)
(ii) Non-Tax Revenue	2257(30)	1361(18)	1362(16)	1354(16)	1574(16)
(iii) State's share of Union taxes and duties	1483(19)	1766(24)	1809(22)	1964(23)	2185(22)
(iv) Grants-in-aid from GOI	1159(15)	1309(17)	1622(19)	1322(15)	1500(16)
<b>2. Miscellaneous Capital Receipts</b>	-	-	-	-	-
<b>3. Total revenue and Non-debt Capital Receipts (1+2)</b>	<b>7630</b>	<b>7560</b>	<b>8404</b>	<b>8579</b>	<b>9790</b>
<b>4. Recoveries of Loans and Advances</b>	<b>402</b>	<b>315</b>	<b>888</b>	<b>80</b>	<b>120</b>
<b>5. Public Debt Receipts</b>	<b>1778</b>	<b>2381</b>	<b>2585</b>	<b>3976</b>	<b>5267</b>
Internal Debt (excluding Ways & Means Advances and Overdrafts)	483(27)	547(23)	706(27)	1175(30)	1867(35)
Net transactions under Ways and Means Advances and Overdraft	155(9)	344(14)	-	838(21)	45(1)
Loans and Advances from Government of India <sup>s</sup>	1140(64)	1490(63)	1879(73)	1963(49)	3355(64)
<b>6. Total receipts in the Consolidated Fund (3+4+5)</b>	<b>9810</b>	<b>10256</b>	<b>11877</b>	<b>12635</b>	<b>15177</b>
<b>7. Contingency Fund Receipts</b>	-	-	@	-	-
<b>8. Public Account Receipts</b>	<b>14623</b>	<b>15312</b>	<b>17411</b>	<b>17349</b>	<b>21681</b>
<b>9. Total receipts of the State (6+7+8)</b>	<b>24433</b>	<b>25568</b>	<b>29288</b>	<b>29984</b>	<b>36858</b>
<b>Part B. Expenditure/Disbursement</b>					
<b>10. Revenue Expenditure</b>	<b>8332</b>	<b>8426</b>	<b>8986</b>	<b>11575</b>	<b>13430</b>
Plan	1608(19)	1403(17)	1076(12)	1443(12)	1643(12)
Non-Plan	6724(81)	7023(83)	7910(88)	10132(88)	11787(88)
General Services (including Interest payments)	3448(42)	3046(36)	3527(39)	4559(39)	5683(42)
Social Services	3025(36)	3468(41)	3744(42)	4923(43)	5486(41)
Economic Services	1841(22)	1894(23)	1697(19)	2065(18)	2243(17)
Grants-in-aid and Contributions	18(-)	18(-)	18(-)	28(-)	18(-)
<b>11. Capital Expenditure</b>	<b>1757</b>	<b>1658</b>	<b>2507</b>	<b>1792</b>	<b>1517</b>
Plan	1756(100)	1658(100)	2503(100)	1772(99)	1482(98)
Non-Plan	1(-)	-	4(-)	20(1)	35(2)
General Services	47(3)	52(3)	45(2)	45(2)	199(13)
Social Services	520(29)	420(25)	563(22)	644(36)	451(30)
Economic Services	1190(68)	1186(72)	1899(76)	1103(62)	867(57)
<b>12. Disbursement of Loans and Advances</b>	<b>517</b>	<b>298</b>	<b>351</b>	<b>443</b>	<b>324</b>
<b>13. Total (10+11+12)</b>	<b>10606</b>	<b>10382</b>	<b>11844</b>	<b>13810</b>	<b>15271</b>
<b>14. Repayments of Public Debt</b>	<b>301</b>	<b>583</b>	<b>1293</b>	<b>503</b>	<b>985</b>
Internal Debt (excluding Ways and Means Advances and Overdrafts)	17(6)	19(3)	77(6)	155(31)	178(18)
Net transactions under Ways and Means Advances and Overdraft	-	-	452(35)	-	-
Loans and Advances from Government of India <sup>s</sup>	284(94)	564(97)	764(59)	348(69)	807(82)
<b>15. Appropriation to Contingency Fund</b>	-	-	-	-	-
<b>16. Total disbursement out of Consolidated Fund (13+14+15)</b>	<b>10907</b>	<b>10965</b>	<b>13137</b>	<b>14313</b>	<b>16256</b>
<b>17. Contingency Fund disbursements</b>	@	-	-	-	-
<b>18. Public Account disbursements</b>	<b>13816</b>	<b>14485</b>	<b>16196</b>	<b>15910</b>	<b>20125</b>
<b>19. Total disbursement by the State (16+17+18)</b>	<b>24723</b>	<b>25450</b>	<b>29333</b>	<b>30223</b>	<b>36381</b>
<b>Part C. Deficits</b>					
<b>20. Revenue Deficit (1-10)</b>	<b>702</b>	<b>866</b>	<b>582</b>	<b>2996</b>	<b>3640</b>
<b>21. Fiscal Deficit (3+4-13)</b>	<b>2574</b>	<b>2506</b>	<b>2552</b>	<b>5151</b>	<b>5361</b>
<b>22. Primary Deficit (21-23)</b>	<b>1340</b>	<b>953</b>	<b>655</b>	<b>2908</b>	<b>2536</b>
<b>Part D. Other data</b>					
<b>23. Interest Payments (included in Revenue Expenditure)</b>	<b>1234</b>	<b>1553</b>	<b>1897</b>	<b>2243</b>	<b>2825</b>
<b>24. Arrears of Revenue (Percentage of Tax &amp; Non-tax Revenue Receipts)</b>	<b>512 (10)</b>	<b>1041 (23)</b>	<b>1055 (21)</b>	<b>208 (4)</b>	<b>1393 (23)<sup>t</sup></b>
<b>25. Financial Assistance to local bodies, etc.</b>	<b>1562</b>	<b>1580</b>	<b>1457</b>	<b>1735</b>	<b>2039</b>
<b>26. Ways and Means Advances/Overdraft availed (days)</b>	<b>224</b>	<b>335</b>	<b>235</b>	<b>219</b>	<b>349</b>
<b>27. Interest on Ways and Means Advances/Overdraft</b>	<b>5</b>	<b>19</b>	<b>13</b>	<b>4</b>	<b>27</b>
<b>28. Gross State Domestic Product (GSDP) **</b>	<b>41961</b>	<b>55931</b>	<b>59140</b>	<b>65635</b>	<b>67805</b>
<b>29. Outstanding Debt (year end)</b>	<b>14104</b>	<b>16776</b>	<b>19261</b>	<b>24170</b>	<b>30011</b>
<b>30. Outstanding guarantees (including interest) (year end)</b>	<b>4758</b>	<b>5754</b>	<b>7240</b>	<b>9203</b>	<b>11270</b>
<b>31. Maximum amount guaranteed (year end)</b>	<b>6660</b>	<b>7802</b>	<b>10245</b>	<b>12061</b>	<b>14288</b>
<b>32. Number of incomplete projects</b>	<b>NA</b>	<b>201</b>	<b>349</b>	<b>407</b>	<b>510</b>
<b>33. Capital blocked in incomplete projects</b>	<b>NA</b>	<b>1038</b>	<b>1780</b>	<b>2662</b>	<b>3632</b>

Note: Figures in brackets represent percentages (rounded) to total of each sub-heading.

A: Rs 36,985 only B: Rs 44,966 only C: Rs 53,202 only D: Rs 5,918 only E: Rs 10,517 only.

@ Rs 15,96,946 only.

<sup>s</sup> Includes Ways and Means Advances from GOI.

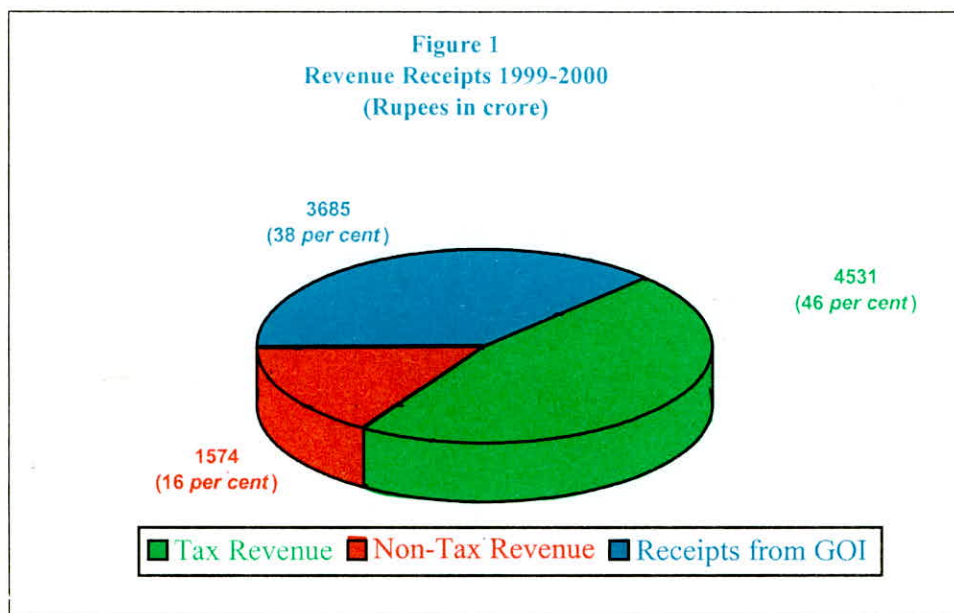
\* Please see footnote @ on page 14.

\*\* Source: Economic Review- 1999-2000. Changes in figures due to adoption of revised GSDP figures.



## 1.5 Revenue receipts

1.5.1 The revenue receipts consist mainly of tax and non-tax revenue and receipts from Government of India (GOI). Their relative shares are shown in Figure 1. The revenue receipts grew at an average annual rate of 7 per cent during 1995-96 to 1999-2000. However, during 1999-2000, the revenue receipts increased by 14 per cent over that of 1998-99.



### 1.5.2 Tax revenue

These constitute the major share (46 per cent) of the revenue receipts. Though their share increased from 36 per cent in 1995-96 to 46 per cent in 1999-2000, the annual rate of growth of tax revenue declined from 18 per cent in 1995-96 to 15 per cent in 1999-2000. Exhibit -IV shows that the relative contribution of sales taxes has accelerated from 51 per cent in 1995-96 to 54 per cent in 1999-2000 due mainly to revision of sales tax, surcharge thereon, etc. during the year, while that of excise duty has declined from 26 per cent in 1995-96 to 21 per cent in 1999-2000 attributable to fall in net exclusive privileged amount/license fee during 1999-2000. The share of taxes on vehicles in the tax revenue marginally increased from 9 per cent in 1995-96 to 10 per cent in 1999-2000, while that of stamps and registration fees marginally declined from 9 per cent in 1995-96 to 8 per cent in 1999-2000.

### 1.5.3 Non-tax revenue

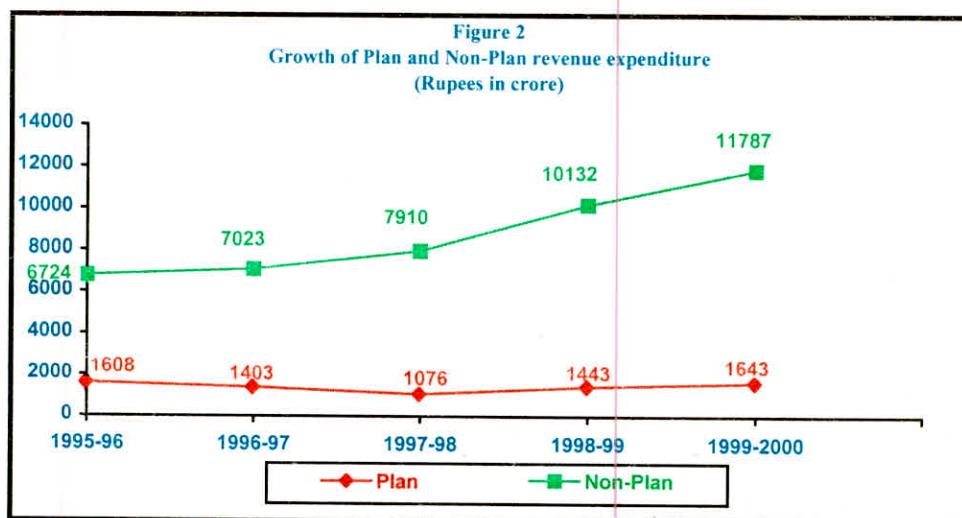
The non-tax revenue constituted 16 per cent of the revenue receipts of the Government and their share in the revenue receipts remained static since 1997-98.

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

The State's share of Union taxes and duties (excise duties and income and corporation taxes) increased by 11 *per cent* during the year against 1998-99, while the grants-in-aid from the Central Government increased by 13 *per cent* due to more receipts as non-plan grants and grants for centrally sponsored plan schemes. As a percentage of revenue receipts, these receipts (Union taxes and duties and grants-in-aid) increased from 34 *per cent* in 1995-96 to 38 *per cent* during 1999-2000.

## 1.6 Revenue expenditure

1.6.1 The revenue expenditure accounted for most (90 *per cent*) of the total expenditure\* of the State Government (against capital expenditure of 10 *per cent*) and increased by 16 *per cent* during 1999-2000. The rate of growth over four years in Non-Plan component (75 *per cent*) of revenue expenditure far surpassed that in Plan expenditure (2 *per cent*), as can be seen in Figure 2. In fact, in some years the Plan expenditure registered a negative growth.



1.6.2 Sector wise analysis shows that the expenditure on Social Services increased by 81 *per cent* from Rs 3025 crore in 1995-96 to Rs 5486 crore in 1999-2000, the corresponding increases in Expenditure on General Services and Economic Services increased by 65 and 22 *per cent* respectively during the same period. However, under General Services, the expenditure during the year has increased over the previous year by 25 *per cent*. Apart from increase in interest payments by Rs 582.29 crore there has been increase in payment of pension and other retirement benefits by Rs 457.29 crore due to reduction in the retirement age from 60 to 58 years. Similarly, under General Education, there was increase of Rs 323.25 crore due to recruitment in Government primary and secondary schools, colleges, etc. and upgradation of primary and secondary schools, etc.

As a proportion of total revenue expenditure the share of Social Services increased from 36 *per cent* in 1995-96 to 41 *per cent* in 1999-2000 and that of

\* Revenue expenditure and capital expenditure.



General Services remained constant at 42 *per cent*, whereas the share of Economic Services declined from 22 *per cent* to 17 *per cent* mainly due to less expenditure under rural employment and industry and minerals.

### 1.6.3 Interest payments

Interest payments increased steadily by 129 *per cent* from Rs 1234 crore in 1995-96 to Rs 2825 crore in 1999-2000. During the year, interest payments consumed 62 *per cent* of tax revenue and constituted 21 *per cent* of revenue expenditure of the State Government. The increase in 1999-2000 was 26 *per cent* when compared to interest payments of Rs 2243 crore during 1998-99. Increase in interest payments (Rs 582 crore) during 1999-2000 over the previous year was mainly on "Internal Debt (Rs 194.12 crore), Small Savings, Provident Fund, etc. (Rs 140.62 crore), Central loans and advances (Rs 253.79 crore) etc." This is further discussed in the section on financial indicators.

### 1.6.4 Financial assistance to local bodies and other institutions

The quantum of assistance provided to different local bodies etc., during the period of five years ending 1999-2000 was as under:

(Rupees in crore)					
Bodies/Authorities etc.	1995-96	1996-97	1997-98	1998-99	1999-2000
Universities and Educational Institutions	173	161	207*	140	142
Municipal Corporations and Municipalities	3	3	5	9	6
Zila Parishads and Panchayati Raj Institutions	590	648	647	768	919
Rajasthan State Electricity Board	228	448	274	296	476
Other Institutions	568	320	324	522	496
<b>Total</b>	<b>1562</b>	<b>1580</b>	<b>1457</b>	<b>1735</b>	<b>2039</b>
Percentage of growth over previous year	25	1	(-)8	19	18
Assistance as a percentage of revenue expenditure	19	19	16	15	15

As the above table shows, the *Zila Parishads* and *Panchayati Raj* institutions were the major beneficiaries as their share increased by 56 *per cent* from Rs 590 crore in 1995-96 to Rs 919 crore in 1999-2000. Similarly, there had been increase in assistance to Rajasthan State Electricity Board by 109 *per cent* from Rs 228 crore in 1995-96 to Rs 476 crore in 1999-2000.

### 1.6.5 Loans and Advances by the State Government

**1.6.5.1** The Government gives loans and advances to Government companies, corporations, local bodies, autonomous bodies, cooperatives, non-Government institutions, etc., for developmental and non-developmental activities. The position for the last five years given below shows that during 1998-99 and 1999-2000 there were substantial decrease in repayment as a result of which the closing balance increased by 20 *per cent* and 31 *per cent* respectively over the level of 1997-98. During 1995-98, higher recoveries were due to conversion of outstanding loans against Rajasthan State Electricity Board

(RSEB) into equity by the State Government.

	(Rupees in crore)				
	1995-96	1996-97	1997-98	1998-99	1999-2000
Opening balance	2241	2356	2339	1802	2165
Amount advanced during the year	517	298	351	443	324
Amount repaid during the year	402	315	888	80	120
Closing balance	2356	2339	1802	2165	2369
Net addition	115	(-)17	(-)537	363	204
Interest received	206	333	274	213	238

**1.6.5.2** Out of loans advanced to various bodies (other than Rajasthan State Electricity Board), the detailed account of which were kept by the Accountant General (Accounts and Entitlement), recovery of Rs 22.81 crore (principal: Rs 5.51 crore and interest: Rs 17.30 crore) was in arrears as on 31 March 2000. In the case of Rajasthan State Electricity Board, loans totalling Rs 1611.42 crore were outstanding at the end of March 2000 and the amount of interest due for recovery was Rs 779.16 crore. It was seen that the Government orders sanctioning the loans to the Rajasthan State Electricity Board did not specify the detailed terms and conditions for repayment of these loans. As a result, the amount of principal due for recovery could not be worked out. In respect of loans, the detailed accounts of which were maintained by the departmental officers, the details had not been furnished to the Accountant General (Accounts and Entitlement) by 23 departments/authorities. According to details furnished by other departments Rs 108 crore (including interest of Rs 36 crore) were overdue for recovery.

## 1.7 Capital expenditure

Capital expenditure leads to asset creation. In addition, financial assets arise from moneys invested in institutions or undertakings outside Government i.e. public sector undertakings (PSUs), corporations, etc. and loans and advances. During 1999-2000, the capital expenditure decreased by 15 per cent against the previous year, as a result of which its share in total expenditure declined from 13 per cent in 1998-99 to 10 per cent in 1999-2000. As seen from Exhibit-IV, while practically the entire capital expenditure was spent on Plan programmes, economic services accounted for major share of the expenditure (57 per cent) vis-à-vis the social services (30 per cent).

## 1.8 Quality of expenditure

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

**1.8.2** Wastage in public expenditure, diversions of funds and funds blocked in incomplete projects would also impinge negatively on the quality of



expenditure. Similarly, funds transferred to Deposit heads in the Public Account, after booking them as expenditure, can also be considered as a negative factor in judging the quality of expenditure. As the expenditure was not actually incurred in the concerned year it should be excluded from the figures of expenditure for that year. Another possible indicator is the increase in the expenditure on General Services, to the detriment of Economic and Social Services.

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

	1995-96	1996-97	1997-98	1998-99	1999-2000
1. Plan expenditure (as percentage of total expenditure*)	33	30	31	24	21
2. Capital expenditure (as percentage of total expenditure)	17	16	22	13	10
3. Expenditure on General Services (as percentage of total expenditure)	35	31	31	34	39
4. Amount of wastages and diversion etc. of funds reported in Audit Reports (Rupees in crore)	31	131	254	79	539
5. Non-remunerative expenditure on incomplete projects (Rupees in crore)	NA**	1038	1780	2662	3632

During 1999-2000, Original Plan Provision (including CSS) of Rs 4761 crore (Revenue: Rs 2188 crore, Capital: Rs 2315 crore and loans and advances: Rs 258 crore) was reduced to Rs 3648 crore (Revenue: Rs 1789 crore, Capital Rs 1629 crore and loans and advances: Rs 230 crore) in revised estimates because of reduction in Plan size. However, actual expenditure was Rs 3346 crore (Revenue: Rs 1643 crore, Capital: Rs 1482 crore and loans and advances: Rs 221 crore) mainly due to less assistance from Government of India. The big gap between the original Plan outlay and actual expenditure indicates the weaknesses of planning and implementing apparatus of the State Government.

The above table shows that the decline in Plan expenditure whose share has come down to 21 *per cent* during 1999-2000 as against 33 *per cent* in 1995-96 was sharp. The expenditure on General Services, at the same time, had accelerated mainly because of increase in interest payments, pensions and other retirement benefits, etc. whereas the capital expenditure decelerated. The increase in interest payments was to the extent of Rs 582 crore during the year and the increase in payment of pension and other retirement benefits was of the order of Rs 457 crore. Overall the increase in revenue expenditure on General Services had been 25 *per cent* as against increase of only 9 *per cent* and 11 *per cent* under Economic Services and Social Services respectively during the year. It can, therefore, be said that the quality of expenditure had deteriorated. This is also evident from the increasingly large amount of Capital blocked in incomplete projects and the amounts of wasteful expenditure, etc., pointed out in the Audit Reports.

\* This represents revenue and capital expenditure.

\*\* N.A.: Not available.

## 1.9 Financial Management

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

### 1.9.1 Investments and returns

The sector-wise details of investments made and the number of concerns involved were as under:

Sector	Number of concerns	(Rupees in crore)	
		Amount invested	
		as on 31.03.2000	during 1999-2000
Statutory Corporations	21	1937.23	Nil
Government Companies/ Joint Stock Companies	46	304.63	12.23
Cooperative Institutions	(a)	318.22	30.20
<b>Total</b>	<b>67(a)</b>	<b>2560.08</b>	<b>42.43</b>

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

Year	Investment at the end of the year	Return	Percentage of return	(Rupees in crore)
				Rate of interest on Government borrowing (%)
1995-96	1592.87	5.94	0.37	14.00
1996-97	1735.72	7.97	0.46	13.75 and 13.85
1997-98	2503.69	8.60	0.34	13.50
1998-99	2517.65	8.00	0.32	12.15 and 12.50
1999-2000	2560.08	5.29	0.21	11,11.85 and 12.25

Thus, while the Government was raising high cost borrowings from the market, its investments in Government companies etc., fetched insignificant returns. As on 31 March 2000, 32 of the Statutory Corporations, Government companies and Joint Stock Companies in which Government had invested Rs 1865.24 crore, were running in loss and the accumulated loss was Rs 714.28 crore (up to March 2000) as per their accounts for the years 1982-83 to 1999-2000.

### 1.9.2 Financial results of irrigation works

The financial results of 5 major and 12 medium irrigation projects with a capital expenditure of Rs 2530.73 crore at the end of March 2000 showed that revenue realised from these projects during 1999-2000 (Rs 36.96 crore) was

(a) Information regarding number of cooperative institutions was awaited from the State Government.



only 1.46 *per cent* of the capital expenditure and these were not sufficient to cover even the direct working expenses (Rs 81.66 crore). After meeting the working and maintenance expenditure (Rs 81.98 crore) and interest charges (Rs 248.75 crore), the schemes suffered a net loss of Rs 293.77 crore. The loss was substantial (Rs 271.49 crore) in all the major irrigation projects.

### **1.9.3 Incomplete Projects**

As per information received from State Government, as of 31 March 2000, there were 510 incomplete projects in which Rs 3632 crore were blocked. The position deteriorated as compared to the position as on 31 March 1999 (Exhibit-IV). Of these, 69 projects were incomplete for period ranging from 5 to 10 years (45; amount: Rs 1234 crore), 10 to 15 years (12; amount: Rs 50 crore), 15 to 20 years (6; amount: Rs 210 crore) and more than 20 years (6; amount: Rs 412 crore). This showed that the government was spreading its resources thinly, which failed to yield any return. Reasons for incomplete projects were paucity of funds, works left incomplete by contractors, change in site/design of the project(s), defective planning, etc. Comments on some incomplete projects have been included in the Civil Audit Reports\*.

### **1.9.4 Arrears of revenue**

The outstanding arrears registered an increase during 1995-96 to 1997-98 (Exhibit-IV) from 10 *per cent* of the revenue raised during 1995-96 to 21 *per cent* during 1997-98. In respect of 1998-99 information relating to 5 revenue heads\*\* (including the most important revenue source viz. Sales Tax) was not given by the State Government. During 1999-2000, information in respect of one revenue head (Entertainment Tax) was not given by the State Government. Accordingly, an overall assessment of the arrears in collection was not possible but comparing the arrears of remaining 12 revenue heads for the year 1995-96 (Rs 511.27 crore) to 1999-2000 (Rs 1393.41 crore<sup>@</sup>), there has been an increase of 173 *per cent*. The overall deterioration in the position of arrears of revenue showed a slackening of the revenue efforts of the State Government.

### **1.9.5 Ways and means advances and overdraft**

Under an agreement with the Reserve Bank of India (RBI), the State Government had to maintain with the Bank a minimum daily cash balance of Rs 2.34 crore with effect from 1 March 1999. If the balance fell below the agreed minimum on any day, the deficiency had to be made good by taking ways and means advances (WMA)/overdraft (OD) from the Bank. In addition, special ways and means advances are also made by the Bank whenever necessary. Recourse to WMA/OD means a mismatch between the receipts and

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\* Narmada Canal Project (Paragraph 4.6 of Rajasthan Civil Audit Report for the year ended 31 March 1999), Parwan Lift Scheme and Bari Mansarowar Irrigation Project (Paragraphs 4.9 and 4.10 respectively of this Audit Report).

\*\* Sales Tax, Entertainment Tax, Forestry and Wild Life, Sale of Land and Property and Major and Medium Irrigation.

@ Differs from figures (Rs 1391.24 crore) taken in Audit Report (Revenue Receipts), 1999-2000 by Rs 2.17 crore because amount of arrears in respect of two revenue heads (Taxes on Passengers and Goods and Forestry and Wild Life) being small have not been included in that Report.

expenditure of the Government, and hence reflects poorly on the financial management in Government. The position of ways and means advances and overdraft taken by the State Government and interest paid thereon during 1995-2000 was as under:

	(Rupees in crore)				
	1995-96	1996-97	1997-98	1998-99	1999-2000
<b>Ways and Means Advances</b>					
(i) Advances taken during the year (Gross)	694.91	1263.04	1239.55	1862.83	3848.08
(ii) Advances outstanding at the end of the year	50.40	137.92	47.11	239.12	395.35
(iii) Interest paid	2.33	10.92	7.03	2.84	20.17
<b>Overdraft</b>					
(i) Overdraft taken during the year (Gross)	1783.99	3394.77	1822.88	1984.86	2344.81
(ii) Overdraft outstanding at the end of the year	104.36	360.78	-	645.88	535.05
(iii) Interest paid	2.90	7.68	5.60	1.42	6.52

It would be seen from Exhibit-IV that in each of the preceding five years, the Government took ways and means advance/overdraft on 219 to 349 days and paid interest between Rs 4 crore and Rs 27 crore. During the year, the position was worst in this regard since Government resorted to ways and means advances for 349 days and thus, this facility from RBI was used more or less as a regular means of financing the State Government's expenditure.

### 1.9.6 Deficit

**1.9.6.1** Deficits in Government account represent gaps between the receipts and expenditure. The nature of deficit is an important indicator of the prudence of financial management in the Government. Further, the ways of financing the deficit and the application of the funds are important pointers of the fiscal prudence of the Government. The discussion in this section relates to three concepts of deficit viz., Revenue Deficit, Fiscal Deficit and Primary Deficit.

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



Government account during 1999-2000.

(Rupees in crore)

<b>CONSOLIDATED FUND</b>				
<b>Receipt</b>	<b>Amount</b>		<b>Disbursement</b>	<b>Amount</b>
Revenue	9790	<b>Revenue deficit: 3640</b>	Revenue	13430
Misc. capital receipts	-		Capital	1517
Recovery of loans and advances	120		Loans and advances disbursed	324
<b>Sub Total</b>	<b>9910</b>	<b>Gross fiscal deficit: 5361</b>	<b>Sub Total</b>	<b>15271</b>
Public Debt receipts	5267		Public Debt repayment	985
<b>Total</b>	<b>15177</b>	<b>A: Deficit in CF: 1079</b>		<b>16256</b>
<b>PUBLIC ACCOUNT</b>				
Small Savings, PF etc.	1842		Small Savings, PF etc.	549
Deposits and Advances	17226		Deposits and Advances	17132
Reserve Funds	765		Reserve Funds	592
Suspense and Miscellaneous	51		Suspense and Miscellaneous	56
Remittances	1797		Remittances	1796
<b>Total Public Account</b>	<b>21681</b>	<b>B: Deficit in CF financed by Public Account: 1556</b>		<b>20125</b>
<b>Increase in cash balance (B-A) : 477</b>				

After a staggering rise in the Revenue Deficit last year (1998-99), further increase of Rs 644 crore on Revenue Deficit over and above that peak reflects on the gross mismanagement of finances by the Government.

The table shows that the Fiscal Deficit of Rs 5361 crore was financed by net proceeds of the public debt (Rs 4282 crore), and partly by the surplus from Public Account. Revenue Deficit accounted for 68 per cent of the Fiscal Deficit. Exhibit-IV shows that though both the deficits have in general shown an increasing trend over the last 5 years, the growth in Revenue Deficit has been alarming (419 per cent).

### **1.9.6.3 Application of the borrowed funds (Fiscal Deficit)**

The fiscal deficit represents total net borrowings of the Government. These borrowings are applied for meeting the Revenue Deficit, for making the Capital Expenditure and for giving loans to various bodies for developmental and other purposes. The relative proportions of these applications would indicate the financial prudence of the State Government and also the sustainability of its operations because continued borrowing for revenue expenditure would not be sustainable in the long run. The following table

shows the position in respect of the Government of Rajasthan for the last five years:

Ratio	1995-96	1996-97	1997-98	1998-99	1999-2000
Revenue Deficit/Fiscal Deficit	0.27	0.35	0.23	0.58	0.68
Capital Expenditure/Fiscal Deficit	0.68	0.66	0.98	0.35	0.28
Net loans/Fiscal Deficit	0.05	(-)0.01	(-)0.21	0.07	0.04
<b>Total</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

In the matter of application of Fiscal Deficit (borrowings) to capital expenditure, the year 1999-2000 has been the worst over the 5 years period ending March 2000.

It would be seen that 68 *per cent* of the borrowed funds had been applied for meeting the revenue expenditure. Therefore, if the revenue expenditure is not controlled, the capital investment is bound to suffer.

### 1.9.7 Guarantees given by the State Government

Guarantees are given by the State Government for due discharge of certain liabilities like repayment of loans, share capital, etc., raised by the statutory corporations, Government companies and cooperative institutions etc., and payment of interest and dividend by them. They constitute contingent liability of the State. No law under Article 293 of the Constitution had been passed by the State Legislature laying down the maximum limits within which the Government may give guarantees on the security of the Consolidated Fund of the State. Exhibit-IV lists the amounts of guarantees given by the Government and the amounts outstanding at the end of each year during 1996-2000. Both these had shown an increasing trend. In fact in 1999-2000, the outstanding guarantees exceeded the entire revenue receipts of the Government, implying higher risk exposure. Though no guarantees were invoked in 1999-2000, there had been three reported cases in the past in which guarantees amounting to Rs 7.90 crore had been invoked. Rs 0.03 crore were received as guarantee commission during 1999-2000.

## 1.10 Public debt

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



end of the last five years are given in the following table.

(Rupees in crore)

Year	Internal debt	Loans and advances from Central Government	Total public debt	Other liabilities <sup>α</sup>	Total liabilities (Debt)	Ratio of Debt to GSDP
1995-96	2872	6277	9149	4955	14104	0.34
1996-97	3744	7203	10947	5829	16776	0.30*
1997-98	3922	8318	12240	7021	19261	0.33*
1998-99	5780	9934	15714	8456	24170	0.37*
1999-2000	7515	12481	19996	10015	30011	0.44

During the five year period, the total liabilities of the Government had grown by 113 per cent. This was on account of 162 per cent growth in internal debt, 99 per cent growth in loans and advances from Government of India and 102 per cent growth in other liabilities.

During 1999-2000, Government borrowed Rs 1223.35 crore in the open market at interest rates of 12.25, 11.85 and 11 per cent per annum.

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

(Rupees in crore)

	1995-96	1996-97	1997-98	1998-99	1999-2000
<b>Internal Debt**</b>					
- Receipt	483	547	706	1175	1867
- Repayment (principal + interest)	296	372	544	702	896
- Net funds available (per cent)	187(39)	175(32)	162(23)	473(40)	971(52)
<b>Loans and Advances from GOI**</b>					
- Receipt during the year	1050	1159	1459	1859	2485
- Repayment (Principal + interest)	783	947	1207	1263	1606
- Net funds available (per cent)	267(25)	212(18)	252(17)	596(32)	879(35)
<b>Other liabilities</b>					
- Receipt during the year	12356	12950	15191	15018	19785
- Repayment + Interest	11922	12538	14534	14252	19030
- Net funds available (per cent)	434(4)	412(3)	657(4)	766(5)	755(4)

It would be seen that very little of the borrowings are available for investment and other expenditure after meeting the repayment obligations. The position will worsen in the years to come since the impact of massive borrowings of the year will come in those years.

## 1.11 Indicators of the financial performance

1.11.1 A Government may either wish to maintain its existing level of activity or increase its level of activity. For maintaining its current level of activity it would be necessary to know how far the means of financing are sustainable.

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

\* Changes in figures due to adoption of revised GSDP figures.

\*\* Excluding Ways and Means Advances and Overdrafts from RBI/GOI.

Similarly, if Government wishes to increase its level of activity it would be pertinent to examine the flexibility of the means of financing. Finally, Government's increased vulnerability in the process. All the State Governments continue to increase the level of their activity principally through Five Year Plans which translate to Annual development plans and are provided for in the State Budget. Broadly, it can be stated that non-plan expenditure represents Government maintaining the existing level of activity\*, while plan expenditure entails expansion of activity. Both these activities require resource mobilization increasing Government's vulnerability. In short, financial health of a Government can be described in terms of sustainability, flexibility, vulnerability and transparency. These terms are defined as follows:

**(i) Sustainability**

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

**(ii) Flexibility**

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

**(iii) Vulnerability**

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

**(iv) Transparency**

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

1.11.2 Information available in Finance Accounts can be used to judge Sustainability, Flexibility and Vulnerability that can be expressed in terms of certain indices/ratios worked out from the Finance Accounts. The list of such indices/ratios is given in the Appendix-1. Exhibit-V (Page 25) indicates the behaviour of these indices/ratios over the period from 1995-96 to 1999-2000. The implications of these indices/ratios for the State of the financial health of the State Government are discussed in the following paragraphs.

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



## **Sustainability**

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

Balance from Current Revenues (BCR) is defined as revenue receipts minus plan assistance grants minus non-plan revenue expenditure. A positive BCR shows that the State Government has surplus from its revenues for meeting plan expenditure. The table shows that the State Government has had negative BCRs in all the preceding five years and the negative balance increased steeply from Rs (-) 452 crore in 1997-98 to Rs (-) 3015 crore in 1999-2000 suggesting that Government had to depend heavily only on the borrowings for meeting its Plan expenditure and is using the same substantially to meet part of its Non-plan expenditure.

### **(ii) Interest ratio**

The higher the ratio, the lesser the ability of the Government to service any fresh debt and meet its revenue expenditure from its revenue receipts.

In case of Rajasthan, the interest ratio has gone up steeply from 0.10 in 1995-96 to 0.24 in 1999-2000 indicating significant drop in availability of revenue receipts for programme spending. This is also indicative of the fact that interest payments on past borrowings assumed serious proportion and had become a major constraint in programme spending of Government. The scenario is likely to be worse in future due to heavy borrowings during the year unless Government significantly increase its revenue.

### **(iii) Capital expenditure vs capital receipts**

This ratio would indicate to what extent the capital receipts are applied for capital investment. A ratio of less than one would not be sustainable in the long term inasmuch as it indicates that a part of the capital receipt is being diverted to unproductive revenue expenditure. On the contrary, a ratio of more than one would indicate that capital investments are being made from revenue surplus as well. The trend analysis of this ratio would throw light on the fiscal performance of the State Government. A rising trend would mean an improvement in the performance.

In the case of Rajasthan, the ratio has all along been less than one and has come down to bottom low of 0.28 in 1999-2000 from 0.91 in 1995-96, indicating that a substantial part of the capital receipts was not available for investment. This indicates a worsening sustainability.

### **(iv) Tax receipts vs Gross State Domestic Product**

Tax receipts consist of State taxes and State's share of Central taxes. Tax receipts suggest sustainability. But the ratio of tax receipts to Gross State Domestic Product (GSDP) would have implications for the flexibility as well. While a low ratio would imply that the Government can tax more, and hence its flexibility, a high ratio may not only point to the limits of this source of finance but also its inflexibility.

Time series analysis shows that in case of Rajasthan, this ratio has moved in the narrow range of 0.09 and 0.10 during the five years' period. Similarly, the

ratio of state tax receipts to GSDP has also moved in the range of 0.06 and 0.07 during the same period. This shows that State Government preferred to borrow heavily (which comes at a cost) to meet its mounting revenue deficits rather than increasing its tax revenues.

**(v) Return on Investment**

The ROI is the ratio of the earnings to the capital employed. A high Return on Investments (ROI) suggests sustainability. The table (Exhibit - V) presents the return on Government's investments in statutory corporations, government companies, joint stock companies and cooperative institutions. It shows that the ROI in case of Government of Rajasthan had been negligible and had moved in the narrow range of 0.21 *per cent* to 0.46 *per cent*- it touched the lowest ratio during 1999-2000. This is also discussed in paragraph 1.9.1. Poor return on investments are not sustainable, especially when the investments are funded from borrowings.

**Flexibility**

**(vi) Capital repayments vs Capital borrowings**

This ratio would indicate the extent to which the capital borrowings are available for investment, after repayment of capital. The lower the ratio, the higher would be the availability of capital for investment.

In case of Rajasthan Government, this ratio had been in the range of 12 to 19 *per cent*. However, it went down from 19 *per cent* in 1997-98 to 12 *per cent* in 1999-2000 due to significant increase in borrowings during the year whose full impact of repayments would be evident in the ratios of future years.

**(vii) Debt vs Gross State Domestic Product**

The GSDP is the total internal resource base of the State Government, which can be used to service debt. An increasing ratio of Debt/GSDP would signify a reduction in the Government's ability to meet its debt obligations and therefore increasing risk for the lender.

In the case of Rajasthan, this ratio had gone up sharply to 0.44 in 1999-2000, after being in the range of 0.30 to 0.37 during the preceding four years. This shows a very significant increase in the indebtedness of the Government. This would adversely affect the sustainability, due to its cascading effect on repayment obligations and further borrowings.

**Vulnerability**

**(viii) Revenue deficit vs Fiscal deficit**

The Revenue deficit is the excess of revenue expenditure over revenue receipts and represents the revenue expenditure financed by borrowings, etc. Evidently, the higher the revenue deficit, the more vulnerable is the State. Since fiscal deficit represents the aggregate of all the borrowings the revenue deficit as a percentage of fiscal deficit would indicate the extent to which the borrowings of the Government are being used to finance non-productive revenue expenditure. Thus, higher the ratio the worse off the state because



that would indicate that the debt burden is increasing without adding to the repayment capacity of the State. Rajasthan comes out poorly in this regard as during 1999-2000, 68 per cent of the borrowings were applied to revenue expenditure as compared to 23 per cent in 1997-98. This is an highly unfavourable trend. During the year 1999-2000, the increase in Revenue Deficit is to be seen in the context of the fact that in 1998-99 Revenue Deficit had reached astronomical high of the Rs 2996 crore from Rs 582 crore of previous year. The increase in the year is attributed mainly to increase in interest payments by Rs 582.29 crore and in payment of pensions and retirement benefits by Rs 457.29 crore owing to a reduction in the retirement age from 60 to 58 years.

**(ix) Primary deficit vs Fiscal deficit**

Primary Deficit is the Fiscal Deficit minus interest payments (interest payments obligations on account of past actions of the Government). Primary Deficit is sustainable only when the growth rate of the economy is higher than the interest rate on the borrowings. This not being the case, the Primary Deficit is not sustainable.

As can be seen from Exhibit-V, the Government of Rajasthan had not only been having a Primary Deficit all along the period of five years but the Primary Deficit has increased significantly in 1998-99, however, it decreased in 1999-2000. This is indicative of increased vulnerability since capital was being applied to meet revenue deficit rather than increasing the assets.

**(x) Guarantees vs Revenue receipts**

Outstanding guarantees, including the letters of comfort issued by the Government, indicate the risk exposure of a State Government and should therefore be compared with the ability of the Government to pay viz., its revenue receipts. Thus, the ratio of the total outstanding guarantees to total revenue receipts of the Government would indicate the degree of vulnerability of the State Government.

In case of Rajasthan, this ratio had shown an increasing trend, and in 1999-2000 the outstanding guarantees had outstripped the entire revenue receipts of the Government, adding to its vulnerability and the risk exposure.

**(xi) Assets vs Liabilities**

This ratio indicates the solvency of the Government. A ratio of more than 1 would indicate that the State Government is solvent (assets are more than the liabilities) while a ratio of less than 1 would be a contra indicator.

As stated in paragraph 1.2 the Government accounts capture only the financial assets and liabilities of the Government. However, the ratio of even the financial assets and liabilities is an important indicator of the financial management in the Government. As can be seen from Exhibit-V, in case of the Rajasthan Government, the ratio has shown the secular decline from 0.87 in 1995-96 to 0.67 in 1999-2000, indicating a consistent deterioration in the financial management. This is an unfavorable trend.

**Transparency****(xii) Budget**

There was no delay in submission of the budget and its approval. The details are given in the following table:

Preparation	Month of submission	Month of approval
Vote on account	March 1999	March 1999
Budget	March 1999	May 1999
Supplementary	March 2000	March 2000

Chapter-II of this Report carries a detailed analysis of the variations in the budget estimates and the actual expenditure as also of the quality of budgetary procedure and control over expenditure. During 1999-2000, the supplementary provision obtained constituted 35 *per cent* (Rs 6598.13 crore) of original provision (Rs 19008.30 crore). It indicates defective/poor budgeting and inadequate control over expenditure, which is also evident from persistent resurreptions (surrenders) of significant amounts every year in many cases and expenditure in excess of the final modified grant in others, as shown below:

- |       |   |                                       |
|-------|---|---------------------------------------|
| (i)   | Amount drawn through NIL payment vouchers                                   | Rs 1248.47 crore (Paragraph 2.2)      |
| (ii)  | Excess over grants/appropriations during 1999-2000 requiring regularisation | Rs 19.21 crore (Paragraph 2.3.1(b))   |
| (iii) | Overall savings   | Rs 2322.74 crore (Paragraph 2.3.2(a)) |
| (iv)  | Unnecessary/Excessive/Inadequate supplementary provisions                   | Rs 353.22 crore (Paragraph 2.3.3)     |
| (v)   | Expenditure without provision   | Rs 13.29 crore (Paragraph 2.3.6)      |
| (vi)  | Anticipated savings not surrendered   | Rs 135.64 crore (Paragraph 2.3.7(a))  |
| (vii) | Surrenders made on the last day of the financial year                       | Rs 2273.37 crore (Paragraph 2.3.7(b)) |

**(xiii) Accounts**

Out of 3804 accounts submitted during 1999-2000 by 279 divisions and 38 treasuries, 989 accounts (public works divisions: 424, forest divisions: 514, treasuries:51) were received late by one to 15 days and 270 accounts (public works divisions:132, forest divisions: 69, treasuries:69) were received late by more than 15 days. 299 accounts (public works divisions:170, forest divisions:63, treasuries:66) were excluded from accounts of concerned months.

**1.11.3 Conclusion**

A consistently negative BCR, rising interest ratio, negligible returns on investments had adversely affected the sustainability of the State finances. Similarly, revenue and fiscal deficits, high amount of guarantees, falling assets to liability ratio have added considerably to the vulnerability of State finances. The Revenue Deficit which had increased to Rs 2996 crore in 1998-99 from



Rs 582 crore in the previous year was pushed up further by Rs 644 crore to reach a level of Rs 3640 crore. The State Government took Ways and Means Advances/Overdraft on 349 days during the year, implying that this facility from RBI was used more or less as a regular means of financing the State Government's expenditure. The closing Cash Balance of Rs 10.66 crore is to be seen in the background of outstandings on account of Ways and Means Advances/Overdraft amounting to Rs 930.40 crore implying a net negative Cash Balance at the end of the year. Meanwhile, the borrowings went up tremendously which had been applied for meeting revenue expenditure and to repay the Ways and Means Advances/Overdraft taken during the year indicating that the State Government had used long term loans to repay short term loans. All this is bound to push up in future the already high interest burden, leaving very little for development expenditure. The huge amount lying blocked in incomplete projects along with mounting outstanding revenues are further areas of concern for the Government.

**Exhibit-V**  
**Financial indicators for Government of Rajasthan**

	1995-96	1996-97	1997-98	1998-99	1999-2000
<b>Sustainability</b>					
BCR (Rs in crore)	(-45)	(-484)	(-452)	(-2543)	(-3015)
Primary Deficit (Rs in crore)	1340	953	655	2908	2536
Interest Ratio	0.10	0.13	0.17	0.20	0.24
Capital expenditure/Capital receipts	0.91	0.70	0.78	0.46	0.28
Total Tax receipts/GSDP*	0.10	0.09	0.09	0.09	0.10
State Tax Receipts/GSDP*	0.07	0.06	0.06	0.06	0.07
Return on Investment (in per cent)	0.37	0.46	0.34	0.32	0.21
<b>Flexibility</b>					
BCR (Rs in crore)	(-45)	(-484)	(-452)	(-2543)	(-3015)
Capital repayments/Capital borrowings	0.14	0.15	0.19	0.13	0.12
State tax receipts/GSDP*	0.07	0.06	0.06	0.06	0.07
Debt/GSDP*	0.34	0.30	0.33	0.37	0.44
<b>Vulnerability</b>					
Revenue Deficit(RD) (Rs in crore)	702	866	582	2996	3640
Fiscal Deficit(FD) (Rs in crore)	2574	2506	2552	5151	5361
Primary Deficit (Rs in crore)	1340	953	655	2908	2536
Primary Deficit/FD	0.52	0.38	0.26	0.56	0.47
RD/FD	0.27	0.35	0.23	0.58	0.68
Outstanding Guarantees/revenue receipts	0.62	0.76	0.86	1.07	1.15
Financial Assets/Liabilities as referred to in Exhibit-I	0.87	0.84	0.83	0.74	0.67

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

2. In the ratio Capital expenditure vs Capital receipts, the denominator has been taken as Miscellaneous Capital Receipts + Internal loans (excluding ways and means advances) + Loans and Advances from Government of India (excluding ways and means advances) + Net receipts from small savings, PF etc., + Repayments received from loans advanced by the State Government – Loans advanced by State Government.

\* Change in figures due to adoption of revised GSDP figures.



## Rural Development Department

### 1.12 Diversion of Central assistance received directly by District Rural Development Agencies to State funds to shore up State cash balances

A study of 8 District Rural Development Agencies\* (DRDAs) (out of 32 ) who received funds from Government of India directly for various Centrally sponsored schemes viz., Desert Development Programme, Employment Assurance Scheme, Member of Parliament Local Area Development Scheme, etc. during 1995-2000 revealed that out of Rs 371.81 crore received as Central assistance, Rs 79.18 crore were diverted temporarily (less than 1 to 44 months) to interest bearing Personal Deposit (PD) account (Rs 45.58 crore) and non-interest bearing PD account (Rs 33.60 crore) to shore up the cash balances of the Government. Besides, DRDAs also could not get additional income by way of interest on the amount kept in non-interest bearing PD account. Amount of interest worked out to Rs 0.57 crore at savings bank rate 4.5 per cent per annum

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\* Barmer, Bharatpur, Bikaner, Hanumangarh, Jhunjhunu, Jodhpur, Sikar and Tonk.

**CHAPTER-II  
APPROPRIATION AUDIT AND CONTROL OVER  
EXPENDITURE**

**APPROPRIATION ACCOUNTS-1999-2000 AT A GLANCE**

**Appropriation Accounts:**

**Total number of grants:** 54 (including 4 appropriations)

**Total provision and actual expenditure**

Provision	Amount (Rupees in crore)	Expenditure	Amount (Rupees in crore)
Original Supplementary	19008.30 6598.13		
<b>Total gross provision</b>	<b>25606.43</b>	<b>Total gross expenditure</b>	<b>23283.69</b>
<i>Deduct- Estimated recoveries in reduction of expenditure</i>	1045.59	<b>Deduct-Actual recoveries in reduction of expenditure</b>	879.96
<b>Total net provision</b>	<b>24560.84</b>	<b>Total net expenditure</b>	<b>22403.73</b>

**Voted and charged provision and expenditure**

	Provision (Rupees in crore)		Expenditure (Rupees in crore)	
	Voted	Charged	Voted	Charged
Revenue	12101.26	2905.78	11173.75	2843.80
Capital	3309.43	7289.96	2132.93	7133.21
<b>Total Gross</b>	<b>15410.69</b>	<b>10195.74</b>	<b>13306.68</b>	<b>9977.01</b>
<i>Deduct-recoveries in reduction of expenditure</i>	1045.59	-	879.96	-
<b>Total: Net</b>	<b>14365.10</b>	<b>10195.74</b>	<b>12426.72</b>	<b>9977.01</b>



## 2.1 Introduction

The Appropriation Accounts are prepared every year indicating the details of amounts on various specified services actually spent by Government *vis-à-vis* those authorised by the Appropriation Act.

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

## 2.2 Summary of Appropriation Accounts

The summarised position of expenditure during 1999-2000 against 54 grants/appropriations was as follows:

(Rupees in crore)

	Nature of expenditure	Original grant/appropriation	Supplementary grant/appropriation	Total	Actual expenditure	Saving(-)/Excess(+)
Voted	I. Revenue	11510.97	590.29	12101.26	11173.75	(-)927.51
	II. Capital	2729.37	217.51	2946.88	1808.88	(-)1138.00
	III. Loans and Advances	338.99	23.56	362.55	324.05	(-)38.50
<b>Total Voted</b>		<b>14579.33</b>	<b>831.36</b>	<b>15410.69</b>	<b>13306.68</b>	<b>(-)2104.01</b>
Charged	IV. Revenue	2702.06	203.72	2905.78	2843.80	(-)61.98
	V. Capital	0.12	0.74	0.86	0.36	(-)0.50
	VI. Public Debt	1726.79	5562.31	7289.10	7132.85	(-)156.25
<b>Total Charged</b>		<b>4428.97</b>	<b>5766.77</b>	<b>10195.74</b>	<b>9977.01</b>	<b>(-)218.73</b>
<b>Grand Total</b>		<b>19008.30</b>	<b>6598.13</b>	<b>25606.43</b>	<b>23283.69*</b>	<b>(-)2322.74</b>

\* Rs 612.65 crore drawn through NIL Payment vouchers were transferred to 8443 - Civil Deposits. Besides, Rs 635.82 crore were also drawn through NIL Payment vouchers and transferred to other Deposit heads like 8448, 8338, etc.

## 2.3 Results of Appropriation Audit

### 2.3.1 (a) Excess over provision relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. However, the excess expenditure amounting to Rs 2089.75 crore for the years 1993-94 to 1998-99 was yet to be regularised.

Year	Number of grants/ appropriation	Grants/ appropriation No(s)	Amount of excess (Rupees in crore)
1993-94	10 Grants	1,15,21,24,26,27,29,35, 46,48	116.55
	6 Appropriations	5,9,16,24,33, 38	0.02
1994-95	11 Grants	8,15,16,19,21,24,26,27, 42, 46,48	121.08
	7 Appropriations	6,12,16,24,38,46, Public Debt	729.86
1995-96	12 Grants	3,8,10,15,17,19,20,21,24, 27,34,46	158.43
	6 Appropriations	5,38,39,46, President/Vice-President, Governor etc., Public Debt	309.61
1996-97	13 Grants	2,4,6,8,10,15,19,21,25, 26,27,43,46	107.58
	9 Appropriations	5,6,14,26,37, 38, Interest payments, President/ Vice-President/ Governor, etc., Public Debt	419.73
1997-98	6 Grants	16,21,27,31, 43,48	63.04
	6 Appropriations	16,25,33,37, 43,46	0.03
1998-99	5 Grants	16, 21, 27 (Revenue and Capital both), 35, 48	63.67
	4 Appropriations	15, 19, 22, 38	0.15

### (b) Excess over grants/appropriations during 1999-2000 requiring regularisation

The excess of Rs 19.15 crore under 3 grants and Rs 0.06 crore under 10 appropriations require regularisation under Article 205 of the Constitution as



detailed below:

(In rupees)

Sl. No.	Number and name of the grant/appropriation	Total grant/appropriation	Actual expenditure	Excess
<b>Revenue-Voted</b>				
1.	34-Relief from Natural Calamities	5006556000	5084916408	78360408
2.	41-Community Development	2171161000	2280373230	109212230
3.	48-Power	4800068000	4804040814	3972814
<b>Revenue-Charged</b>				
1.	9-Forest	2000000	2267306	267306
2.	11-Miscellaneous Social Services	2000	4000	2000
3.	19-Public Works	10000	21439	11439
4.	22-Area Development	18000	18609	609
5.	26-Medical and Public Health and Sanitation	672000	804494	132494
6.	27-Drinking Water Scheme	180000	212092	32092
7.	31-Rehabilitation and Relief	10000	10104	104
8.	34-Relief from Natural Calamities	59000	59540	540
9.	43-Minerals	10000	25182	15182
10.	46-Irrigation	67000	157334	90334

### 2.3.2 Original budget and Supplementary provisions

(a) The overall saving of Rs 2322.74 crore was the result of saving of Rs 2341.95 crore in 50 grants and 34 appropriations (114 cases) offset by excess of Rs 19.21 crore in 3 grants and 10 appropriations (13 cases).

(b) Supplementary provision made during the year constituted 35 per cent of the original provision as against 19 per cent in the previous year.

### 2.3.3 Unnecessary/Excessive/Inadequate supplementary provisions

(a) Supplementary provision of Rs 30.39 crore made in 13 cases during the year proved unnecessary as the expenditure in each case was less than even the original provision, the saving being more than Rs 1 crore in each case as detailed in Appendix-II.

(b) In 18 cases against additional requirement of Rs 5924.48 crore, supplementary grants and appropriations of Rs 6228.16 crore were obtained

resulting in savings in each case exceeding Rs 10 lakh aggregating Rs 303.68 crore. Details of these cases are given in Appendix-III.

(c) In 3 cases, supplementary provision of Rs 335.82 crore proved insufficient by more than Rs 20 lakh each, leaving an aggregate uncovered excess expenditure of Rs 19.15 crore as per details given in Appendix-IV.

#### **2.3.4 Significant savings**

(a) In 47 cases, expenditure fell short by more than Rs 1 crore in each case and also by more than 10 *per cent* of the total provision as indicated in Appendix-V.

(b) In 8 cases there were persistent savings of Rs 10 lakh or more in each case amounting to 20 *per cent* or more of the provision. Details are given in Appendix-VI.

#### **2.3.5 Unrealistic re-appropriation of funds**

Re-appropriation is transfer of funds within a grant from one unit of appropriation where savings are anticipated to another unit where additional funds are needed. Cases where re-appropriation of funds proved unrealistic by over Rs 20 lakh are given in Appendix-VII.

#### **2.3.6 Expenditure without provision**

Expenditure of Rs 13.29 crore was incurred in two cases (Appendix-VIII) without the provision having been made in the original estimates/supplementary demands and no re-appropriation orders were issued. Under grant no. 21 head 3054-80-797 expenditure is incurred without provision since 1997-98 to 1999-2000.

#### **2.3.7 Anticipated saving not surrendered**

(a) Rules require the spending departments to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. In 16 cases, the saving of Rs 1 crore and above in each case not surrendered aggregated Rs 135.64 crore. Details are given in Appendix-IX.

(b) In all the cases involving Rs 2273.37 crore surrenders were made on the last day of the financial year (31 March 2000).

#### **2.3.8 Surrender in excess of actual savings**

In 11 cases the amount surrendered was in excess of actual savings indicating inadequate budgetary control. As against savings of Rs 758.13 crore, the amount surrendered was Rs 818.01 crore, resulting in excess surrender of Rs 59.88 crore (Rs 50 lakh and more in each case). Details are given in Appendix-X.



Under Grant no.34, Rs 11.71 crore (Revenue) were surrendered though the expenditure had actually exceeded the budget provision by Rs 7.84 crore.

### **2.3.9 Trend of recoveries and credits**

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

During 1999-2000, in 10 grants and one appropriation (11 cases) the actual recoveries adjusted in reduction of expenditure (Rs 291.06 crore) exceeded the estimated recoveries (Rs 218.14 crore) by Rs 72.92 crore and in 10 grants (12 cases) the actual recoveries (Rs 588.90 crore) were less than the estimated recoveries (Rs 827.45 crore) by Rs 238.55 crore. Details are given in Appendix-XI.

### **2.3.10 Non-receipt of explanations for savings/excesses**

After the close of each financial year, the detailed appropriation accounts showing the final grants/appropriations, the actual expenditure and the resultant variations are sent to the Controlling Officers, who are required to explain the significant variations under the heads of account.

For the year 1999-2000, explanations for savings/excesses were not received in respect of 213 (34 *per cent*) out of 626 heads of accounts (September 2000).

## **Finance Department**

### **2.4 Audit of Abstract Contingent Bills**

#### **2.4.1 Introduction**

Rule 219 of General Financial and Accounts Rules (GF&AR) empowers the heads of departments/office to draw money as advance on Abstract Contingent (AC) bills as per delegation of financial powers as laid down in the said rule to meet immediate requirement of funds for expenditure which also requires countersign of the Controlling Officer at the time of drawing AC bills or submitting Detailed Contingent (DC) bills. The advance so drawn is to be adjusted through DC bills within one month. The Finance Department may relax the period of one month to any period keeping in view the requirement of a particular case.

A test-check of 4150 AC bills aggregating Rs 273.39 crore drawn during 1986-2000 was conducted in 140 offices of 9 districts<sup>1</sup> during November 1999

1. Ajmer(21), Barmer(13), Bharatpur(17), Bhilwara(9), Bikaner(31), Jodhpur(15), Nagaur(10), Sikar(9), Tonk(15).

to June 2000. Important points noticed are mentioned in the succeeding paragraphs.

#### 2.4.2 Non-submission of DC bills

(a) A test-check of records of offices of various departments viz. Relief, Medical, Election, Police, Revenue, Education, Tourism, etc. revealed that 897 DC bills aggregating Rs 144.07 crore were pending for the period 1986-87 to 1999-2000 in respect of 67 offices. The pendency was due to non-receipt of accounts from the subordinate offices/executing agencies, non-posting of staff, non-receipt of material and non-utilisation of amount.

(b) The age-wise analysis of pending AC bills was as under :

Period	Number of DC bills awaited	Amount (Rs in crore)
More than 5 years old	105	5.77
Less than 5 years but more than 1 year	263	48.95
Up to one year old	529	89.35
<b>Total</b>	<b>897</b>	<b>144.07</b>

The Drawing and Disbursing Officer (DDO)-wise details of outstanding DC bills is enumerated in Appendix-XII.

It was observed that :

(i) 105 DC bills amounting to Rs 5.77 crore were pending for more than five years. Of these, Collector (Relief), Bikaner had 37 bills pending for Rs 5.55 crore pertaining to the period from March 1994 to March 1995.

(ii) Collector (Relief), Sikar had drawn Rs 8.48 crore through 45 AC bills during 1998-2000 but no DC bills had been submitted as of March 2000, although executing agencies submitted accounts for Rs 3.02 crore.

(iii) Collector (Relief), Jodhpur and Bikaner had drawn 37 and 32 AC bills for Rs 28.20 crore and Rs 11.97 crore respectively during 1998-2000 out of which only 8 and 4 DC bills for Rs 63.49 lakh and Rs 1.79 crore had been submitted so far, although accounts for Rs 12.73 crore and Rs 3.24 crore respectively were submitted by executing agencies.

#### (iv) Delayed submission of DC bills

In 94 offices, 1206 DC bills aggregating Rs 58.22 crore were submitted late by 1 to 85 months. The Government replied (September 2000) that the Treasury Officers (TOs) were following the provisions of GF&AR in passing the AC bills. The reply is not tenable as seven<sup>2</sup> TOs accepted that leniency were being followed regarding Relief and Election departments.

2. Ajmer, Barmer, Bharatpur, Bikaner, Nagaur, Sikar and Tonk.



### 2.4.3 Drawal of funds without necessity

(a) As per financial rules, money should be withdrawn from treasury for immediate requirements. It was noticed in audit that Rs 1.66 crore were drawn through 66 AC bills without requirement as entire amount was deposited back into treasury by 22 offices after 1 to 122 months as detailed in Appendix-XIII.

#### (b) Excess drawals

The amount of withdrawal should have been assessed according to requirements and unspent money should have been immediately deposited back into treasury. It was, however, noticed that the funds were drawn excess by 41 offices by Rs 1.30 crore in 81 cases which was deposited back into the treasury after 1 to 86 months as per details shown in Appendix-XIV.

Thus, the DDOs were drawing funds without ascertaining expenditure and were not particular to deposit unspent balances after expiry of occasions.

The Government attributed that the audit observations were beyond the control of TOs. The reply is not tenable as TOs maintained department-wise AC bill register but did not watch the submission of DC bills resulting in unnecessary drawals and unutilised balances remaining with the DDOs for a long time.

### 2.4.4 Drawal of AC bills beyond/ without competency

It was noticed that:

(i) The District Education Officer, Elementary-II, Bikaner drew Rs 1.10 lakh in March 2000 without competency.

(ii) Four District Election Officers<sup>3</sup> drew Rs 3.95 crore through 119 AC bills. Though the District Election Officers were empowered to draw Rs 86.75 lakh, Rs 3.09 crore were drawn in excess beyond their competency. The District Election Officers are empowered to draw Rs 0.25 lakh for petrol, oil and lubricants (POL) and Rs 1.00 lakh for other purposes whereas the withdrawals were made between Rs 0.59 lakh to Rs 18 lakh for POL and Rs 1.75 lakh to Rs 18 lakh each for other purposes.

(iii) Director, Tourism, Jaipur was competent to accord sanction upto Rs 0.50 lakh for each festival while the Director, sanctioned Rs 16.20 lakh (ranging from Rs 0.10 lakh to Rs 0.50 lakh) during 1998-2000 in each 35 cases for 13 festivals in four offices aggregating Rs 9.70 lakh splitting the sanctions with the view to avoid sanction by the Government.

The reply of the Government that after passing by TOs, the bills were returned to the concerned departments, was not acceptable as watching the competency of drawal of AC bills mentioned in GF&AR was the first responsibility of the TOs before passing the bill for payment.

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3. Barmer, Bikaner, Bhilwara and Nagaur.

**2.4.5 Drawal of AC bills in excess of budget provisions**

As per rules 220(4) of GF&AR, the expenditure was to be kept within the budget provisions. However, this was not observed in the following cases:

(i) The Collector, Relief, Bharatpur drew advances amounting to Rs 11.11 lakh through AC bills to provide gratuitous relief to flood, fire and natural calamity sufferers against budget provision of Rs 3.60 lakh during 1998-99 and 1999-2000 as detailed below:

(Rupees in lakh)

Year	Budget provisions	Expenditure	Excess
1998-1999	3.10	5.40	2.30
1999-2000	0.50	9.31	8.81
<b>Total</b>	<b>3.60</b>	<b>14.71</b>	<b>11.11</b>

In February 2000, the Collector, Relief, Bharatpur recorded fictitious budget provision on AC bill as Rs 10 lakh against sanctioned budget of Rs 0.50 lakh to facilitate Treasury Officer to pass the AC bills. On being pointed out (February 2000), the Collector stated (March 2000) that due to urgency of gratuitous relief payments excess advances were drawn with a view that the Government would provide the budget. The reply of the Collector is not tenable as the first demand for additional Rs 10 lakh budget was made in August 1999 when the drawal on this account reached Rs 8.53 lakh.

(ii) The District Election Officer, Sikar drew an advance of Rs 45 lakh in January 2000 meant for meeting the travelling expenses for Panchayat Elections through 45 AC bills against budget provision of Rs 28.84 lakh. The department accepted (April 2000) the facts and stated that the excess withdrawal was deposited in March 2000.

The Government reply that TOs were passing the AC bills after seeing the noted budget provisions is not acceptable as the TOs failed to confirm actual budget provision before passing the bills.

**2.4.6 Drawal of funds through fully vouched contingent (FVC) bills to avoid submission of DC bills**

Nine offices in seven districts drew Rs 92.17 lakh through 284 FVC bill on the basis of sanctions only during 1998-2000 for gratuitous relief payment and travelling/mess allowance purposes for which FVCs are not permissible. AC bills were not drawn with a view to avoid submission of DC bills as shown in Appendix-XV.

The reply of the Government that comments were not required at this point, was not correct as the TOs were passing FVC bills on the basis of sanctions only in place of sub-vouchers and payees' receipt required for passing Contingent bill.



#### **2.4.7 Adjustment of DC bills for relief work through contractors**

As per instructions issued (September 1998) by the State Government execution of relief work through contractors was not permissible. While reviewing the DC bills of 8 Public Works divisions it was noticed that Rs 4.58 crore were paid to the contractors for execution of 224 relief works. This expenditure was irregularly adjusted through DC bills.

#### **2.4.8 Expenditure on petty items irregularly debited to relief through DC bills**

As per the instructions issued (June 1999) by the State Government expenditure on petty items was not adjustable in DC bills of relief works. In 13 divisions of PWD, Irrigation and Forest departments in 4 districts, it was noticed that the expenditure of Rs 27.88 lakh was incurred on petty items including office expenses, purchase of tyre-tube, maintenance and repairs of vehicles during 1998-2000 and was irregularly adjusted in DC bills.

#### **2.4.9 Diversion of relief funds to other schemes**

As per scheme of the Calamity Relief Fund (CRF), money can be withdrawn to recoup the expenditure on items prescribed by the Government of India. In contravention of the constitution of the fund, the State Government in Relief Department issued sanctions (May 1999) to five Collectors<sup>4</sup> to transfer Rs 831.70 lakh from relief fund to District Rural Development Agencies (DRDAs) to meet the expenditure already incurred on labour payment under Employment Assurance Scheme (EAS). The Collectors drew money through AC bills and transferred to Personal Deposit (PD) accounts of concerned DRDAs. Since CRF is an interest bearing fund and money can not be drawn on AC bills out of it for unspecified purposes, the irregularity resulted in loss of interest of Rs 21.48 lakh. An amount of Rs 116.30 lakh still remained unrecovered from DRDA, Nagaur (May 2000). While Collector (Relief), Ajmer, kept the Demand Draft/Cheque received (July 1999) from DRDA, Ajmer for Rs 210.56 lakh pending till October 1999 and then transferred to executing agencies. DC bills (except Collector, Jodhpur) were also not submitted.

#### **2.4.10 Unspent balances**

As per provisions of financial rules, unspent balances of AC bill were required to be paid into Government treasury as soon as possible. It was observed in audit that unspent balance aggregating to Rs 1.31 crore drawn through 17 AC

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4. Ajmer (Rs 210.56 lakh), Jodhpur (Rs 155.16 lakh), Nagaur (Rs 158.57 lakh), Rajsamand (Rs 102.96 lakh), Udaipur (Rs 204.45 lakh).

bills were not deposited by the offices/agencies of the 4 Collectors (Relief) as noted below:

District	Number of offices/agencies	Amount (Rupees in lakh)	Period of delay (In months)
Sikar	7	30.24	3-9
Ajmer	7	94.93	6-21
Bikaner	2	4.30	3-4
Jodhpur	1	1.92	8
<b>Total</b>	<b>17</b>	<b>131.39</b>	

#### 2.4.11 DC bills submitted without vouchers

Every detailed contingent bill should be supported by sub-vouchers along with copy of receipted challan for unspent balance deposited back into treasury. *Vikas Adhikari, Panchayat Samiti, Newai (Tonk)* drew AC bill in March 1981 for Rs 3.50 lakh and Rs 1.70 lakh in March 1982 for relief works. DC bill for Rs 0.35 lakh submitted previously was not made available to audit and the remaining amount Rs 4.85 lakh advanced to various *Gram Panchayats* (Rs 3.33 lakh), Executive Engineer, Public Health Engineering Department, Tonk (Rs 0.17 lakh) and unspent balance of Rs 1.35 lakh shown deposited through two demand drafts of the Central Cooperative Bank, Newai. While submitting the DC bill in December 1998, the *Vikas Adhikari*, listed the names of *Gram Panchayats*, offices to whom advances were given and description of demand draft deposited into treasury in place of vouchers/challans, and the amount of Rs 4.85 lakh was irregularly adjusted.

#### 2.4.12 Drawal of AC bill to create cash fund for future expenses

Rule 8(2) of the GF&AR provides that the money can be drawn from the treasury if required for immediate payment/expenditure.

In the course of test-check of AC bills, it was noticed that 6 offices (in three districts) drew Rs 96.09 lakh through 13 AC bills between March 1997 to March 2000. Of this, Rs 75.36 lakh were spent and the balance of Rs 20.73 lakh was still lying unspent with the concerned offices as detailed in Appendix-XVI. In Bikaner, Collector (Land Revenue), drew Rs 7.00 lakh in March 1997, Rs 8.00 lakh in March 1998 and Rs 2.00 lakh in March 2000 for computerisation of land records under Centrally sponsored scheme. As the money was not required for immediate payments, Rs 16.50 lakh were kept in fixed deposit in bank for 45 days which was periodically renewed. During December 1999 to March 2000, Rs 9.03 lakh were spent and balance of Rs 7.97 lakh was still lying in fixed deposits.



## CHAPTER-III CIVIL DEPARTMENTS

### SECTION-'A' : REVIEWS

#### Environment Department

#### 3.1 Audit of Environmental Acts and Rules relating to Water Pollution

##### *Highlights*

*The implementation of the Environmental Acts and Rules relating to water pollution has been entrusted to the Rajasthan State Pollution Control Board (Board) constituted in 1975. The Board has neither prepared any comprehensive programme nor prescribed any procedure for conducting periodical survey to identify the polluting units. A large number of highly polluting units were running in the State without consent of the Board. Many textile dyeing and printing industries were polluting the wholesomeness of water in rivers, lakes and wells. Works of sewage treatment and solid waste management were not taken up. During 1994-2000, the Board underutilised 53 to 76 per cent of available funds, thus resulting in cumulative unspent balance of Rs 10.50 crore as of March 2000. The position of assessment and collection of water cess, a main source of revenue to augment programmes related to the prevention of water pollution, was not satisfactory. Significant points noticed during review were as under:*

**The Board could not get its annual accounts audited from their auditor right from 1995-96. Consequently, State Legislature was not apprised of position of accounts and audit reports thereon.**

*(Paragraph 3.1.4)*

**The Board neither prepared any comprehensive programme nor prescribed any procedure for conducting periodical survey to identify the polluting units.**

*(Paragraph 3.1.5(a))*

**Of the 1670 highly polluting units (red category) identified by the Board, 1317 units were running without consent.**

*(Paragraph 3.1.5(b)(i))*

**The Board was silent about the action taken to improve the quality of water as per Central Pollution Control Board prescribed standard, which was found deficient in Monitoring of Indian National Aquatic Resources**

Series report in respect of seven places (4 lakes and 3 wells) and for increase of Chemical Oxygen Demand in Chambal river in the State of Rajasthan.

*(Paragraph 3.1.9(a) and (c))*

151 textile industries of dyeing and printing at Pali besides running without consent were polluting the wholesomeness of water through discharge of their untreated waste water into various *nallahs* joining river Bandi. The Board neither took any tangible action nor assessed and recovered water cess from these industries.

*(Paragraph 3.1.10(a))*

459 textile dyeing and printing and paper units at Sanganer were releasing 39.52 lakh litres of effluent waste per day on open land and in municipal drains without treatment, thereby likely to cause deterioration in ground water quality.

*(Paragraph 3.1.10(b))*

Problem of water pollution in villages along river Ghaggar could not be arrested as the contaminated and polluted water from Punjab and Haryana was not controlled.

*(Paragraph 3.1.10(c))*

Choking of under-ground drains at Bharatpur and falling of sullage water in Sujan Ganga canal converted the canal into a large septic tank and affected the environmental condition of the city. The Board neither took any punitive and remedial measures nor prepared preliminary feasibility report as per guidelines of National River Conservation Project.

*(Paragraph 3.1.10 (e))*

Water cess to the extent of Rs 149.71 lakh was reimbursed short by GOI. Instead of utilising the amount of Rs 923.56 lakh of water cess towards water pollution control programme, the Board deposited Rs 541.08 lakh in Personal Deposit account and Rs 251.34 lakh in the Bank of Baroda; details of balance amount of Rs 131.14 lakh were not intimated.

*(Paragraph 3.1.14)*

Of the amount of Rs 11.88 crore of water cess assessed, Rs 6.00 crore were still to be recovered from Public Health Engineering Department. This also resulted in non-levy of interest of Rs 8.87 crore for delayed assessments and non-recovery of interest of Rs 8.79 crore on arrear of cess.

*(Paragraph 3.1.14 (iii))*



### **3.1.1 Introduction**

Pollution is mainly of three types viz. water pollution, atmospheric pollution and soil pollution. Water is polluted by four kinds of substances viz. traditional organic waste, waste generated from industrial process, chemical agents for fertilisers and pesticides for crop protection and silt from the degraded catchments. Atmospheric pollution is caused by emissions and smoke from vehicles and factories and noise from pressure horns and industries. Soil is polluted by hazardous chemical wastes which are not so visible but are toxic in nature. In fact, the contributing factors to pollution are so closely related to each other that they cause not only one type of pollution but result in a chain reaction and it becomes difficult to attribute a single factor to a specific type of pollution.

While it is estimated that three fourths by volume of the waste water generated is from municipal sources, industrial wastes, though small in volume, contributes over one half of the total pollutant load and the major portion of this is coming from large and medium industries.

Rajasthan State Pollution Control Board (Board) was constituted by the State Government in February 1975. The Board had identified 344 units as of May 2000 under the Hazardous Wastes (Management and Handling) Rules, 1989 but had not undertaken an inventory of hazardous waste generated in the State. The Board had also not assessed the quantity of solid waste-industrial or municipal. Out of 344 industries, 95 industries (28 per cent) were located in Alwar district alone. Board was also entrusted with the responsibilities of prevention, control and abatement of air pollution.

"Water (Prevention and Control of Pollution) Act and Rules" were enacted in 1974 and 1975 respectively, by the Government of India (GOI) with the objectives of prevention and control of water pollution and maintaining or restoring the wholesomeness of water. 'The Water Cess Act, 1977' and the 'Water Cess Rules, 1978' were made for augmenting the resources of the Central Board and State Boards. The present review is limited to water pollution only.

### **3.1.2 Organisational set up**

Principal Secretary to the Government of Rajasthan (Department of Environment) is responsible for policy regarding environmental protection, issuing clearance from environmental angle and overall monitoring of the authorities like Board, who are entrusted with the implementation of the various Acts and Rules of the environmental protection including water. The Board had a full time Chairman and a Member Secretary, five members representing the State Government, five members nominated from the members of local bodies, three non-official members to represent interest of industry, trade, etc., and two members representing corporations and boards. The Chairman is assisted by a full time Member Secretary and ten Regional Officers. There is one central laboratory at Jaipur and four regional laboratories at Alwar, Kota, Jodhpur and Udaipur.

### 3.1.3 Audit coverage

A review on enforcement of Environmental Acts and Rules relating to water pollution was conducted during January 2000 to July 2000 for the period from 1994-95 to 1999-2000 covering the offices of the Board at Jaipur and its five (out of ten) regional offices<sup>1</sup>. Records were also seen in the offices of the Forest, Environment, Urban Development and Housing, Public Health Engineering Department, Irrigation Department and Director, Local Bodies. The findings are discussed in the succeeding paragraphs.

### 3.1.4 Financial arrangements and expenditure

The Board derived its income mainly from share of water cess, sale proceeds of application forms, consent fee and sample testing fee, etc. It also received grant-in-aid from the Central and State Governments and other agencies. Year-wise details of receipts and expenditure of the Board from 1994-95 to 1999-2000 are given in Appendix -XVII. It may be seen therefrom that the Board had been underutilising the available funds and the shortfall in utilisation ranged between 53 and 76 per cent. As a result, the Board had cumulative unspent balance of Rs 10.50 crore at the end of March 2000.

Under-utilisation of funds resulted in accumulation of unspent balance to Rs 10.50 crore.

State Legislature could not be apprised of position of accounts and audit reports thereon for the years 1995-96 to 1998-99.

Scrutiny of audited accounts/provisional accounts for the period 1994-95 to 1998-99 revealed that the accounts were not maintained in the *pro-forma* as prescribed under Rule 23 of State Water Rules, 1975 and were not signed by the competent authority. The auditor (Chartered Accountant) adversely commented on the accounts of the years 1993-94 and 1994-95 and stated that they could not comment on true and fair picture of the accounts of the Board. The accounts for the years 1995-96 to 1998-99 also remain unaudited by them. Consequently, the State Legislature could not be apprised of position of accounts and audit reports thereon as required under Section 40 of the Water Act.

### 3.1.5 Planning of Comprehensive Programme

(a) In order to plan a comprehensive programme for prevention and control of water pollution and for enforcing the provisions of the Water Act, the Board may conduct periodical surveys to have a compiled updated list of industries and local bodies identified as polluting units on account of discharge of trade effluents and sewage. The Board had neither prepared any comprehensive programme nor laid down any procedure for conducting periodical survey for applying preventive and controlling measures on industries and other pollutants in the State.

(b) Consent of the Board under Section 25 of Water Act is necessary for every industrial unit to discharge sewage or effluent into streams, wells, sewer or on land. The consent would be deemed to have been given unconditionally on the expiry of a period of four months from the date of application unless refused earlier.

1. Bhiwadi, Jaipur (South), Kota, Pali and Udaipur.



For the purpose of granting consent to existing and new industries, industrial units were divided into the categories of Red (highly polluting and/or hazardous nature), Orange (comparatively less polluting) or Others (least polluting). The consent to operate would normally be granted for red, orange and other category up to the period of 3,5 and 15 years respectively.

The Board had identified 1670 units under red category for water pollution as of March/April 2000. Consent cases in respect of the other two categories were dealt with by the regional offices which were also identified on the basis of inspection and visits.

Following points were noticed in audit:

**1317 units of Red and 1326 units of Orange and other categories were running without consent.**

(i) The consent given by the Board in respect of highly polluting units (Red Category) was 353 (against 1670 units identified) which shows that majority of the units *i.e.* 1317 are running without consent. In case of orange and other categories of units, consent was given to 1332 out of 3054 units identified as of March 2000 in the five regional offices\*. Thus, 1326 units were running without consent (396 units were stated closed). The Board except issuing notices had not taken any concrete punitive action available to them under the Act to bring these units under consent mechanism. Moreover, consent register indicating particulars of the conditions imposed while granting consent, as required under Section 25(6) of the Water Act, was also not maintained in the cases where consent was given.

(ii) The Board identified (July 1998) 267 marble cutting units which were running without valid consent. Of these, only 172 units had installed pollution control measures and 87 units had partial pollution control measures. As there was no disposal site with these units, these were causing water pollution through discharge of slurry. The Board except issuing notices, had not taken any punitive action against such polluting units.

**267 marble cutting units, 397 hotels and 242 hospitals were running without consent.**

(iii) As per the information furnished by nine out of ten regional offices, only 68 out of 465 hotels were brought under consent. The Board had not taken any concrete punitive action available to them under the Act against these hotels to check pollution of water through discharge of untreated sewage and effluent waste. The information pertaining to the Regional Office, Jodhpur was not made available to audit (July 2000).

(iv) Similarly, the Board granted consent to only 33 out of 275 hospitals identified in seven regions (60 Red Category, 215 Orange Category) during 1996 to 1999. No punitive action was, however, found taken against the defaulting hospitals.

(v) Examination of 10 Red category files mentioned in the Appendix-XVIII revealed that these units were running without consent for the period ranging between 8 months and 26 years.

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\* Alwar, Bhiwadi, Kota, Pali and Udaipur.

### **3.1.6 Non-performance of functions under the Water Act**

An examination of annual reports for the years 1994-95 to 1998-99 and of information given by the Board revealed that following functions as required under the Water Act were not performed by the Board:

(i) To plan a comprehensive programme for the prevention, control or abatement of pollution of streams and wells in the State and to secure the execution thereof {Section 17(1)(a)}.

(ii) To advise the State Government on any matter concerning the prevention, control or abatement of water pollution {Section 17(1)(b)}.

(iii) To lay down, modify or annul effluent standards for the sewage or trade effluent and for the quality of receiving waters (not being water in an inter State stream) resulting from discharge of effluents and to classify waters of the State {Section 17(1)(g)}.

(iv) To evolve economical and reliable methods of treatment of sewage and trade effluents, having regard to the peculiar conditions of soils, climate and water resources of different regions and more especially the prevailing flow characteristics of water in streams and wells which render it impossible to attain even the minimum degree of dilution {Section 17(1)(h)}.

(v) To evolve methods of utilisation of sewage and suitable trade effluents in agriculture {Section 17(1)(i)}.

(vi) To evolve efficient methods of disposal of sewage and trade effluents on land, as are necessary on account of the predominant conditions of scant stream flows that do not provide for major part of the year the minimum degree of dilution {Section 17(1)(j)}.

To advise the State Government with respect to the location of any industry the carrying on of which is likely to pollute a stream or well {Section 17(1)(n)}.

Although a period of more than 25 years had elapsed since the establishment (February 1975) of the Board, the functions enumerated above had not been carried out by it despite having adequate funds.

### **3.1.7 Man Power Evaluation**

Year-wise position of sanctioned and working strength of total staff during



1994-2000 was as under:

Year	Sanctioned strength			Working strength			Vacant posts			Percentage of vacancies	
	T	NT	Total	T	NT	Total	T	NT	Total	T	NT
1994-95	137	123	260	80	105	185	57	18	75	42	15
1995-96	133	127	260	94	115	209	39	12	51	29	9
1996-97	133	127	260	103	116	219	30	11	41	23	9
1997-98	133	127	260	103	116	219	30	11	41	23	9
1998-99	109	117	226	96	111	207	13	6	19	12	5
1999-2000	107	115	222	94	110	204	13	5	18	12	4

T=Technical, NT =Non-Technical

In spite of abolition of 30 technical posts (4 in 1995-96, 24 in 1998-99 and 2 in 1999-2000), 13 technical posts still remained vacant since April 1998. Further, 5 technical personnel (1 Environmental Engineer and 4 Assistant Environmental Engineers) were on deputation to the State Government departments, thereby adversely affecting the Board's functioning. The Board had not intimated about the norms, if any, fixed for staffing pattern of technical/non-technical posts with reference to work load to examine the justification of various posts created/abolished.

### 3.1.8 Environmental audit by industrial units

Under Rule 14 of the Environment (Protection) Rules, 1986, every person carrying on an industry, operation or process requiring consent under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 shall submit an environmental statement for the financial year ending on 31 March in form V to the concerned State Pollution Control Board on or before the 30 September every year beginning 1993. But it was noticed that the Board had not maintained any record of submission of environmental statements by the units.

The Board stated (June 2000) that environmental statements were by and large being submitted by the major units and in absence of computerisation, record could not be maintained properly. Consequently, impact of effluent discharged by the units on the environment could not be assessed.

### 3.1.9 Assessment of Water Quality

Under Section 17(1)(a) of the Water Act, one of the functions of the Board is to plan a comprehensive programme for the prevention, control or abatement of pollution of streams and wells in the State and to secure the execution thereof.

Standard value as prescribed by Central Pollution Control Board (CPCB) for class 'B' (outdoor bathing) and 'C' (drinking water with conventional treatment followed by disinfections) water was as given in Appendix-XIX. Test-check revealed as under:

(a) A comparison of test results of water, reported in CPCB publication "Monitoring of Indian National Aquatic Resources Series" (MINARS) with the water quality standard prescribed by CPCB of different places on the basis

of 'pH', Dissolved Oxygen (DO) and Total Dissolved Solids (TDS) with reference to class 'C' and Biochemical Oxygen Demand (BOD) with reference to class 'B' of water for the years 1996 to 2000 revealed that in a number of places like Pushkar lake, Ajmer, Pichhola lake, Fateh Sagar lake, and Udai Sagar lake, Udaipur and the wells of Loomji Chaudhary, Bhopal Singh and Mangoo Singh (details vide Appendix-XIX) quality of water was below standards.

**The Board was silent about the action taken to improve the quality of deficient water.**

Action taken to improve the quality of water as per standard prescribed by the CPCB though called for (July 2000) from the Board had not been furnished.

(b) The water quality analysed by Public Health Engineering Department (PHED) in July 1999 showed deficiency in water quality in large number of places (details vide Appendix-XIX).

**(c) *Inter State River Quality of Water***

Quality of the water of two inter state rivers (Chambal and Mahi) flowing through Rajasthan on the basis of average results of MINARS test in respect to parameter of pH, DO, BOD, COD (Chemical Oxygen Demand), TDS and TC (Total Coliforms) is indicated in Appendix -XX. It would be seen therefrom that the average value of COD in Chambal river was on increase during the years of 1996 and 1997 in the State of Rajasthan. Remedial measures taken, if any, to check increase in COD of Chambal River had not been furnished.

**3.1.10 *Discharge of untreated waste into river bodies/nallah***

The Board made no comprehensive programme for pollution control or abatement of pollution in river bodies, streams, land, etc., caused by discharge of untreated sewage effluents from industries or *nallah* of waste water as discussed below:

**(a) *Water pollution in Bandi river***

A test-check of records revealed that 151 textile industries involved in dyeing and printing established at Pali during 1971 to 1994, besides operating without consent of the Board, were also discharging untreated waste water into various *nallahs* joining Bandi river and thereby polluting the river water. 3875 kilolitre of untreated waste water was being discharged per day into the river by 91 out of above 151 industries. But the Board neither took any tangible action nor assessed and recovered water cess from these 151 industries.

**(b) *Water Pollution in and around Sanganer***

As per survey conducted by the Board in 1991, about 240 textile dyeing and printing units were in operation in and around Sanganer. In compliance of the Hon'ble High Court direction, the Board issued (October 1997) orders to disconnect electricity and water connections of 67 industries only, which were not implemented (May 2000).

**151 textile industries running without consent were polluting wholesomeness of water.**



459 textile units at Sanganer were releasing 39.52 lakh litres waste water per day on open land and in drains.

About 459 textile dyeing and printing and paper units were in operation in the city during 1997-98. Total water consumed by these units was 46.5 lakh litres per day. 39.52 lakh litres of effluent (after 15 per cent evaporation) per day was being discharged by these units on open land and in municipal drains without any treatment. Impact of release of industrial waste without pre-disposal treatment was likely to cause deterioration in ground water quality.

Central Ground Water Board, Jaipur assessed (April 1999) the quantity of fluoride as 7.7, 3.7, 1.9, 1.8 and 1.6 PPM at Sitapura Industrial Area, Rampura canal, Ram Chanderpura canal, Shukhya canal and Koomro ki talayi, respectively. The maximum permissible limit of fluoride in drinking water is recommended to be 1.5 mg/l by World Health Organisation. But the Board failed to initiate the required preventive and remedial measures to improve the situation.

The Board while admitting the above facts stated (June 2000) that efforts were being made to control the pollution caused by units through waste minimisation technique as well as by persuading the industries to set up common effluent treatment plant at Sanganer.

**(c) Contamination and Pollution of water in river Ghaggar**

Contaminated and polluted water from Punjab and Haryana were causing water pollution in the villages along river Ghaggar.

The out break of Jaundice (disease) in some villages of Hanumangrh and Sriganganagar districts in February 1995 caused great concern to the State Government. There were 551 cases of Jaundice in 96 villages (March 1996). The occurrence of water borne diseases was also noticed in large scale in the adjoining areas.

A committee constituted for the purpose reported (February 1996) that prevalence of disease was due to contaminated and polluted water coming in South Ghaggar Canal from Haryana and Punjab.

The CPCB under Section 18(1)(b) of Water Act issued directions to both the Pollution Control Boards of Haryana and Punjab on 12 March 1996 and directed among other things to ensure that the water of Ghaggar was not contaminated and polluted. Further outcome was not known and the problem continues to exist as in the past.

**(d) Pollution of river Chambal between Kota and Keshoraipatan**

Works required to control the pollution of river Chambal not taken up.

Untreated waste water from Kota city is polluting Chambal river and reducing its utility value for downstream users. A Preliminary Feasibility Report for environmental improvement of river Chambal at Kota under National River Action Plan submitted (April 1994) by the Board was cleared for Rs 13.13 crore (Kota) and Rs 0.8 crore (Keshoraipatan) in July 1995 by the National River Conservation Directorate (NRCD), GOI.

Detailed Project Reports only of low cost sanitation and *ghat* development at Keshoraipatan were approved in September 1999 and November 1999 respectively by NRCD. Detailed Project Reports of other works (interception, diversion, sewage treatment and solid waste management) had not so far been

approved; whereas works for control of pollution of river Chambal were to be completed within 5 years of approval of Preliminary Feasibility Report. But none of the work has so far been started (February 2000) due to lack of co-ordination among different organisations (National Environment Engineering Research Institute, NRCED, PHED, Municipal Corporation and State Environment Department).

Thus, the problem of water pollution of river Chambal had remained unresolved.

**(e) Water Pollution in Sujan Ganga canal**

**The Board failed to solve the problem of water contamination of Sujan Ganga Canal.**

The Sujan Ganga Canal which flows through Bharatpur City was gradually converted into a large septic tank after 1970 due to the choking of underground drains in the town and the flow of dirty water and sullage into it, thereby affecting environmental condition of the city. Although the survey was conducted in April 1997 by Regional Officer, Alwar of the Board and Preliminary Feasibility Report also received (January 1998) from Collector, Bharatpur for Rs 711.00 lakh, yet the Board had not taken any punitive action *i.e.* initiating criminal prosecution under the Water Act and Water Rules. Consequently, major problem which existed for last 30 years, remained unsolved. The Board stated (April 2000) that the Collector, Bharatpur had been reminded to prepare another Preliminary Feasibility Report based on the guidelines of National River Conservation Project. The reply was not tenable as instead of making reference to the Collector, the Board itself should have prepared Preliminary Feasibility Report as planning of a comprehensive programme for the prevention of pollution of a stream/well was the primary function of the Board, as enjoined in Section 17 (1)(a) of the Water Act.

**(f) Water Pollution of lakes at Udaipur**

The pollution of water in the lakes of Udaipur City had been increasing due to discharge of untreated sewage by municipal council, hotels and paying guest houses, PHED filter plants and also residential colonies situated around the lakes.

Hon'ble High Court issued (May 2000) direction to the Government/ Board for taking preventive measures. The Board had not so far filed criminal complaints under the provision of Sections 43 and 44 of the Water Act, 1974 against any person/unit discharging or permitting discharge of sewage effluent directly or indirectly in the lakes of Udaipur City.

**3.1.11 Conservation of Wet Land**

Government of India had designated two tracts (Keoladeo Ghana and Sambhar Lake) in Rajasthan as wet lands under the Ramsar (in Iran) Convention on wet lands of international importance, especially as water fowl habitats.



No concrete action was taken to protect Sambhar Lake from possible erosion and silting up.

An examination of relevant records showed that possible threats to the Sambhar Lake were from extraction of clay from the bed of main lake, construction of anicuts, check dams in the catchment area of the lake affecting inflow of the water into the lake, allotment of new salt leases in the main lake area resulting in excessive drawal of lake water for salt production and draining out of water in the summer.

For the development and conservation of this wet land, sufficient flow of water into the lake was essential to protect it from erosion, otherwise it may lead to inclusion of this lake into Monstreux record and invite adverse international attention.

The Deputy Conservator of Forest of Environment Department intimated (July 2000) that action regarding development and conservation of wet lands was to be taken by the Forest Department. Information about the formulation and notification of the rules for protection and conservation of the wet lands as Ramsar sites and also of framing and implementing any conservation plan in this regard, though called for from Forest Department (July 2000) had not been furnished.

Thus, no concrete action had been taken for the protection of Sambhar Lake from possible erosion and silting up.

### 3.1.12 Pollution caused by municipal waste

Out of 183 municipal bodies none, except Jaipur, had installed a sewage treatment plant as of May 2000. Thus, major quantum of pollution caused by municipal waste had gone untreated and the Board failed to take action against municipal bodies under the provisions of the Water Act, 1974 and the Water Rules, 1975.

### 3.1.13 Implementation of Laws

The Board is required to prosecute an industry failing to comply with directions issued under various provisions of the Water Act and Rules.

The position of court cases during 1994-95 to 1999-2000 was as under:

	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Opening balance	192	185	170	155	142	86
Addition	8	4	2	2	-	-
Decided in favour	-	17	15	14	16	25
Decided against	15	2	2	1	40	3
Closing balance	185	170	155	142	86	58

Board lost 63 cases in various courts.

The Board prosecuted only 16 units during 1994-98 and there was no prosecution during 1998-2000. The Board lost 63 cases. The Board attributed reasons for loss of the cases to the samples being not in accordance with the provisions of Section 21 of Water Act; non-proving the fact that the waste was going to river Bandi; not giving the retrospective effect on the appointment of Analyst; non-proving the provisions related to searches and seizures as provided under Cr.P.C.; non-production of independent witness of inspection before the court; non-preparation of search memos by the inspecting authority

and non-giving the copy of inspection report to the accused. The fact remains that the Board had not taken adequate measures for any prosecution cases in 1998-2000 such as issuing a notification under Sub Section 1 of Section 52 of the Water Act, close monitoring of cases, observing the complete procedure before initiating the case, etc.

Under Section 19 (2) of the Water Act, each water pollution, prevention and control area may be declared either by reference to a map or by reference to the line of any watershed or the boundary of any district or partly by one method and partly by another. The Board informed (July 2000) that highly water polluting areas had been identified, but other areas (medium/normal/free from water pollution) were not classified/identified. Moreover, such identification was not supported with reference to a map/line of watershed/boundary of any district as required under the Act.

Under Section 21(2) of the Water Act, the results of any analysis of a sample of any sewage or trade effluent taken under Sub Section (1) shall not be admissible in evidence in any legal proceeding unless the provision of Sub Sections (3), (4) and (5) are complied with. Under Sub Section (3)(d) and 3 (e) one sample container was to be sent to the laboratory established or recognized by the State Board under Section 17; and also on the request of the occupier, second container was to be sent to the laboratory established or specified under Sub Section (1) of Section 52.

But no notification was, however, available on record for the laboratory established or recognised by the State Board under Section 17 or Sub-Section (1) of Section 52. Similarly, notifications for appointment of Government Analyst and Board Analyst were also not found to be issued as required under Section 53 of the Act.

### 3.1.14 Water Cess

Under the provision of Cess Act, water cess was required to be levied on local bodies, industrial units, etc. based on water consumed by them. The cess collected by the Board was to be remitted to the GOI. 75 per cent (revised to 80 per cent from 1 April 1998) of the cess so collected and remitted is reimbursed by the GOI to the Board.

The details of water cess collected by the Board, amount remitted to GOI and the amount received by the Board from GOI were as under:

Year	Amount collected	Amount remitted to GOI	Amount to be released to the Board as per formula	(Rupees in lakh)	
				Actual receipt from the GOI	Excess (+)/less (-)
1989-94					(-)14.01
1994-95	162.21	145.76	109.32	113.82	(+)4.50
1995-96	131.63	134.17	100.63	91.58	(-)9.05
1996-97	170.70	180.27	135.20	133.11	(-)2.09
1997-98	188.81	191.32	143.49	122.16	(-)21.33
1998-99	413.83	376.48	301.18	384.89	(+)83.71
1999-2000	308.27	336.80	269.44	78.00	(-)191.44
<b>Total</b>	<b>1375.45</b>	<b>1364.80</b>	<b>1059.26</b>	<b>923.56</b>	<b>(-)149.71</b>



**Less reimbursement of water cess of Rs 1.50 crore from GOI.**

The reasons for less reimbursement of Rs 149.71 lakh from GOI to the Board were neither on record nor furnished. The important points noticed are given in following paragraphs:

**Instead of utilising Cess amount, the Board deposited Rs 7.92 crore in PD Account and Bank.**

(i) Instead of utilising the cess amount of Rs 923.56 lakh received from GOI during the years from 1994-95 to 1999-2000, the Board deposited Rs 541.08 lakh in interest bearing Personal Deposit Account in government treasury and Rs 251.34 lakh were lying as balance in Bank of Baroda as on 31 March 2000. However, in absence of details it could not be ascertained as to whether the entire balance amount pertained to water cess and to which period. Details of remaining amount of Rs 131.14 lakh were also not furnished by the Board. Fact, however, was that the Board was not using the funds for the pollution control measures.

(ii) The details of total outstanding cess amount as on 31 March 2000 were not made available to audit. Thus, year-wise position of total outstanding cess and efforts taken by the Board to recover these could not be ascertained. However, during audit it was observed that large units such as Kota Thermal Power Station (Rs 10.00 crore), PHED (Rs 6.00 crore), Anta Gas Power Station (Rs 0.4 crore) and Heavy Water Plant, Kota (Rs 0.45 crore) had not made the payment of cess.

(iii) The PHED is a major water supply agency in the State but had not been furnishing the prescribed returns of water consumed. Till 12 July 1992 the Board also did not assess the amount of cess payable by PHED. From July 1992, it started issuing assessment orders and out of total assessment amount of Rs 11.88 crore (for the period April 1978 to March 1998), PHED paid only a sum of Rs 5.88 crore on three occasions (Rs 2.88 crore on 31 March 1998, Rs 1.50 crore on 31 March 1999 and Rs 1.50 crore on 31 March 2000), leaving outstanding balance of Rs 6.00 crore.

**Board suffered loss of interest of Rs 17.66 crore.**

As a result of delayed assessment, the Board suffered an irrecoverable loss of interest to the tune of Rs 8.87 crore on cess amount recoverable for which no responsibility was fixed. Further, interest of Rs 8.79 crore due on arrear of cess was also not recovered from PHED.

- (iv) The Board had also not assessed water cess on the water consumed by:
- (a) nine out of ten Hydel Power Projects,
  - (b) unauthorised industries of Pali and Sanganer (Jaipur),
  - (c) colonies of Rajasthan Atomic Power Project, Rawatbhata, and
  - (d) RIICO for supply of water in industrial areas of Rajasthan.

In reply, the Board stated (July 2000) that the matter of exemption of cess for hydel projects was being taken up by State Government with GOI. As regards other cases, final reply had not been received (July 2000).

(v) According to Section 12 of the Cess Act, any amount due under the Act (including any interest or penalty payable under Section 10 or Section 11 as the case may be) from any person carrying on any specified industry or from any local authority was to be recovered in the same manner as an arrear

of land revenue. But no action to recover the outstanding amount of water cess as arrear of land revenue was taken by the Board.

(vi) As per the provisions of the Cess Act, interest at 2 *per cent* per month was leviable on outstanding amount. During test-check of records it was observed that the Board had neither worked out the amount of interest nor raised any demand to defaulter assessee.

(vii) Rs 2.88 crore, Rs 1.50 crore and Rs 1.50 crore were deposited by PHED in non-interest bearing PD account of the Board in March 1998, March 1999 and March 2000 respectively. Board remitted the amount of Rs 2.88 crore and Rs 1.50 crore in June 1998 and February 2000 respectively but balance amount of Rs 1.50 crore had not yet (June 2000) been remitted to GOI and had been retained by the Board in contravention of Section 8 of the Cess Act, 1977 and Rule 5(1) of the Cess Rules, 1978.

(viii) The position of the cess accounts of the Board was not satisfactory. The Board, therefore, decided that it would be proper and in the interest of its revenue realisation to carry out a detailed verification of the outstanding dues from April 1989 in respect of at least the major assessees (about 120) under the Cess Act. This work was entrusted to a firm of Chartered Accountants in January 2000 by the Board. Further outcome had not been intimated (October 2000).

### **3.1.15 Other topics**

(i) According to Section 8 of Water Act, the Board was to meet at least once in three months. However, only 11 meetings of the Board (three in 1995-1996, two in 1996-1997, two in 1997-98, one in 1998-99 and three in 1999-2000) were held against requirement of 20 meetings during the years 1995-96 to 1999-2000. The Board did not intimate reasons for non-compliance of the Act.

Further, the Board was constituted in February 1975 but no internal/external evaluation to judge the impact of its programmes was arranged by the Board. The State Government/CPCB also did not conduct any evaluation of the activities of the Board (July 2000).

(ii) According to the provisions of Section 39 (2) of the Water Act, the Board was required to submit annual report in respect of year last ended giving a true and full account of the activities to the State Government in the *pro forma* prescribed under Rule 22 of the State Water Rules by succeeding September each year. This report was to be laid before the State Legislature by the State Government within a period of nine months from the last date of the previous financial year.

The Annual Reports for the years 1995-96 and 1996-97 were not placed before the State Legislature by the Government.



### **3.1.16 Conclusion**

Environment Department had a limited role in implementing schemes relating to control of water pollution. The State Pollution Control Board (Board) was required to conduct periodical surveys to have a compiled updated list of industries and local bodies identified as polluting units on account of discharge of trade effluents and sewage. However, the Board had neither prepared any comprehensive programme nor laid down any procedure for conducting periodical surveys for applying preventive and controlling measures on industries and other pollutants in the State. The Board did not take any punitive action against 1317 units identified as highly polluting units (Red category) which were running without consent of the Board. Thus, the functioning of the Board was ineffective in the State. While 13 technical posts remained vacant since April 1998, 5 technical posts were on deputation to the State Government departments thereby affecting the Board's functioning.

These points were referred to Government in September 2000; reply had not been received (October 2000).

## Medical and Health Department

### 3.2 Family Welfare Programme

#### *Highlights*

*The demographic goals were laid down in National Health Policy, 1983 regarding Crude Birth Rate, Infant Mortality Rate, Couple Protection Rate, Crude Death Rate and Annual Natural Growth Rate but the State failed in achieving these demographic goals (except Crude Death Rate) as well as targets/expected levels of achievements. There was shortage of 76 Community Health Centres. Under All India Hospitals Post-Partum Programme expenditure was incurred 22 to 106 per cent more than amounts released by Government of India (GOI) in various years. Out of grants received from GOI under Reproductive and Child Health Programme, most of the funds were kept in personal deposit (PD) account or retained by the State Government. Under Phase I and II of Social Safety Net (SSN) scheme, building work was to be completed up to 1994-95 but a large number of buildings were not completed/handed over by the Public Works Department. Further, grants of Rs 17.10 crore received under Phase III and IV of SSN scheme during 1994-96 remained unutilised and were lying in PD account. Significant points noticed were as follows:*

**Targets/expected level of achievements (ELAs) of 'Sterilisation' and 'Intra Uterine Device (IUD)' were short achieved by 49 to 62 per cent during 1997-2000 and 26 to 44 per cent during 1995-2000 respectively at State level. In some districts, shortfall regarding these activities remained between 34 and 81 per cent during 1998-2000.**

*(Paragraphs 3.2.4(I)(a), (b) and (e))*

**The achievements of demographic goals, laid down in National Health Policy, 1983, to be achieved by 2000 AD, were still far away regarding all activities (except Crude Death Rate).**

*(Paragraph 3.2.4 (II))*

**Grant of Rs 6.75 lakh received under 'Sterilisation Bed Scheme' was not utilised for the purpose and was diverted to other schemes.**

*(Paragraph 3.2.6.2)*

**Excess expenditure ranging between 22 and 106 per cent of grants received from GOI under 'All India Hospitals Post Partum Programme' during 1995-2000 was noticed.**

*(Paragraph 3.2.6.4(a)(i))*



Co-ordination Committees were not constituted in 18 (out of 35) district level and 49 (out of 100) sub-district level Post-Partum Centres respectively and where constituted, regular quarterly meetings were not held.

*(Paragraph 3.2.6.4(a)(iii))*

Out of grants of Rs 15.30 crore received during 1997-2000 under 'Reproductive and Child Health (RCH) Programme', Rs 1.86 crore only were spent. Remaining amount was either retained by the State Government or transferred to personal deposit (PD) account.

*(Paragraph 3.2.6.5)*

Advance payment of Rs 31.50 lakh was made (March 1999) to Rajasthan Handloom Development Corporation for supply of cotton bandage but the material supplied was defective. The supply orders had been cancelled but the amount was not got refunded as of June 2000.

*(Paragraph 3.2.6.5(vii))*

A number of buildings of SSN Scheme, to be completed upto 1994-95, were not completed as of June 2000. Further, 405 buildings though completed were not handed over which resulted in blocking of Rs 6.72 crore.

*(Paragraphs 3.2.6.6(a)(i) and (ii))*

Out of 123 tubewells sanctioned under SSN Scheme, 82 tubewells only were installed. Of these, 31 tubewells only were made operational.

*(Paragraphs 3.2.6.6(a)(iii) and (iv))*

Grants amounting to Rs 17.10 crore, received during 1994-96 under phase III and IV of SSN scheme, remained unutilised and were lying in PD account.

*(Paragraph 3.2.6.6(c))*

Despite Rs 1.11 crore spent on running and maintenance of an off set press, printing work amounting to Rs 1.09 crore was got done from market.

*(Paragraph 3.2.7)*

Grant amounting to Rs 26.94 lakh received (1994-95) for payment to village health guides was not utilised and still lying in PD account.

*(Paragraph 3.2.9(a))*

### 3.2.1 Introduction

National Family Planning Programme started by Government of India (GOI) in the year 1951 was a purely demographic programme with a clinical approach and the Family Welfare Programme was introduced in 1952. The programme, a Centrally sponsored scheme (CSS), is fully funded by GOI. The main objective of the Family Welfare Programme is to stabilise the population at a level consistent with the needs of national development through the schemes of family welfare launched from time to time.

National Health Policy (NHP) was approved by the Parliament in 1983, it envisaged attainment of twin goals of "Health for all" and a "Net Reproductive Rate of Unity" (NRR-I), by the year 2000 AD. The demographic goals laid down in NHP for 2000 AD and the various schemes through which these were to be achieved were as per Appendix-XXI.

### 3.2.2 Organisational set up

The Ministry of Health and Family Welfare (Department of Family Welfare) of the Central Government is the nodal agency for overall direction, co-ordination and budgetary control. The administrative head of the department is the Secretary, Medical, Health and Family Welfare. The Secretariat is responsible for policies, programmes and monitoring of the scheme. This programme is implemented by Director, Family Welfare at State level. At district level, it is controlled by Deputy Chief Medical and Health Officers (Family Welfare) and implemented through Rural and Urban Family Welfare Centres (RFWC and UFWC), Primary Health Centres (PHCs), Community Health Centres (CHCs), Sub-Centres and Post- Partum Centres (PPCs).

### 3.2.3 Audit coverage

A review of the implementation of various programmes relating to family welfare for the period 1995-2000 was conducted through a test-check of records in the offices of the Director, Family Welfare, Director, Information, Education and Communication, Jaipur and Deputy Chief Medical and Health Officers (Family Welfare) and their subordinate offices of 6 districts<sup>1</sup>. Important points noticed are mentioned in the succeeding paragraphs.

The services of the ORG centre for social research, a division of ORG-Marg Research Ltd. was commissioned by the Comptroller and Auditor General of India with a view to obtaining the beneficiary perception and facility of the programme and related matters. The ORG-Marg carried out survey over a sample determined on the basis of socio-cultural characteristics and development status. Findings of the survey on matters discussed in the report have been included in this review at paragraph 3.2.8.

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1. Bhilwara, Bikaner, Jodhpur, Kota, Pali and Udaipur.



### 3.2.4 Expected level of achievements and goals laid down in NHP, 1983

#### (I) Targets and achievements under Family Welfare Programme

GOI decided (April 1996) to introduce Target Free Approach from 1996-97, which was renamed in 1997 as Community Needs Assessment Approach (CNAA) in the implementation of different family welfare methods. According to CNAA, the department was required to prepare action plans in February/March each year by fixing expected level of achievements (ELA) after consulting families, *Mahila Swasthya Sangh, Panchayats*, etc., of the area through field health workers for adopting targets for the next year.

It was observed that:

(a) The position of targets/ELAs fixed and achievements made during 1995-2000 under sterilisation is given in Table -I of Appendix-XXII. It would be seen that the ELA for the year 1997-98 was fixed as 5.82 lakh but the same was shown as 2.58 lakh in annual performance report of that year. Thus, the ELA fixed of 1997-98 was short reported by 3.24 lakh. The achievements of all years were also very low in comparison to ELA fixed. The percentage of shortfall ranged between 49 and 62 during 1997-2000. Hence, ELA of sterilisation for various years was not fixed realistically.

(b) The position of targets/ELAs fixed and achievements made during 1995-2000 under Intra Uterine Device (IUD) is given in Table II of Appendix-XXII. It would be seen that the ELA for 1997-98 was fixed as 3.99 lakh which was subsequently reduced to 3.27 lakh and 3.20 lakh for the years 1998-99 and 1999-2000 respectively. Even these reduced targets were not achieved and the shortfall ranged from 26 to 44 *per cent*.

(c) The position of targets/ELAs fixed and achievements made thereagainst in respect of Conventional Contraceptive Users is given in Table III of Appendix-XXII. The table discloses that the ELA for 1997-98 was fixed on lower side as 3.51 lakh though the achievement for 1996-97 was 7.20 lakh against the target of 5.00 lakh. Similar was the position in respect of other years. This shows that while fixing the ELA, achievements of previous years were not kept in view.

(d) The targets/ELA fixed and achievements made under Oral Pill Users for the years 1995-96 to 1999-2000 are mentioned in Table IV of Appendix-XXII. It would be seen therefrom that the ELA fixed for 1997-98 as 3.86 lakh was on lower side when the achievement during 1996-97 was 4.84 lakh. Similar was the position in respect of 1998-99.

(e) The position of achievements of ELA of sterilisation and IUD of some districts for the years 1998-99 and 1999-2000 revealed that the shortfall ranged from 34 to 81 *per cent* which indicates that these activities were not implemented effectively in these districts. Details are given in Table V and VI of Appendix-XXII.

(f) Immunisation activities during last 3 years i.e. 1997-98 to 1999-2000 were as per Table VII of Appendix-XXII which disclosed that

Sterilisation and IUD activities were not implemented effectively.

ELA of immunisation were also not achieved in any year in respect of any activity, which remained between 81 and 96 *per cent*.

## **(II) Demographic goals**

The achievements of the demographic goals laid down in NHP, 1983 for 2000 AD of the Rajasthan State during various years were as per Table VIII of Appendix-XXII. It would be seen that demographic goals laid down in NHP, 1983 had not been achieved and were still far away from the targets (except in CDR). In view of this, achieving the demographic goals by 2000 AD in the State seems a remote possibility despite the fact that services were made available. This shows the lack of effectiveness of services provided.

The department stated (September 2000) that the demographic goals laid down by NHP, 1983 could not be achieved due to low literacy rate among women and geographical, socio-economic and cultural background of the State. The reply is not tenable as the rate of literacy has increased over the time and the other factors should have also been taken into account while designing the programme and fixing targets.

### **3.2.5 Financial outlay and expenditure**

Grants amounting to Rs 580.45 crore (Rs 446.42 crore (77 *per cent*) in cash and Rs 134.03 crore (23 *per cent*) in kind) were received from GOI during 1995-2000 under this programme, against which expenditure of Rs 644.43 crore was incurred by the State Government during this period. Year-wise details are given in Appendix-XXIII.

It was observed that:

- (i) At the end of 1994-95, Rs 18.21 crore had been spent by the State Government in excess of the grants received from GOI. Thus, at the end of 1999-2000, the excess expenditure was Rs 82.19 crore.
- (ii) Under 'Rural Family Welfare Services', expenditure on establishment incurred was 98 *per cent* while on other items e.g. medicines, machinery and equipment, purchase of vehicle, maintenance of ward was 2 *per cent* only. Thus, major part of expenditure was incurred on establishment.

### **3.2.6 Implementation of programmes/schemes**

#### **3.2.6.1 Minimum Needs Programme (Fully funded)**

For implementation of various programmes/schemes of family welfare in rural areas one Sub-Centre for every 5,000 population (3000 for tribal, desert and hilly areas), one PHC for every 30,000 population (20,000 for tribal and hilly areas) and one CHC for 1,00,000 population was to be set up by 2000 AD in a phased manner under the Minimum Needs Programme. However, no funds were released under this programme by GOI during last 10 years as intimated (October 2000) by the department. The reasons of stoppage of grant under this programme were not known to the department. All the PHCs and CHCs were



established/functioning under Medical Department and Sub-Centres were also established by Medical Department. It was also noticed that there was shortage of 76 CHCs in the State as per norms.

### 3.2.6.2 Sterilisation Bed Scheme (Fully funded)

This scheme provided release of maintenance grant at certain specified rates by the department to local bodies/voluntary organisations for reservation of beds for tubectomy operations subject to fulfilment of certain conditions. During 1995-2000, grant for maintenance of sterilisation beds received from GOI was Rs 6.75 lakh. However, no expenditure was incurred on this scheme by the State Government during the period. The amount was utilised for other schemes but scheme-wise accounts were not maintained separately. Thus, the scheme was not implemented in the State to encourage the involvement of local bodies/Non-Government Organisations (NGOs) on this task.

### 3.2.6.3 Post-Partum PAP Smear Test Facility Programme (Fully funded)

This programme was started by GOI in certain medical colleges for early detection of cervical cancer among women. In Rajasthan, PAP smear test facility programme was approved by GOI in Medical Colleges, Jodhpur (February 1979) and Ajmer (December 1985). The State Government was requested (February 1979 and December 1985) by GOI for creation and filling up of the posts of Cyto-technicians under the programme. The funds were made available in the overall releases for Post Partum programme but the State Government did not appoint Cyto-Technician in these Medical Colleges by July 2000. Hence, the programme could not take off in the State. However, these tests were carried out in Hospitals/Medical Colleges under Medical and Health Department.

### 3.2.6.4 All India Hospitals Post-Partum Programme (Fully funded)

This programme was started in 1966 for motivating women in the post delivery (Post-partum) period to accept advice on family welfare.

(a) The scrutiny of records relating to PPCs of the State at Directorate of Family Welfare revealed the following:

(i) There was an excess expenditure between 22 to 106 per cent during 1995-96 to 1999-2000 under this programme as per details given below:

(Rupees in lakh)

Year	Amount released by GOI	Expenditure	Amount allotted by State Government	Excess (+)	Percentage of excess expenditure
1995-96	395.00	761.65	759.68	(+) 366.65	93
1996-97	395.00	812.16	808.63	(+) 417.16	106
1997-98	620.00	860.90	852.31	(+) 240.90	39
1998-99	811.57	1180.94	928.92	(+) 369.37	46
1999-2000	963.00	1177.11	1301.87	(+) 214.11	22

As regards excess expenditure, it was intimated that grants were released by GOI as per old norms but expenditure was incurred as per actual requirement.

Grants received were utilised for other schemes.

Expenditure was incurred in excess of amount released by GOI.



For reimbursement of excess expenditure, claims were subsequently sent to GOI, but full details of the same were not made available. Analysis of grants received revealed that out of grants, expenditure on establishment incurred was 98 per cent while that on other items e.g. medicines, machinery and equipment, purchase of vehicle, maintenance of ward, etc. was 2 per cent only. Thus, major part of grant was spent on establishment.

24 per cent acceptors of sterilisation were having up to two children.

(ii) Out of 2,57,853 sterilisation cases performed during 1995-2000, number of acceptors having up to 2 children was 61,693 only (24 per cent) while 1,86,318 (72 per cent) acceptors had three or more children. This showed the deficient implementation of the programme since acceptors of latter category were not so crucial for the success of the programme as the former. The number of children in respect of 9,842 (4 per cent) acceptors was not recorded by the State Family Welfare Bureau.

(iii) For effective implementation of PPC, co-ordination committees were required to be constituted so as to hold quarterly meetings at the PPCs. It was observed that in 18 district level PPCs (out of 35 PPCs) and 49 sub-district level PPCs (out of 100 PPCs), no co-ordination committee was constituted and where co-ordination committees were constituted, regular quarterly meetings were not held. The shortfall of holding meetings at district and sub district level PPCs ranged between 75 and 78 per cent and 75 and 81 per cent respectively. Neither the reasons of non-constitution of co-ordination committees nor for the shortfall in holding meetings quarterly were intimated.

(iv) Records showing number of tests required to be conducted for early detection of complications in pregnant women and number of tests actually conducted at PPC were not maintained by Directorate. It was stated (May 2000) by the Demographer-cum-Evaluation Officer of the Directorate that this information was not required to be maintained as per *pro forma* prescribed by GOI. This is not acceptable as the information was essential to ensure whether this service was rendered and necessary tests were conducted.

(v) A review of total number of sterilisation cases at PPCs of the State pertaining to various years revealed that sterilisation was done mostly of women as per details given below:

Year	Total sterilisation	Vasectomy	Tubectomy	Percentage of tubectomy to total sterilisation	Percentage of vasectomy to total sterilisation
1995-96	47947	739	47208	98.45	1.55
1996-97	58100	1675	56425	97.11	2.89
1997-98	60605	2047	58558	96.62	3.38
1998-99	65062	1489	63573	97.71	2.29
1999-2000	26139	186	25953	99.28	0.72

Stress of sterilisation was passed on to women.

It transpires that men were not ready for sterilisation. Further the percentage of vasectomy shows a declining trend during years 1998-99 and 1999-2000. The Demographer-cum-Evaluation Officer stated (September 2000) that special programmes had been started from this year (2000-2001).



(vi) In 5 PPCs, where six beds were allotted for sterilisation, number of sterilisation cases reported was nil during periods indicated against each:

Name of PPC	Period
Lalsot (Dausa district)	1995-96, 1998-2000
Sanchore (Jalore district)	1995-2000
Sindri (Barmer district)	1996-97, 1998-99
Nohar (Hanumangarh district)	1995-96
Kushalgarh (Banswara district)	1999-2000(up to September 1999)

No sterilisation was performed in 5 PPCs.

It was also noticed that in PPC, Lalsot only 8 tubectomy operations were performed during 1996-98 (January 1997 to April 1997), in PPC, Badgaon (Jalore district) and PPC, Niwai (Tonk district) only five cases of sterilisation in each PPC were performed during 1995-96 while in PPC, Aklera (Jhalawar district) only three cases of sterilisation were reported during 1999-2000 (up to September 1999).

(vii) As per GOI instructions annual State level seminars were required to be held in order to review the implementation of the programme as well as to discuss general problems and take corrective measures. However, State level seminars were not held at all during the period 1995-2000. It was stated that no budget was allotted for holding such seminars.

(b) The scrutiny of records of PPCs in districts test-checked<sup>2</sup> revealed the following:

Records of visits of LHV/ANMs were not maintained.

(i) Auxiliary Nurse Midwives (ANMs) were required to visit high risk referred women every week but no records showing visits of ANMs or Lady Health Visitors (LHV) were maintained at PPCs in all the districts test-checked. The reasons of non-maintenance of record were not intimated.

(ii) Minimum emergency service facilities like vacuum extraction, caesarian section, blood transfusion and manual removal of placenta, required to be provided at all PPCs under this programme were not available at sub-district level PPCs in the districts test-checked.

Excess expenditure of Rs 5.84 lakh was incurred on the staff posted in excess of norms.

(iii) The complete details of staff sanctioned *vis-a-vis* men-in-position in the State during 1995-2000 under Post Partum Programme were not furnished. However, in PPC, Zanana Hospital, Udaipur, it was observed that as against the sanctioned 2 posts of ANMs and 1 post of Attendant (Class IV) staff, 4 ANMs and 5 Class IV employees were posted during 1995-97. Further, one post of Nursing Sister and two posts of Staff Nurse were also made available which were not provided in the approved pattern of PPC. Thus, 2 ANMs and 4 Class IV employees were posted in excess of the sanctioned strength and one post of Nursing Sister and two posts of Staff Nurses were provided which were not approved by GOI. This resulted in excess expenditure of Rs 5.84 lakh on their pay and allowances.

(iv) As per programme, all pregnant women were required to be covered with 2 doses of tetanus toxoid. Percentage of registered pregnant women

2. Bhilwara, Bikaner, Jodhpur, Kota, Pali and Udaipur.

immunised ranged between 87 and 96 during 1995-2000 in the State. However, on verification of records, the position of immunisation in Jodhpur and Kota districts test-checked was found between 37 and 42 *per cent* at district level and between 33 and 38 *per cent* at sub district level in Jodhpur, Pali and Udaipur districts. Due to shortfall in immunisation of pregnant women, adverse effect on the FW Programme of the State cannot be ruled out.

### 3.2.6.5 Reproductive and Child Health (RCH) Programme (Fully funded)

The RCH programme was launched in October 1997 with the objective to provide to the community need based, client centred, demand driven, high quality health and family welfare services.

The RCH Programme covers Child Survival and Safe Motherhood programmes and includes the additional components relating to (i) Sexually Transmitted Diseases (STD) and (ii) Reproductive Tract Infection (RTI).

Year-wise details of grants received from GOI under the RCH Programme, amount transferred to personal deposit (PD) account, expenditure incurred and balance amount retained by the State Government were as under:

(Rupees in lakh)							
Year	Opening balance	Grants received from GOI	Total	Amount transferred to PD accounts	Balance with State Government (Percentage)	Expenditure incurred (Percentage)	Balance in PD accounts (Percentage)
1	2	3	4	5	6	7	8 (5-7)
1997-98	-	847.93	847.93	-	847.93 (100 per cent)	-	-
1998-99	847.93	327.18	1175.11	740.78	434.33 (37 per cent)	48.17 (4 per cent)	692.61 (59 per cent)
1999-2000	434.33	354.43	788.76	725.68	63.08 (8 per cent)	138.04 (18 per cent)	587.64 (74 per cent)

Grants received for the scheme were either deposited in PD accounts or retained by the State Government.

Thus, out of grants of Rs 15.30 crore received during 1997-2000 from GOI, Rs 1.86 crore only were spent on the programme and rest of the amount (Rs 13.44 crore) was either retained by the State Government with it or transferred to PD account. Evidently, the programme was not properly implemented. Further, there was a discrepancy of Rs 32.02 lakh in the amount of total receipt of grants of this programme pertaining to year 1998-99 between the figures intimated by the department and as per sanctions received from GOI. Apparently government is misusing the funds for shoring its own ways and means position. The department stated that the amounts were being utilised in the current year (2000-2001).

Following further observations were made:

- (i) Under RCH Programme, kits were provided by GOI to the State Government. It was, however, found that kits "E" to "P" costing Rs 12.43 lakh received from GOI during 1993-96 were not utilised in 8 units<sup>3</sup> of districts test-checked, the reasons (as stated) were non-availability of specialist/not

3. Asind, Banera, Bijoliyan, Chandpole, Jaitaran, Nokha, Piparcity and Phalodi.

Kits costing Rs 12.43 lakh were lying unutilised in 8 units.



required at these units, etc. As regards kits "O" and "P", these were not utilised in all units up to sub-district level for want of blood transfusion facility.

(ii) Surgical instruments supplied in kit "L" (cost not available) were not fit for human use due to abnormal size as reported by specialists (Gynaecologist) of the department, and officers in-charge of PPCs of Pali, Ramganjmandi (Kota), Jodhpur and Udaipur districts.

(iii) During 1998-99, 1.81 lakh injections of methylergometrine maleate, (cost not available) were received under kit 'B' at various districts from GOI which were found sub-standard. Though instructions were issued by GOI vide telegram dated 25 August 1999 to stop their use, no action was taken for their return/replacement. Hence, sub-standard injections might have been used causing adverse effect on public health.

(iv) In First Referral Unit, Salumber (Udaipur district) incomplete sets of 9 kits were sent by GOI.

(v) Essential Obstetric Care Equipment kits were not provided to 25 out of 75 PHCs of Udaipur district in any year during 1995-2000.

(vi) 280 kits 'A' and 280 kits 'B' (@ Rs 1,519 per kit totalling to Rs 8.51 lakh) were sent by GOI to Deputy Chief Medical and Health Officer, Family Welfare (Dy. CMHO,FW), Kota directly but the same were not found received in the office of Dy. CMHO (FW), Kota. The Stores Officers of the Directorate intimated (September 2000) that the information for the whole State was being collected from the Dy. CMHOs and Reproduction and Child Health Officers (RCHOs) of various districts and position of receipt will be intimated accordingly.

**(vii) Irregularities in purchase of dressing material**

Supply orders amounting to Rs 35.00 lakh for purchase of cotton bandage were issued (March 1999) by Additional Director (Family Welfare), Rajasthan, Jaipur to Rajasthan Handloom Development Corporation Limited (the Corporation) under RCH programme and Rural Sub-Centre Drugs and Medicines scheme of Family Welfare. 90 per cent advance payment i.e. Rs 31.50 lakh was made (March 1999) to the Corporation on the basis of *pro forma* invoice received. The material received in April and June 1999 was found sub-standard and the firm was asked (March 2000) to replace it but it was not replaced. Subsequently, the supply orders were cancelled (June 2000) and the firm was asked to refund the amount of advance (Rs 31.50 lakh) but the amount was not refunded as of June 2000.

Thus, Rs 31.50 lakh were lying blocked with the Corporation for the last 15 months (March 1999 to June 2000). It was stated by the department that the Corporation was asked a number of times to refund the amount and if the amount is not refunded inspite of all efforts of the department, action would be taken under Public Demand Recovery (PDR) Act for recovery.

Neither the defective material was got replaced nor the refund of amount advanced to supplier was obtained.

### 3.2.6.6 Social Safety Net Scheme (Fully funded)

Social Safety Net (SSN) scheme, financed with World Bank assistance by GOI, represented additional instalment of grant-in-aid for the Centrally sponsored scheme 'Family Welfare Programme. This scheme was started in 1992-93 with the objective of strengthening primary health infrastructure in demographically poor performing districts. 23 districts were identified by GOI in Rajasthan. Under this scheme, one time non-recurring grant of Rs 10 lakh per PHC was sanctioned and paid by GOI to the State for providing a fully operational operation theatre, a six beds observation ward with toilet facility, a labour room, a generator for providing electricity, a tube well for continuous water supply, an ambulance and promotion of information, education and communication facilities at each selected PHC.

(a) Grants of Rs 11.50 crore were released by GOI for phase I in March 1993 while Rs 10.50 crore and Rs 1 crore for phase II in November 1993 and March 1994 respectively. For implementation of the scheme under Phase I and II, 115 PHCs per phase were selected separately by the State Government. The construction works were entrusted to Public Works Department (PWD) of the State Government, while installation of tubewells was entrusted to Rajasthan *Jal Vikas Nigam Limited (Nigam)* and procurement of ambulances (230), generators (230), other equipment and medicines for 230 PHCs was made departmentally. Though, execution of work and procurement of materials under phase I and II was to be completed in 1992-93 and 1993-94, the phases were taken up late i.e. in the years 1993-94 and 1994-95 and the funds were utilised up to 1999-2000. The position relating to execution of construction of work and installation of tube well was as given in Table-I of Appendix-XXIV.

It was observed that:

**Construction of buildings were lying incomplete.**

(i) 8 operation theatres, 7 observation wards, 7 labour rooms, 4 Doctor quarters and 8 ANM quarters were not constructed/completed as of June 2000. Moreover, building-wise complete details (i.e. actual date of completion, date of handing over and actual cost of construction) were not intimated to audit by the department as well as the PWD.

**405 buildings though completed had not been handed over for utilisation.**

(ii) 405 buildings, though stated to have been completed, were not handed over by PWD to the department. Position in this regard is given in Table-II of Appendix-XXIV.

Due to non-handing over of these buildings, expenditure of Rs 6.72 crore (calculated as per approved cost) incurred on their construction remained blocked. The department stated (July 2000) that though the works were stated completed by PWD, certain items of works such as electric fittings, white washing and fitting of doors and windows including glass fitting were yet to be executed. It is, thus, evident that these buildings were still not ready for utilisation.

The whole construction work of buildings of Phase I and II was to be completed by PWD at a cost of Rs 13.19 crore but the actual expenditure



incurred was Rs 13.97 crore inspite of the fact that 34 buildings were still lying incomplete/unconstructed.

(iii) Installation of 123 tubewells (61 in Phase-I and 62 in Phase-II) in PHCs was entrusted to *Nigam* for which Rs 66.80 lakh were paid. However, only 82 tube wells were installed at the cost of Rs 24.64 lakh. The balance amount i.e. Rs 42.16 lakh was not returned by *Nigam* as of June 2000. The Additional Director (Family Welfare) stated (June 2000) that the *Nigam* had informed him that final position of refundable amount would be ascertained only after completion of motor fitting work, which was still in progress. Further developments were awaited (October 2000).

(iv) As per scheme, one tubewell was to be provided at each PHC for continuous water supply. However, out of 230 PHCs of Phase-I and II, the *Nigam* was asked to install 123 tubewells only. The tubewells were actually installed at 82 PHCs only. For remaining 41 PHCs, the department proposed construction of water storage tank of cement at ground floor, placing *tankis* on roof of PHCs and supplying water through motor of mini size, but this proposal was also not implemented as of June 2000.

Out of 82 tubewells installed, three phase connections were obtained at 38 PHCs only. Of these, 31 tubewells only were being utilised after completion of electric motor fitting, while motor fitting was still in progress at 7 tubewells. As regards the remaining 44 tubewells, three phase connections were not obtained. Instead, the department decided to obtain single phase connection for these tubewells, for which action was yet to be taken. Thus, out of 82 tubewells installed, 31 tubewells only were in the position of utilisation.

(v) Rs 2.80 lakh drawn under this scheme in December 1993 for purchase of materials for tubewells were not utilised and were deposited in Government account in May 1997 by challan with delay of 3 years and 6 months. Further, the amount was credited to "Other receipts of Family Welfare Department" instead of refunding the amount to GOI.

(b) The position of funds allotted by the State Government, expenditure incurred and balance remaining unspent in respect of other items was as per Table -III of Appendix-XXIV.

(i) Out of Rs 9.11 crore allotted under Phase-I and II, Rs 7.59 crore only were utilised as of March 2000 leaving unspent balance of Rs 1.52 crore. Of this, Rs 144.15 lakh were deposited in non-interest bearing PD account on 31 March 1995 instead of refunding unutilised amount to GOI. Out of Rs 144.15 lakh, Rs 143.85 lakh were utilised during 1995-96 to 1999-2000 in procurement of disposable syringes, disposable *dai* kits, generators, medicines, etc. and Rs 0.30 lakh were still lying in PD account. No approval of GOI was obtained to utilise the amount beyond Phase-II and for purposes not specified by GOI (e.g. purchase of disposable syringes).

(ii) Generator sets were purchased in both phases at the Directorate level from firm 'A' at the rates approved by the Director General of Supplies and Disposals, New Delhi. Though funds for Phase II had been released by GOI in

Delay in placing of supply orders resulted in extra expenditure of Rs 3.92 lakh.



November 1993 and March 1994 and the supplier firm also intimated on 12 September 1994 that the existing rate per generator (Rs 25,819 plus taxes) was valid up to 24 October 1994 only, yet supply orders were placed to firm 'A' under rate contracts of subsequent period in December 1994 (103 generators at the rate of Rs 28,917 plus taxes) and October 1996 (12 generators at the rate of Rs 30,640 plus taxes). This resulted in extra expenditure of Rs 3.92 lakh (including sales tax, etc.).

(iii) In test-check it was found that 5 ambulances (Mahendra) were issued by the Directorate to CMHO, Jodhpur (July 1994) which were issued further to PHCs, Satlana, Kharia-Mithapur, Khangata, Setrawa and Birai in April 1995 i.e. after retaining ambulances for a period of more than 9 months. Thus, these vehicles were not utilised for the intended purpose for this period.

(c) GOI released grants for Phase III and IV amounting to Rs 11.50 crore and Rs 5.60 crore in August 1994 and March 1996 respectively but instead of utilising these amounts for the specified purposes, these were transferred (March 1998) to PD account by the department, which were still lying in PD account (June 2000). The department intimated (July 2000) that the ambulances could not be purchased due to imposition of ban by Finance Department. As regards construction works, the State Government had instructed previously to get works executed through *Avas Vikas Sansthan* (AVS) but the Finance Department refused to sanction mobilisation advance in favour of AVS and subsequently AVS stopped functioning. Later on, all construction works were decided to be executed through PWD. A case was moved to GOI to sanction reduction of number of PHCs under Phase III and IV but GOI while conveying (February 2000) their consent instructed that only construction work be done in 171 PHCs. Necessary steps for this were yet to be taken by the department.

### 3.2.7 Off Set Press

An Off Set Press, established nearly 30 years ago, was running under the department. Though the Manager, Off Set Press had sought permission from time to time from the Director, Information, Education and Communication of the department to get printing work done at the press but the permission was not accorded. Instead, printing work involving huge amounts totalling to Rs 1.09 crore was got done from market by inviting tenders during the period 1995-2000 which could have been avoided considerably by utilising existing manpower and press of the department.

Of Rs 1.11 crore spent under Family Welfare Department pertaining to the press, Rs 98.54 lakh (89 *per cent*) were spent on pay and allowances of 29 employees deployed for running the press. Besides, Rs 3.73 lakh (3 *per cent*) were spent on office contingency. However, the staff mostly remained idle for want of work and as such the expenditure over Rs 1 crore on running and maintenance of the press almost remained unfruitful. The complete details of expenditure incurred, jobs executed and staff employed at the press called for (July 2000) from the department were not made available.

Grants of Rs 17.10 crore received during 1994-96 were lying unutilised in PD account.

The staff posted for running and maintenance of the press mostly remained idle.



### **3.2.8 Results of Survey on Family Welfare Programme conducted by ORG-Marg**

As per survey conducted by ORG-Marg following points were noticed:

- (i) Only 37 per cent of the eligible women were currently using any family planning method. The proportion is higher in urban (53 per cent) than in the rural (32 per cent) areas.
- (ii) Antenatal care services were received by 69 per cent of pregnant women. The percentage was higher in urban (81 per cent) than the rural areas (66 per cent).
- (iii) Home visits by ANM/LHV were 11 per cent for antenatal services and 14 per cent for postnatal services. Such visits were negligible in urban areas (1 per cent and 0 per cent respectively) and very few in rural areas (14 per cent and 27 per cent respectively).
- (iv) 70 per cent of the deliveries were performed at home. Percentage of home deliveries was significantly higher in the rural (81 per cent) than the urban areas (25 per cent).
- (v) 34 per cent women reported suffering from RTI/STD. The prevalence of reproductive health problems was higher among women in rural areas (35 per cent) than those in urban areas (29 per cent). The women who reported that they were facing reproductive health problems were further asked about the treatment sought. Less than ten per cent of the respondents sought treatment for RTI/STD. The percentage seeking advice/treatment in urban areas was 13 and in rural areas was only 9.

### **3.2.9 Other points of interest**

- (a)(i) A grant amounting to Rs 26.94 lakh, received from GOI in year 1994-95 for payment of honorarium to Village Health Guides through *Panchayat Samitis*, was not utilised during that year. This was placed under PD account on 31 March 1995 and was still lying. However, the amount had not been refunded to GOI.
- (ii) It was also noticed that utilisation certificates of Rs 168.58 lakh, transferred to *Panchayati Raj* Department under the above scheme for the years 1991 to 1994, were still awaited (October 2000) from that department.
- (b) Test-check of stores accounts revealed that stores items valuing Rs 8.39 lakh were shown issued by the Directorate, but the same were not received in offices of Dy. CMHO (FW), Bikaner, Jodhpur and Pali. Similarly, out of stores items issued by the Directorate, kits drugs, medicines etc. valuing Rs 0.77 lakh were short received in the office of Dy. CMHO (FW), Jodhpur.
- (c) Under various programmes/schemes of family welfare, material was received in different years from GOI as assistance in kind. A test-check of relevant records for the period 1995-2000 disclosed discrepancy in the quantity of material shown issued by GOI and received in the State. The details are given in Appendix-XXV.

The above points were brought to the notice of Government; their reply had not been received (October 2000).

## Panchayati Raj Department

### 3.3 Elementary Education in Rajasthan

#### *Highlights*

*The Government of India (GOI) evolved (1968) a National Policy on Education to achieve the goal of free and compulsory education for children but the State Government did not frame its own education policy although various programmes/schemes were implemented from time to time. Several deficiencies/shortcomings, etc. were noticed in the implementation of programmes/schemes in the State under elementary education. GOI released Rs 13.02 crore under Operation Black Board Scheme. Of this, Rs 8.61 crore only were spent. Buildings of State Institute of Educational Research and Training and District Institute of Education and Training were lying incomplete/unutilised though Rs 78.57 lakh were spent on them. Important points noticed are as under :*

**The enrolment of boys and girls declined by 13 and 8 per cent respectively in 1998-99 in schools under elementary education in comparison to enrolment of 1997-98. There were wide variations between the figures of enrolment shown by the department in their publication and those as per records of District Education Officers (DEOs). Thus the figures were not reliable.**

*(Paragraph 3.3.5.1)*

**Percentage of retention of enrolled students ranged from 75 to 87 in upper primary classes and 40 to 45 in primary classes, which shows high percentage of drop out of enrolled students during 1995-99.**

*(Paragraph 3.3.5.2)*

**Percentage of children who completed primary education (class-V) out of total students enrolled in class I was 37 to 45 only during 1994-99 at the State level while it was 13 to 52 only during 1999-2000 in districts test-checked.**

*(Paragraph 3.3.5.3)*

**Grants of Rs 13.02 crore, received from GOI during 1993-98 in Operation Black Board Scheme, were transferred to Personal Deposit (PD) accounts. Of these, Rs 8.61 crore only were spent. Moreover, Rs 1.95 crore, though shown spent, were lying unutilised with Zila Parishads of 7 districts.**

*(Paragraph 3.3.6 and (iv))*



Shortfall of in-service training to teachers of elementary schools in District Institutes of Education and Training (DIETs) remained between 44 and 67 *per cent* during 1995-2000. Despite abolition of 24 posts in May 1996, six posts were continuing in State Institute of Educational Research and Training (SIERT) resulting in avoidable expenditure of Rs 20.78 lakh.

(Paragraph 3.3.7(ii)(a) & 3.3.7(iii))

Buildings of SIERT and DIET were lying incomplete/unutilised after incurring expenditure of Rs 78.57 lakh.

(Paragraph 3.3.7(iv))

In Mid Day Meal Scheme, there was short lifting of foodgrains ranging between 11 and 64 *per cent*. Further, 235 métric tonne (MT) of wheat valuing Rs 10.57 lakh was distributed irregularly to students of private and unaided schools. Cooked meal was not being served. No survey to ascertain impact of the scheme was conducted.

(Paragraph 3.3.8)

In *Saraswati Bahen Yojana*, only 550 *Saraswati Shalas* were working against sanction of 1770 *Shalas*. Not even a single student of *Saraswati Shalas* passed regular V standard examination in 2 districts. At least 20 *per cent Saraswati Bahen* were not selected through prescribed norms and Rs 10.78 lakh were unauthorisedly spent on training of *Saraswati Bahen*.

(Paragraph 3.3.9)

Rs 53.38 lakh remained unutilised in absence of guidelines and teaching-learning material in Area Intensive Programme for Educationally Backward Minorities.

(Paragraph 3.3.10)

There was shortage of working strength ranging between 9 and 31 *per cent* in the State during 1998-2000. 1382 teachers were deployed excess in schools in urban areas resulting into nugatory expenditure of Rs 10.40 crore in one year and adverse effect on schools of rural areas. The norms of inspection of schools were not followed. Advance payment of Rs 41.85 lakh for purchase of jeeps was made in January 1998 but delivery was awaited as of August 2000.

(Paragraph 3.3.11)

Most of the Non-Government educational institutions who were getting grants from the Government were working in urban areas. A grant of Rs 20.14 lakh was paid to a grantee institution irregularly as election of managing committee was not conducted. Further, grant of Rs 15.86 lakh

**was paid to a school without obtaining essential certificate of maintenance of its building.**

*(Paragraph 3.3.12)*

### 3.3.1 Introduction

The State had not yet framed its own education policy.

To achieve the goal of free and compulsory education for children, a National Policy on Education (NPE) was evolved in 1968 which was revised in 1986. It envisaged to universalise elementary education by 2000 AD and develop educationally backward minorities through Centrally sponsored schemes (CSSs). However, the State of Rajasthan had not yet framed its education policy but adopted the NPE with the objectives of universal enrolment and retention of children upto 14 years of age and a substantial improvement in the quality of education.

The Government of Rajasthan implemented various schemes for various objectives/target groups in the field of elementary education of which mainly are Operation Black Board, strengthening of State Institute of Educational Research and Training (SIERT), teachers training through District Institutes of Education and Training (DIETs), *Saraswati Yojana*, Modernisation of *Madarasas*, Area Intensive Programme for Educationally Backward Minorities, Mid Day Meal Scheme, Education Technology, State share of District Primary Education Programme, Non Formal Education (for 6-14 age group), *Shiksha Karmi*, *Lok Jumbish*, pre-matric scholarship, free uniform, free books and Girls Education Foundation. The total plan amount spent on these schemes during 1995-2000 was Rs 980.20 crore. Appendix-XXVI gives brief account of these schemes with their respective outlays ,etc.

### 3.3.2 Organisational set up

The Secretary, Elementary and Secondary Education Department was the head of administrative department assisted by the Director, Primary and Secondary Education, Rajasthan, Bikaner up to December 1997. From January 1998, the new Directorate of Elementary Education was set up with Secretary, Elementary Education as its chief. From July 1999, this subject was transferred to *Panchayati Raj* Department with overall responsibility for implementation of the working of elementary education vested in Development Commissioner who is assisted by the Secretary, *Panchayati Raj* and Elementary Education, Director of Elementary Education, Director, *Saksharata* and *Satat Shiksha*, Director, *Panchayati Raj* and Rural Development and Director, Sanskrit Education, Rajasthan. There are Deputy Directors/District Education Officers (DEOs) at district level and Senior Deputy District Education Officer (Sr. Dy. EO)/Block Education Officer at block level to carry out the programmes. As of 31 March 1999, there were 49,347 primary/upper primary schools under the department of Panchayati Raj in the State, through which elementary education was being imparted to children.



### 3.3.3 Audit coverage

Implementation of 5\* out of various schemes involving Rs 13.68 crore for the period 1995-2000 in elementary education was reviewed during the period March 2000 to August 2000 in nine districts<sup>1</sup> and at the Directorate and SIERT, Udaipur. In addition, a separate Paragraph on *Lok Jumbish* is included in this Report (Paragraph 6.6). The important findings are mentioned in the succeeding paragraphs.

### 3.3.4 Financial Outlay, Expenditure and Budgetary Control

Year-wise budget estimates proposed by the department, provisions approved, final allotments and actual expenditure thereagainst during 1995-2000 were as under:

Year	Budget estimates proposed by department	Budget estimates approved	Supplementary grant	Re-appropriation	Surrender	Final allotment	Actual expenditure	Excess(+)/ Savings(-) over the final allotment
(Rupees in crore)								
<b>2202-General Education -01-Elementary Education**</b>								
1995-96	869.39	878.03	44.37	(+)13.49	0.04	935.85	939.64	(+) 3.79
1996-97	1008.17	1044.25	59.48	(+) 1.50	1.98	1103.25	1094.60	(-) 8.65
1997-98	1042.57	1261.39	-	(+) 0.74	77.04	1185.09	1168.44	(-) 16.65
1998-99	1353.56	1676.30	-	(-) 0.63	102.13	1573.54	1487.17	(-) 86.37
1999-2000	1816.76	1755.77	0.02	(+) 8.60	24.23	1740.16	1759.57	(+) 19.41

It was observed that :

3.3.4.1 During 1996-97, supplementary grant of Rs 59.48 crore was provided in excess of requirement and additional fund of Rs 1.50 crore was also made available through reappropriation but there was final saving of Rs 8.65 crore at the end of the year. During 1999-2000, though surrender of Rs 24.23 crore was made but there was an excess expenditure of Rs 19.41 crore. During 1997-98 and 1998-99, budget was sanctioned in excess of budget proposals framed by the department by Rs 218.82 crore and Rs 322.74 crore respectively to clear pending Travelling Allowance and Medical bills, etc. While providing the additional funds during 1997-98, the Budget Finalisation Committee (BFC) had asked the department to submit a certificate regarding their clearance which was not done. The BFC while sanctioning additional funds during 1998-99, took a serious view of this matter and asked the department to submit the same before next budget. The above facts are indicative of incorrect assessment of budget estimates for 1997-98 and lack of requisite efforts to reduce the pending liabilities even though adequate funds were available which were either surrendered/reappropriated (Rs 76.30 crore) or remained unutilised (Rs 16.65 crore).

\* Operation Black Board, SIERT-Training to in-service teachers, Area Intensive Programme for Educationally Backward Minorities, Mid Day Meal Scheme, and *Saraswati Bahen*.

1. Ajmer, Alwar, Banswara, Bikaner, Jaisalmer, Jodhpur, Tonk, Sawaimadhopur and Udaipur.

\*\* Figures include both plan and non-plan.

There were wide variations in expenditure of first three quarters and last quarter.

3.3.4.2 There were wide variations during 1998-99 and 1999-2000 in the expenditure during the first three quarters and last quarter of the financial year in five group heads\* of various minor heads under sub-major head "2202-01" which ranged between 58 and 98 per cent and 83 and 100 per cent respectively.

3.3.4.3 During 1995-2000, variations between the final grant and actual expenditure in various sub heads of elementary education ranged between 18 to 99 per cent. There was excess expenditure in one case during 1997-98 and saving in 9 cases (1997-98-1; 1998-99-5 and 1999-2000-3). In one case (1997-98), in view of final excess reduction of provision in final allotment was more than required. This shows that budgetary control was not proper.

3.3.4.4 Paragraph 185(a) of the Budget Manual stipulated that the Controlling Officer should submit the final statement of excess and savings to the Finance Department through the administrative department latest by 1 February each year. However, the Controlling Officers of elementary education delayed and submitted the final statement of excess and savings to the Finance Department on the last working day/in the last week of the financial year during 1996-2000. During 1997-2000, in 18 cases involving Rs 103 crore were surrendered on the last day of the financial year.

### 3.3.5 Programme implementation

#### 3.3.5.1 Enrolment of eligible children

Year-wise position of the enrolment<sup>@</sup> of children in the class I to VIII in the State during 1995-96 to 1998-99 was as under:

Year	(Number in lakh)					
	Eligible children <sup>#</sup>		Children enrolled		Percentage of enrolled to eligible children	
	Boys	Girls	Boys	Girls	Boys	Girls
1995-96						
Primary <sup>##</sup>	37.41	33.36	36.62	21.36	98	64
Upper Primary	19.94	17.22	12.85	4.92	64	29
<b>Total</b>	<b>57.35</b>	<b>50.58</b>	<b>49.47</b>	<b>26.28</b>	<b>86</b>	<b>52</b>
1996-97						
Primary	37.26	33.50	39.43	24.45	106	73
Upper primary	20.52	17.89	13.31	5.25	65	29
<b>Total</b>	<b>57.78</b>	<b>51.39</b>	<b>52.74</b>	<b>29.70</b>	<b>91</b>	<b>58</b>
1997-98						
Primary	37.11	33.64	40.64	26.55	110	79
Upper Primary	21.10	18.56	13.96	5.82	66	31
<b>Total</b>	<b>58.21</b>	<b>52.20</b>	<b>54.60</b>	<b>32.37</b>	<b>94</b>	<b>62</b>
1998-99						
Primary	36.96	33.78	38.36	25.01	104	74
Upper Primary	21.68	19.22	9.01	3.69	42	19
<b>Total</b>	<b>58.64</b>	<b>53.00</b>	<b>47.37</b>	<b>28.70</b>	<b>81</b>	<b>54</b>

\* Office expenses, Other charges, Rent, Rate and Taxes/Royalty, Sports and Library.

@ Figures are as per *Shiksha-ki-Pragati*.

# Eligible children are based on projected population (as per 1991 census).

## Primary included class I to V and upper primary included class VI to VIII.



It was observed that:

**Enrolment of boys and girls declined heavily in 1998-99.**

(i) Though the enrolment for boys and girls to eligible children had increased by 8 and 10 *per cent* respectively in 1997-98 in comparison to 1995-96, it declined by 13 and 8 *per cent* respectively in 1998-99 in comparison to 1997-98. Reasons for decline in the enrolment in 1998-99 were not intimated by the department.

(ii) There were wide variations between the figures of enrolment shown by the department in their publications and those as per records of DEO in respect of districts test-checked as detailed below :

(Number in lakh)

Year	Students in primary classes			Students in upper primary classes		
	As per <i>Shiksha ki Pragati</i>	As per records of DEO	Variation	As per <i>Shiksha ki Pragati</i>	As per records of DEO	Variation
1995-96	17.35	12.52	4.83	5.99	2.30	3.69
1996-97	19.55	13.79	5.76	5.81	3.13	2.68
1997-98	19.64	16.16	3.48	5.89	3.45	2.44
1998-99	18.31	17.52	0.79	3.93	4.23	0.30

The enrolment was over-stated in *Shiksha ki Pragati* by 3.48 to 5.76 lakh in primary classes and 2.44 to 3.69 lakh in upper primary classes during 1995-98. Reasons of variations were not intimated by the department. Thus, the figures of enrolment were totally unreliable and no meaningful conclusion about enrolment of children in primary/upper primary school is possible.

### 3.3.5.2 Drop out

The NPE stipulated that highest priority should be given towards solving the problem of 'drop out' and adopting strategies to ensure children's continuance in school.

In the State as per records of the department, the percentage of retention was 44 in 1995-96, 43 in 1996-97, 45 in 1997-98 and 40 in 1998-99 at the primary stage (class I to V), whereas it was 79 in 1995-96, 75 in 1996-97, 76 in 1997-98 and 87 in 1998-99 at the upper primary stage (class VI to VIII). Thus, the retention rate in the primary stage was almost static during these years at a very low level below 50 *per cent*.

### 3.3.5.3 Completion of Primary Education

The percentage of children who completed primary education was between 37 and 45 only during 1994-95 to 1998-99 and accordingly the drop out was

**Retention of students at primary stage was 40 to 45 *per cent* while at upper primary stage it ranged 75 to 87 *per cent*.**

between 55 and 63 per cent as under\* :

Enrolment in Class I		Enrolment in Class V		Drop out (in lakh)	Drop-out in percentage
Year	Number of students (in lakh)	Year	Number of students (in lakh) (Percentage)		
1990-91	15.56	1994-95	6.75(43)	8.81	57
1991-92	16.03	1995-96	7.03(44)	9.00	56
1992-93	16.87	1996-97	7.32(43)	9.55	57
1993-94	17.82	1997-98	7.96(45)	9.86	55
1994-95	20.41	1998-99	7.60(37)	12.81	63

In six out of nine districts test-checked, the percentage of children who completed primary education was between 13 and 52 only while the drop out was between 48 and 87 per cent as under:

District	Enrolment in class I during 1995-96	Enrolment in class V during 1999-2000 (percentage)	Drop out (per- centage)
Alwar	112877	49511(44)	63366(56)
Banswara	63928	27638(43)	36290(57)
Bikaner	60782	12770(21)	48012(79)
Jaisalmer	15940	4596(29)	11344 (71)
Jodhpur	100838	52151(52)	48687(48)
Tonk	41728	5274(13)	36454(87)

Thus, the various schemes introduced by GOI/the State Government in the State failed to meet the goal of achieving primary education to all and minimum level of learning and there was little impact on crucial parameters viz.; enrolment of eligible children, drop out rate, completion of primary education as stated in sub-paragraphs 3.3.5.1 to 3.3.5.3.

#### 3.3.5.4 Schools/Teachers in Elementary Education

Position of teachers *vis-a-vis* students in schools during 1995-1999 was as under :

Year	Number of schools				Number of teachers	Number of students (In lakh)	Teacher student ratio
	Pre- primary	Primary	Upper primary	Total			
1995-96	28	33730	12276	46034	186941	76.81	1:41
1996-97	27	33557	13283	46867	194885	84.14	1:43
1997-98	25	33814	14634	48473	205267	88.73	1:43
1998-99	67	33625	15655	49347	212728	77.29	1:36

During 1995-99, 3313 new schools were opened. The school student ratio improved from 1:167 in 1995-96 to 1:157 in 1998-99. The teacher student ratio improved from 1:41 in 1995-96 to 1:36 in 1998-99. However, as pointed out in sub-paragraphs 3.3.5.1 to 3.3.5.3, the indicators of various literacy parameters did not show any commensurate improvement.

\* Figures are as per *Shiksha-Ki-Pragati*.



### 3.3.6 Operation Black Board (Extension Scheme) Phase-II

GOI launched the Operation Black Board (OBB) Scheme in 1987 as a 100 per cent CSS with the objective of providing minimum facilities in all primary schools to be opened in future. The coverage of OBB was extended to 1927 schools at the upper primary stage in 1993-94 and 1995-96. Year-wise details of funds released by GOI and the State Government and expenditure on the scheme were as under :

**(Rupees in lakh)**

Year	Opening balance with the State Government	Grant released by GOI	Total	Amount released by the State Government for PD accounts	Expenditure	Saving(-)/ Excess(+) balance in PD accounts
1993-94	44.76	480.50	525.26	-	-	Nil
1994-95	525.26	-	525.26	470.90*	-	(-)470.90
1995-96	54.36	376.80	431.16	386.40	-	(-)857.30
1996-97	44.76	-	44.76	-	629.85	(-)227.45
1997-98	44.76	400.00	444.76	44.76	9.64	(-)262.57
1998-99	400.00	-	400.00	400.00	160.76	(-)501.81
1999-2000	-	-	-	-	60.85	(-)440.96#
<b>Total</b>	-	<b>1257.30</b>	-	<b>1302.06</b>	<b>861.10</b>	

It was observed that:

(i) GOI released Rs 857.30 lakh between 1993-94 and 1995-96 but no work was undertaken and no expenditure was incurred till the end of 1995-96 though the expenditure was erroneously shown as incurred by keeping the funds in PD accounts by debit to Major head in the years 1994-95 and 1995-96.

(ii) State Government transferred Rs 470.90 lakh (February 1995) and Rs 400 lakh (September 1998) to PD account of SIERT (nodal agency of this scheme) after a lapse of eleven and six months respectively. As of March 2000, Rs 4.41 crore were still lying in PD accounts.

(iii) The State Government took first step towards implementation of the scheme in March 1997 after it received "ultimatum" from GOI in February 1997 to utilise Rs 9.02 crore, given by them till 31 March 1997 or refund it. In a meeting chaired by Secretary, Education, a decision was taken (10 March 1997) that the only way of utilising this amount before 31 March 1997 was to go in for purchase of prescribed items of OBB from Government undertakings after obtaining relaxation from Finance Department regarding not inviting competitive bids and lifting of general ban on purchases. The following points observed in these purchases coupled with the facts stated above clearly indicate that the whole exercise of spending the allotment was done as a forced decision.

\* Received by the State Government in March 1994.

# Including opening balance of Rs 44.76 lakh as on April 1993.

(a) Rajasthan Small Industries Corporation was neither the manufacturer nor was wholesaler/authorised dealer of the relevant material/equipment but an order of Rs 558.54 lakh was placed on it. Moreover, it charged 10 per cent service charges amounting to Rs 45.97 lakh. Thus, the relaxation in rules was not justified. Moreover, material worth Rs 38.33 lakh found defective was not replaced.

(b) Rajasthan State Text Book Board was paid an advance of Rs 72.98 lakh for supplying text books but books worth Rs 18.15 lakh were still to be supplied (August 2000). However, balance amount was not recovered from Rajasthan State Text Book Board as of August 2000.

(iv) Rs 195.28 lakh relating to Phase I of OBB were lying unutilised with seven *Zila Parishads* (Bikaner, Banswara, Jaipur, Jaisalmer, Sawaimadhopur, Udaipur and Tonk). In *Zila Parishad*, Jodhpur out of 1.01 lakh books costing Rs 6.96 lakh, 0.29 lakh books were not issued while records of distribution/issue of 0.72 lakh books was not maintained. Further, miscellaneous stock articles worth Rs 5.04 lakh were also lying unused there.

(v) Proper monitoring and evaluation of working of the scheme at State level was not done. Even details of teaching learning equipment, lying undistributed to schools were not available with the Directorate.

### 3.3.7 *Teachers training by SIERT/DIET*

SIERT was for qualitative improvement of school education by teachers training through DIET to act as an educational advisor of Directorates of Primary and Secondary Education and to provide special services to Education Department in formation and implementation of their policies.

It was noticed that:

(i) Annual programmes and activities of SIERT were not approved during 1995-2000 by State Level Advisory Committee (SLAC) which was an apex body for approval of such programmes, although new programmes could only be started after approval of SLAC. SIERT conducted 9838 programmes between 1995-2000 without the approval of SLAC.

(ii) Under NPE, 1986, DIETs had been established to improve the quality of education by providing in-service training to the teachers. The following points were noticed:

(a) Every DIET was required to conduct appropriate training programmes for teachers of the districts/State once in five years and for Head Masters/ Heads of School Complex/Block Level Officers of Education Department once in three years, two years, and one year respectively. However, the shortage in providing in-service training to teachers of elementary schools at



State level was as below :

Year	Scheme/Training	Number of trainees		Percentage of shortage in trainees
		Target	Beneficiaries	
1995-96	Training (Elementary level)	74115	24780	67
1996-97	Training (Elementary level)	94122	53000	44
1997-98	Training (Elementary level)	182061	67287	63
1998-99	Training (Elementary level)	126117	66721	47
1999-2000	Training (Elementary level)	134703	45245	66

**Shortfall in training programme of in service teachers ranged between 44 and 67 per cent.**

Thus, the prescribed frequency of imparting in-service training was not achieved during 1995-2000. This shows that proper planning was not done by SIERT which resulted in shortage of trainees each year.

(b) No teachers from non-Government schools as required under the guidelines were sponsored for in-service programmes in any of 8 DIETs test - checked.

**Avoidable expenditure of Rs 20.78 lakh.**

(iii) Despite abolition of 24 posts in various categories in May 1996 by the Directorate, six posts were still continuing resulting in avoidable expenditure of Rs 20.78 lakh incurred on surplus staff as of March 2000.

(iv) DIET hostel building of Garhi constructed at a cost of Rs 27.56 lakh in July 1992 is yet to be made operational (June 2000). Also, Rs 3.03 lakh were spent for construction of 5 staff quarters which were lying incomplete since June 1993 thereby making entire expenditure of Rs 30.59 lakh unfruitful.

**Buildings lying incomplete/unutilised after incurring expenditure of Rs 78.57 lakh.**

Similarly, a Women's Hostel constructed at a cost of Rs 22.38 lakh at Udaipur by PWD and handed over to SIERT in November 1997 had not been used for any purpose since then. However, the work on an Auditorium at Udaipur had been stopped (March 2000) by PWD after incurring an expenditure Rs 25.60 lakh on the ground that Rs 15.40 lakh more were required to complete it. Thus, even after three years and spending Rs 47.98 lakh the buildings were not operational.

Thus, Rs 78.57 lakh were blocked due to incomplete/unutilised buildings of SIERT and DIET.

### **3.3.8 Mid Day Meal Scheme**

The Mid Day Meal Scheme, a CSS, was launched in August 1995 to cover all primary schools with a view to increase retention and improving nutrition level of children. Under this scheme, food grains provided by GOI at the rate of 3 kilogram per student per month was to be distributed subject to a minimum attendance of 80 per cent.

Under this scheme, the position of the food grains allocated/lifted during

1995-2000 in the State was as under :

Year	Allocation (In MT)	Lifted (In MT)	Short lifting (percentage)	Number of children covered (in lakh)		
				Targets	Achievements	Shortfall (percentage)
1995-96	62097	54961	7136(11)	27.34	18.32	9.02 (33)
1996-97	109096	60132	48964(45)	36.37	20.04	16.33 (45)
1997-98	123594	93112	30482(25)	41.20	31.04	10.16 (25)
1998-99	166046	60017	106029(64)	55.39	20.00	35.39 (64)
1999-2000 (January 2000)	166046	66623	99423(60)	55.39	22.21	33.18 (60)
<b>Total</b>	<b>626879</b>	<b>334845</b>	<b>292034</b>	<b>215.69</b>	<b>111.61</b>	<b>104.08</b>

It was observed that :

(i) Short lifting of food grains ranged between 11 to 64 per cent during 1995-2000 thereby beneficiaries were deprived of intended benefit.

(ii) The State was supposed to distribute cooked meal within two years of launching of this scheme. However, cooked meal was not being served. This defeated the very purpose of improving the nutritional level of students.

(iii) All the schools were to be brought under the scheme in rural areas from August 1995 and urban areas from April 1997. In districts test-checked, it was noticed that 355 schools (203 in rural areas and 152 in urban areas) of Bikaner district were not covered under the scheme. Thus, 53,302 children (36,965 in Bikaner-rural and 16,337 in Bikaner-urban) were deprived of benefits of the scheme.

(iv) In 3 Zila Parishads\*, the food grains were distributed irregularly instead of monthly distribution for 10 months in a year. In 4 districts# test-checked, it was noticed that quantity of lifting and distributing were always identical for the last 5 years which is highly unlikely.

(v) Private and unaided schools were not to be covered under this scheme. It was, however, noticed that 235 MT of wheat valuing Rs 10.57 lakh (as per Public Distribution System rate) was distributed by the three districts (Banswara, Tonk and Udaipur) among 29956 students of 175 private and unaided schools. The Government in their reply (August 1999) stated that the matter was being examined.

(vi) In 4 districts## out of the 9 test-checked excess distribution of 2072 MT of wheat against the prescribed norms was made during 1995-2000.

(vii) The scheme envisaged the disposal of gunny bags through auction. In 8 district test-checked, 7.18 lakh gunny bags were lying undisposed of.

\* Bikaner, Jodhpur and Tonk.

# Ajmer, Banswara, Jaisalmer and Sawaimadhopur.

## Bikaner, Jaisalmer, Jodhpur and Sawaimadhopur.



(viii) No nutritional survey was done to ascertain the impact of this scheme of nutritional status of children which had been covered in 5 years.

(ix) A State level committee under the Chairmanship of Additional Chief Secretary was constituted in February 1996 and was required to meet twice in a year and to give guidance for effective implementation of the scheme. Only two meetings were held in March 1997 and April 1999 instead of 9 meetings (1996-2000).

### 3.3.9 Saraswati Bahen Yojana

To augment female literacy in the rural areas *Saraswati Bahen Yojana* was launched in 1994-95 initially in 8 districts and 100 *Saraswati Shalas* (SSs) were opened. By 1997-98 the scheme was extended to all the districts (120, 1000 and 550 SSs) were covered. The following points were noticed:

Shortfall in working of *Saraswati Shalas* was 69 per cent.

(i) Against a sanction of 1770 SSs, only 550 SSs were working with a shortfall of more than 69 per cent.

Rs 10.78 lakh spent irregularly on training of *Saraswati Bahen*.

(ii) Rs 10.78 lakh were unauthorisedly spent by the Director, SIERT on training of 638 *Saraswati Bahen* \*\* between October 1999 and September 2000 in spite of orders by the Secretary, Elementary Education to discontinue the training.

(iii) 107 *Saraswati Bahen* after receiving training either did not start schools or became inactive. Therefore, expenditure of Rs 2.72 lakh incurred for purchase of teaching material and training for them became infructuous.

(iv) No inspection of *Saraswati Shalas* by Education Extension Officer of *Panchayat Samitis* and by Sr. Dy. DEO was done.

Not even a single student passed regular V standard examination.

(v) Not even a single student of *Saraswati Shala* passed regular V standard examination in Bikaner and Jaisalmer districts.

(vi) Evaluation Organisation Rajasthan, Jaipur in their evaluation report indicated the following:

(a) Selection of at least 20 per cent *Saraswati Bahen* was not done as per prescribed norms.

(b) SSs were being run in block level towns where alternative educational facilities were already available. One *Saraswati Bahen* started Lower Kindergarten/Upper Kindergarten whereas another started teaching class I to V in the very beginning. Thus, there was no uniformity in taking up of the scheme. Further, material made available for start of SSs was not found of as per prescribed specification.

No concrete action was found taken by the State Government to rectify the shortcomings.

\*\* Teacher engaged under this scheme is called *Saraswati Bahen*.

### 3.3.10 Area Intensive Programme for Educationally Backward Minorities

The programme envisaged construction of additional class rooms for primary schools, upgradation of primary school to upper primary schools, construction of girl hostels and providing teaching and learning material. It was launched during 1993-94 in Jaisalmer district. Later on, it was extended to seven more blocks of four districts\*. For implementation of this programme, GOI sanctioned and released Rs 2.74 crore during 1993-97.

It was observed that :

(i) Due to failure of submitting of utilisation certificates to GOI, release of second and third instalment was delayed and Rs 9.24 lakh were disallowed by GOI from first instalment towards salary of teachers. No adjustment thereof was made from State funds as of September 2000.

(ii) As per norms, three rooms were required in a primary school having a strength of 100 students. However, in Jaisalmer district, Rs 8.99 lakh were spent on construction of additional room in nine schools where the student strength was between 14-55 only. Block Development Officer, *Panchayat Samiti*, Sam (headquarter Jaisalmer) intimated (May 2000) that they could not adhere to norms as it was not possible for them to review the proposal already submitted by them. However, the survey was not done to assess actual requirement.

(iii) Rs 4.75 lakh were transferred (September 1994) to PD account of SIERT, Udaipur which were not utilised in absence of any guidelines from the Director of Primary and Secondary Education, Bikaner.

Twenty two schools were upgraded as upper primary school though teaching and learning material was not made available up to September 2000. Hence, Rs 48.63 lakh received from GOI between 1993-94 and 1997-98 remained unutilised.

### 3.3.11 Manpower Management

#### 3.3.11.1 Sanctioned strength and Men-in-position

The sanctioned strength under the various categories during 1998-2000 was as under :

Category of staff	1998-99				1999-2000			
	Sanctioned	Actual	Excess(+)/ Shortage (-)	Percentage	Sanctioned	Actual	Excess(+)/ Shortage(-)	Percentage
Administrative staff	1285	896	(-)389	30	1308	899	(-)409	31
Academic staff	179078	163201	(-)15877	9	179247	167615	(-)11632	6
Office staff	2741	1913	(-)828	30	2745	2049	(-)696	25
Sub-ordinate staff	8128	5766	(-)2362	29	8046	5593	(-)2453	30
	191232	171776	(-)19456	10	191346	176156	(-)15190	8

Thus, the shortage of working strength ranged between 9 and 30 per cent in 1998-99 and 6 to 31 per cent in 1999-2000.

\* Alwar, Barmer, Bharatpur and Sikar.

Rs 8.99 lakh were spent on construction of additional rooms in schools having student strength between 14-55 against required strength of 100 students.

Rs 48.63 lakh remained unutilised for want of teaching-learning materials.

Shortfall of working strength ranged between 6 and 31 per cent.



The position of the sanctioned strength and men-in-position in the 8 districts test-checked during 1999-2000 showed shortage between 2 to 13 per cent as detailed below :

Name of district	Number of units <sup>@</sup>	Sanctioned strength	Working strength	Excess(+)/ Shortage(-)	Percentage of shortage
Ajmer	6	5501	5386	(-)115	2
Alwar	8	7398	6973	(-)425	6
Banswara	7	3601	3278	(-)323	9
Bikaner	3	4675	4084	(-)591	13
Jaisalmer	4	2262	2074	(-)188	8
Jodhpur	7	5184	4953	(-)231	4
Sawaimadhopur	2	2387	2153	(-)234	10
Tonk	10	4666	4446	(-)220	5
<b>Total</b>	<b>47</b>	<b>35674</b>	<b>33347</b>	<b>2327</b>	<b>7</b>

@ DEOs, Sr. Dy. DEOs and Panchayat Samitis.

The department issued instructions in November/December 1999 that the deployment of excess teachers against the prescribed norms i.e. one teacher for 49 students, was to be adjusted in the schools having short strength. A scrutiny of the 9 districts test-checked revealed that in 8 districts (except Udaipur where DEO did not furnish the data), 1382 excess teachers (Gr.-II : 105 and Gr.-III : 1277) deployed in 571 schools located in urban areas against the prescribed norms as on 31 March 2000, were not adjusted as per aforesaid instructions. The DEOs stated that these excess teachers were to be adjusted by rationalisation, but the same had not been done so far which resulted in incurring of nugatory expenditure of Rs 10.40 crore for one year alone while schools located in rural areas suffered. The rationalisation had not started in Jodhpur and Bikaner districts.

### 3.3.11.2 Uneconomic/paper schools

The Coordination Committee headed by the Chief Secretary decided that uneconomic schools having enrolment of less than 20 students may be closed and merged with the nearest school. The department merged 195 (118+77) uneconomic schools (having enrolment of below 20 students) and 47 paper schools (having nil enrolment) were closed in February 2000 and June 2000. The department did not furnish total number of such uneconomic/paper schools in the State.

### 3.3.11.3 Inadequate inspection of institutions

The norms for inspection of schools fixed in the Education Code required that a DEO (Elementary) should inspect at least 120 schools every year. Similarly, according to the provisions laid down in Rule 345 of Rajasthan Panchayat Act at least 15 schools were to be inspected by the Education Extension Officer (EEO) and Sr. Dy. DEO in a month.

Inspection of schools was not conducted as per prescribed norms.

The position of the inspections to be conducted and actually conducted by the DEOs (Elementary) and percentage shortfall during 1996-99 in the State was

as under:

Year	Target (As per norms)	Achievement	Shortfall	Percentage of shortfall
1996-97	3720	2783	937	25
1997-98	6480	5783	697	11
1998-99	6480	3823	2657	41

The position of inspections carried out by the DEO, Sr. Dy. DEOs and EEOs in 9 selected districts during 1995-2000 was noticed as under :

Year	Number of officers	Target (as per norms)	Achievement	Shortfall (percentage variation in districts)
1995-96	32	3680	2680	1000 (5 to 49)
1996-97	31	3952	3037	915 (4 to 46)
1997-98	34	4278	3209	1069 (18 to 28)
1998-99	34	4269	2891	1378 (25 to 46)
1999-2000	31	4124	2743	1381 (9 to 64)

(a) The DEOs attributed the shortfalls to excessive office work, lack of departmental vehicles, posts of officers remaining vacant for longer periods and non-posting of regular incumbents. The reply was not tenable as administration is normal function of the department and prescribed norms were worked out taking all these factors into account.

(b) The State Government issued administrative sanction for Rs 42 lakh for purchase of 14 Mahindra Jeeps for elementary education in July 1997 and order was placed on firm 'A', (an authorised dealer) in October 1997. Rs 41.85 lakh were also paid as an advance to the firm in January 1998. However, the delivery of Jeeps was still awaited (August 2000).

Thus, on the one hand DEOs were not able to carry out inspections due to lack of vehicles, on the other hand the department failed to procure 14 jeeps even after paying an advance.

### 3.3.12 Grants-in-aid to non-Government schools/institutions

The Rajasthan Non-Government Educational Institutions Act, 1989 and the Rajasthan Non-Government Educational Institution (Recognition, Grants-in-aid and Service conditions etc.) Rules, 1993 made thereunder were promulgated with effect from April 1993 to propogate education through non-Government sector. Scrutiny revealed that Rs 115.38 crore were paid to non-Governmental institutions during 1995-2000 as under :

Year	Number of aided non-Governmental institutions	Amount paid as grants-in-aid (Rupees in crore)
1995-96	705	14.90
1996-97	785	18.89
1997-98	783	25.88
1998-99	783	26.51
1999-2000	NA	29.20
<b>Total</b>		<b>115.38</b>

Delivery of jeeps were not obtained as of August 2000, though advance amounting to Rs 41.85 lakh was paid in January 1998.



Most of these institutions were in the urban areas, therefore, the objective of extension of education in areas uncovered by schools was not achieved. It was further observed that:

- (i) The State Government ordered (March 1994) that tuition fee recoverable by any institution would be computed for income purpose of that institution upto limit of fee prescribed by the State Government for its own schools as per Rule 13(4) of the rules governing grant-in-aid to non-governmental institutions. As the State Government had not prescribed any fee so far pending decision of a Committee set up to review the issue, the amount of fees received by the grantee institutions is excluded from its income by department while processing the claims for such grants. In 9 districts test-checked, Rs 2.80 crore were released to 103 institutions in excess of admissible amount.
- (ii) A grantee institution did not conduct the elections of managing committee as required in Rule 23(1)(j) since 8 August 1977. A grant of Rs 20.14 lakh was, however, paid irregularly in contravention to this Rule.
- (iii) In terms of Note-II under Rule 13(4)(vi), provisional grant for current year can be released quarterly by taking into account the finalised grant of the preceding year. For this purpose, grant of preceding year is considered at the rate of 1/12 per month. In contravention of this Rule, provisional grant-in-aid amounting to Rs 20.70 lakh was paid to 21 institutions in excess of the amount due. This was still recoverable from the grantees. Meanwhile these institutions had been reported to be defunct/inactive which would render recovery difficult.
- (iv) Rule 14 of the Rajasthan Non-Government Educational Institution (Recognition, Grant-in-aid and Service Conditions etc.) Rules, 1993 envisaged that grant-in-aid be sanctioned on the basis of approved expenditure incurred on the items mentioned in the Appendix VIII of the said Rules. The expenditure incurred on the House Rent Allowance (HRA) and City Compensatory Allowance was not included therein. In Jodhpur division, grant-in-aid of Rs 6.32 lakh was irregularly sanctioned to 10 aided institutions on the HRA and City Compensatory Allowance paid to their employees for the year 1998-99. The Deputy Director, Jodhpur stated (June 2000) that the grant-in-aid on HRA and City Compensatory Allowance was sanctioned as per the instructions issued by the State Government. The reply is not acceptable as these two items are not covered in Appendix VIII as discussed above. The clarification sought from the State Government was still awaited (September 2000).
- (v) According to provisions laid down in Rule 81(2), the audit of the accounts of the aided institutions shall be conducted by the Director, Local Fund Audit Department or any other authority as may be authorised by the State Government from time to time. It was noticed that the audit of aided institutions was conducted by the Local Fund Audit only in respect of deductions/depositing of Contributory Provident Fund. Thus, the detailed audit of accounts of the aided institutions was not conducted (September 2000).

(vi) As per Note-I below Rule 13(3), the cases for a change in grant-in-aid may be reviewed by the Grant-in-aid Committee ordinarily after three years on the basis of inspection reports and general improvements and other principles of categorisation. Such review had not been done either at divisional or State level.

(vii) As per proviso below Rule 11(4), in case of Railway schools 50 per cent grant was admissible to the primary and upper primary schools whereas there was no provision in Rajasthan Non-Government Educational Institutions Act, 1989 (Act No. 19 of 1992) for payment of grant to the Railway primary schools.

In Ajmer, Kota and Udaipur Zones, Rs 65.19 lakh were given to the Railway schools as grant for the period 1995-96 to 1999-2000. Since the Railway schools were not Non-Government Educational Institutions, the grants paid to such institutions were inadmissible.

(viii) Maharana Kumbha Kala Kendra run by Rajasthan Vidya Peeth, Udaipur was given permanent recognition of the level of Music Prabhakar with effect from July 1990 by the Director, Primary and Secondary Education, Rajasthan, Bikaner with the condition that a certificate that the building of the institution was maintained in good condition, was to be obtained from Public Works Department (Buildings and Roads), Udaipur and submitted to the Directorate within two months otherwise the permanent recognition would be treated cancelled.

Although the certificate was not submitted till July 2000, permanent recognition was not cancelled. Further, grant of Rs 15.86 lakh was released irregularly to this institution between 1995-96 and 1999-2000 ignoring the above condition, which had not been recovered.

### 3.3.13 Conclusion

The Government of India evolved a National Policy on education to achieve the goal of free and compulsory education for children but the State Government did not frame its own education policy. Various schemes introduced by the GOI/the State Government in the State failed to meet the goal of achieving primary education to all and minimum level of learning and thus, there was little impact on crucial parameters i.e. enrolment, drop out rate, completion of Primary Education. Prescribed frequency of imparting in-service training to teachers was not achieved and the shortfall of in-service training to teachers of elementary education remained between 44 and 67 per cent during 1995-2000. Thus, the schools were mostly without trained teachers. Most of the Non-Government Educational Institutions who were getting grants from the Government were working in urban areas and as such the objective of extension of education in areas where there were no schools, was not achieved.

These points were referred to the Government in August 1999 and November 2000; reply had not been received (December 2000).



## SECTION -'B' : AUDIT PARAGRAPHS

### Animal Husbandry Department

#### 3.4 Utility of Government live-stock farms

Government of Rajasthan had set up Cattle Breeding Farms (CBFs) at Ramsar (Ajmer), Kumher (Bharatpur), Dug (Jhalawar) and Nagaur to increase the number of superior quality cattle, mainly cows and buffaloes. A Pig Development Farm at Alwar and Goat Development Farm at Ramsar were also set up. The main objectives of CBFs were conservation of indigenous breeding, selective breeding and distribution of superior quality bulls, buffalo bulls, bucks and pigs in the field for improvement of breed of that area.

Important points noticed during test-check of records of these farms for the period 1995-96 to 1999-2000 conducted during March to May 2000 were as under:

(i) Rs 5.30 crore were spent during 1995-2000 against the budget allocation of Rs 5.61 crore. Of this, establishment expenses were Rs 3.66 crore (69 per cent) leaving only 31 per cent towards operational expenses. Receipts of the CBFs from sale of milk, animals, culled animals, fodder, manure, etc. during 1995-2000 was only of Rs 39 lakh.

Government of India sanctioned (March 1999) grant of Rs 22 lakh to establish a new Pig Breeding Farm at Ajmer, which could not be utilised due to non-release of this grant by the State Government (September 2000).

(ii) Superintendents, incharge of CBFs though being key posts remained vacant for 2 years 11 months (Nagaur), 3 years 4 months (Kumher) and 5 years (Dug and Ramsar) due to non-holding of Departmental Promotion Committee by the State Government thereby affecting the working of farms.

(iii) In October 1997, the State Government launched a new breeding policy and according to that all the CBFs were to be converted into Calf Rearing Centres from April 1998. Two new Calf Rearing Centres were also to be set up at Jalore and Jaisalmer. The parent stock of the farms were to be disposed off by auction or transfer to *Goshalas* by March 1998. Calves above 6 months were to be purchased and reared at the farms up to the age of maturity for distribution to breeders free of cost for improvement of breed. The targets for this purpose as fixed by the department were achieved only to the extent of 23 per cent during 1998-2000 (Appendix-XXVII). The department intimated (April 2000) the reasons for shortfall due to ban on purchase of calves by the State Government and non-availability of required calves (Ramsar and Dug). The reply was not tenable as the purchase was banned only for the month of March 1999 and March 2000. Action to purchase the calves was not taken timely. Further, at Nagaur and Kumher, 78 and 35 mother stock of cattle were transferred to *Goshalas* with delay of 20 months

and 3 months respectively resulting in extra expenditure of Rs 11.66 lakh on their feed and fodder.

(iv) Under new breeding policy, male calves were to be purchased considering milk production of mother cow, genetic character of the breed, growth, etc. For purchase of calf of Malvi breed the State Government laid down the norms that the milk record of mother cow should not be less than 1500 litres in 305 days. At Dug farm, however, 19 male calves out of 20 purchased by the purchase committee (October 1998) were not as per norms as the milk record of the mother cows were less than 1500 litres in 305 days.

(v) The selective breeds of bulls and buffalo bulls reared at the farms were to be distributed to breeders free of cost for the improvement of breed. During 1995-2000, 253 bulls/buffalo bulls were distributed by all the farms. Of these, 51 buffalo bulls at Kumher farm were distributed even before the age of maturity. 7 buffalo bulls were not found useful for breeding purpose by the breeders and were auctioned by *Gram Panchayat* for Rs 9805.

(vi)(a) At Kumher, the State Government started a buffalo calf scheme for rearing calves in 1990-91 to increase the production of milk of buffaloes through breed improvement. Total expenditure incurred was Rs 58.11 lakh which included establishment expenses of Rs 40.55 lakh during 1990-99. Only 85 buffalo calves were purchased (for Rs 0.65 lakh) against the target of 540. Of these, only 77 calves could be distributed for improvement of breed.

(b) Fodder for Rs 35.02 lakh had been purchased during 1995-2000, despite availability of cultivable land of 393.82 hectares, which could not be utilised due to non-arrangement of water facility. Moreover, Kumher farm had 367 acres of forest land, which was hardly of any use for cattle. Four *chowkidars* had been engaged by the farm to safeguard the produce of this land with recurring estimated expenditure of Rs 2.16 lakh per year and produce of only Rs 7,000 was auctioned during 1996-2000. Though incharge of farm suggested the Director of Animal Husbandry for transferring this land to Forest Department; the transfer of land had not matured (May 2000).

(c) Record of the successive generations was not maintained inspite of the monitoring officer (Deputy Director) having been appointed for each farm.

(d) The farms were under-utilised as the percentage of animals available at the farms ranged from 3 to 80 *per cent* of capacity during 1995-2000 as per Appendix-XXVIII.

(vii) At the Goat Development Centre, Ramsar, the targets for buck distribution, goat husbandry training and castration were not achieved and the shortfall ranged between 12 and 86 *per cent* during 1995-99 (Appendix-XXIX). Moreover, parent stock of 399 goats could not be auctioned reportedly due to non-availability of current book value of Sirohi breed goats.



(viii)(a) Due to non-installation of treatment plant at the pig farm a case was filed in a court at Alwar by Pollution Control Board and a penalty of Rs 4,500 per year had to be paid by the Farm. More important, the farm continues to pollute the water.

(b) Feed worth Rs 0.48 lakh (88.9 quintals) purchased from the Cooperative Cattle Feed Factory, Jaipur in December 1995 was of inferior quality, which caused death to 21 pigs at the farm.

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

### **3.5 Infructuous expenditure due to non-utilisation of fodder seed production farm**

**Poor planning/monitoring and non-posting of staff resulted in infructuous expenditure of Rs 37.69 lakh.**

To establish a fodder seed production farm in Command Area of Indira Gandhi Nahar Pariyojana for meeting the required need of improved variety of fodder seed, 13 posts of various categories were sanctioned (January 1989) by the State Government. 400 *bighas* of land was provided at Mohangarh (Jaisalmer district), free of cost, for the purpose and Rs 35.95 lakh were sanctioned (September 1991 and September 1992) for various civil works to be executed through Public Works Department.

Test-check of the records of District Animal Husbandry Officer, Jaisalmer showed (July 1997) that during 1990-98 Rs 37.69 lakh were spent on civil works, wire fencing, purchase of equipment, seeds and on pay and allowances of the staff. However, the production of seeds could not start as the posts remained vacant most of the time during 1990-97 and water was not available. Ultimately, Government decided (September 1997) to wind up the farm and accordingly the posts created were abolished. Consequently, the seeds purchased were destroyed and equipment remained unutilised.

Thus, the expenditure of Rs 37.69 lakh proved infructuous due to poor planning, monitoring and non-posting of staff besides defeating the purpose of meeting the requirement of improved variety of fodder seeds.

Government stated (July 2000) that proposals to utilise the farm as Bull Breeding Centre were under consideration. Further progress was awaited (August 2000).

## Finance Department

### 3.6 Personal Deposit Account

#### 3.6.1 Introduction

Personal Deposit (PD) account is a class of deposit in Public Account kept in treasury in the nature of banking deposit account, the receipts and payments being recorded in personal ledgers.

There were 4464 PD accounts (non-interest bearing and interest bearing) kept in 37 treasuries in the State having unspent balance of Rs 2342.02 crore (Rs 2395.44 crore<sup>1</sup> as opening balance, Rs 10082.77 crore transferred and Rs 10136.19 crore spent) as of 31 March 2000.

PD accounts of 10 Drawing and Disbursing Officers<sup>2</sup> having unspent balance of Rs 52.23 crore as of 31 March 2000 were audited during April to June 2000. Besides, the audit of Book adjustment vouchers involving "Nil payment" amounting to Rs 64.39 crore for the year 1998-99 of Ajmer treasury alongwith the PD accounts of 10 holders was also conducted. Important points noticed are discussed in the following paragraphs.

#### 3.6.2 Transfer of funds to PD accounts in advance of requirement

(i) Cases where funds were transferred to the PD accounts and frozen showing that the funds were not required immediately are given in Appendix-XXX.

(ii) A scrutiny of Book adjustment vouchers involving "Nil payment" of Jodhpur treasury revealed that withdrawal and utilisation of Rs 6.56 crore deposited in PD accounts of Local Bodies on 31 March 2000 were not possible owing to ban imposed by Finance Department.

#### 3.6.3 Irregular drawal of funds

(i) The entire funds of Rs 1.46 crore released on 31 March 1999 to Additional Director, Medical and Health Services (Family Welfare), Jaipur for execution of civil works under Reproductive and Child Health (RCH) Project were deposited in the PD account per contra debit to RCH Project by treating them as final expenditure, though these funds were subsequently distributed to

1. The opening balance differs from closing balance (Rs 2526.92 crore) shown in the Audit Report (Civil) 1998-99 which is under reconciliation.
2. Additional Director, Medical and Health Services (Family Welfare), Jaipur, 2. Bureau of Industrial Promotion, Rajasthan, Jaipur, 3. Rajasthan Coopertative Dairy Federation Limited, Jaipur, 4. Rajasthan Live Stock Development Board, Jaipur, 5. Rajasthan Residential Education Institutions Society, Jaipur, 6. Bhiwadi Industrial Development Authority, Alwar, 7. Rajasthan State Seeds Certification Agency, Jaipur, 8. Director, Small Savings, Rajasthan, Jaipur, 9. District Maternity and Child Health Society, Tonk and 10. Project Officer, Tribal Area Development, Pratapgarh.

Society?  
Purpose.



District Maternity and Child Health Society, Tonk (Rs 0.92 crore) and Jaipur (Rs 0.54 crore) on 7 June 1999.

(ii) Social Welfare Department released during March of the years 1997-2000 funds of Rs 4.11 crore<sup>3</sup> to Rajasthan Residential Educational Institutions Society (RREIS), Jaipur through PD account on account of investment cost (to be borne by Kfw Germany and Government of Rajasthan in proportion of 4:1) for construction and related activities of residential schools for disadvantaged groups in Rajasthan. Rs 4.10 crore were lying unutilised as of March 2000 due to non-receipt of Kfw funds. Thus, the grant of Rs 4.11 crore was irregularly released well in advance of receipt of Kfw funds.

(iii) Deputy Director, Tribal Area Development (TAD), Pratapgarh withdrew Rs 1.50 crore from PD account on 30 March 2000 and deposited in Post Office Saving Bank account. It was re-deposited in PD account on 26 April 2000. Deputy Project Officer, TAD, Pratapgarh irregularly diverted savings of 75 schemes to cover excess expenditure of Rs 0.28 crore on other 5 schemes.

(iv) The Government released (12 October 1998) special funds of Rs 0.55 crore to PD account of Nagar Parishad/Nagar Palikas of Ajmer district for cleanliness and repairs of roads and electrification work on the occasion of Diwali festival to be celebrated on 19 October 1998. However, the funds were misutilised on ongoing construction works sanctioned during 1995-96 (Rs 0.49 crore) and payment of electricity bills/purchase of electric goods (Rs 0.04 crore) pertaining to the period July 1998 and March 1999.

(v) District Women Development Agency (DWDA), Ajmer incurred expenditure of Rs 0.02 crore on "EDARA" scheme during 1998-99 against the sanction issued by Women and Child Development Department, which was later on withdrawn stating that amount will be provided by transfer of funds from DWDA, Jalore. As such minus credit of Rs 0.02 crore existed in the PD account pending transfer (May 2000) of funds by DWDA, Jalore.

(vi) Social Welfare Department released to RREIS, Jaipur funds of Rs 0.20 crore (Rs 0.05 crore on 24 March 1999 and Rs 0.15 crore on 31 March 2000) for payment of pay and allowances. However, withdrawal of Rs 0.15 crore from PD account was banned by Finance Department. Against the remaining amount (Rs 0.05 crore), RREIS incurred an expenditure of Rs 0.09 crore during the years 1998-2000 by diverting Rs 0.04 crore from funds sanctioned (28 March 1998) for construction of Residential College.

### 3.6.4 Non-adjustment of advances

Advances of Rs 3.64 crore given to various agencies by 6 institutions from their PD accounts during 1996-2000 for execution of various works/schemes were lying unadjusted for want of detailed accounts from executing agencies as detailed in Appendix- XXXI.

3. March 1998:Rs 1.00 crore; March 1999:Rs 1.10 crore and March 2000:Rs 2.01 crore.

13.11.1997  
19.3.1998  
Second Account  
27.3.2000 - 2.68 crore  
14.6.2000 - 2.497  
19.6.2000 - 2.497

Summand  
up to  
31/3/2000

Advances  
in  
the  
m/s

### 3.6.5 Money remained out of Government account

Rs 0.11 crore received on 23 March 1999 from Senior Regional Director (Family Welfare), Jaipur were deposited in the PD account on 4 May 1999 by the Additional Director, Medical and Health Services (Family Welfare), Jaipur. Thus, Rs 0.11 crore remained unaccounted for in the Government account for 42 days.

### 3.6.6 Non-reconciliation of balances in PD accounts with treasuries

Out of 3620 PD accounts maintained by 26 Treasury Officers in 1739 cases (48 per cent) balances had not been reconciled with treasuries by the holders of PD accounts as of 31 March 2000.

Account - 1 officer  
 → Check -  
 No. of off. in  
 from M. Dept.

### 3.6.7 Non-closure of PD accounts

In 23 treasuries, 282 PD accounts had not been operated over the last 5 years resulting in blocking of Rs 0.70 crore in these accounts.

### 3.6.8 Non-furnishing of details of PD accounts

Full details viz. date of opening of PD accounts (2737 cases), reference of PD account number (643 cases) and sanction number and date (4464 cases) were not intimated.

## 3.7 Excess payment to State pensioners through Public Sector Banks

**Failure to exercise prescribed checks by the Treasury Officers led to excess payment of pension aggregating to Rs 49.38 lakh through Public Sector Banks.**

Mention was made in the Reports of the Comptroller and Auditor General of India (Civil)-Government of Rajasthan for the years ended 31 March 1985 (Paragraph 3.9- Rs 6.65 lakh), 31 March 1991 (Paragraph 3.1 - Rs 6.64 lakh), 31 March 1994 (Paragraph 3.4 -Rs 12.99 lakh) and 31 March 1998 (Paragraph 3.2-Rs 90.78 lakh) about the excess payments made to State pensioners by Public Sector Banks because of non-observance of the provisions of the scheme for payment of pension to State pensioners through Public Sector Banks. In May 1994, the State Government also authorised Treasury Officers/Sub-Treasury Officers for checking the payments made to pensioners by banks within their jurisdiction. Public Accounts Committee, 1995-96 (10th Vidhan Sabha) took it seriously and recommended (57th Report) fixing of responsibility for excess payments and ensure expeditious recovery thereof. No responsibility had been fixed. As per latest position Government had



recovered Rs 104.44 lakh<sup>@</sup> out of Rs 117.06 lakh commented in the above referred four Audit Reports.

A test-check of the records of pension payments made by six banks\*, conducted between April 1999 and March 2000 revealed that the irregularities, as indicated in the table below, still persists showing failure to exercise prescribed checks by the Treasury Officers. This had resulted in the excess payment of Rs 49.38 lakh to pensioners in 342 cases as detailed below:

Particulars	Number of cases	Excess payment (Rupees in lakh)
Non-reduction of family pension to lower rate after expiry of the prescribed period	231	31.40
Payment of dearness relief/interim relief continued on pension/family pension during period of re-employment/employment	27	7.19
Pension and relief paid at higher rates than admissible	48	8.22
Payment of pension continued on original rates even after commutation	36	2.57
<b>Total</b>	<b>342</b>	<b>49.38</b>

Government stated (September 2000) that Rs 19.58 lakh had been recovered from the pensioners.

### Miscellaneous Departments

### 3.8 Utilisation of Special Grants recommended by Tenth Finance Commission

#### Introduction

On the recommendation of the Tenth Finance Commission (TFC), Government of India (GOI) released grants to the State Government for (i) upgradation of District Administration and Education, (ii) Special problems, and (iii) Calamity Relief Fund (CRF).

The position of grants awarded by TFC and funds released by GOI, the State Government and expenditure incurred during 1996-2000 was as under:

Name of department/scheme	Grant awarded by TFC	Amount released by		Expenditure
		GOI	State Government	
Police	4.13	3.06	2.02	3.20**
Fire Services	5.00	4.50	5.00	1.77
Jails	3.39	2.54	3.39	2.59
Revenue Record Rooms	7.94	7.11	7.84	7.32
Computerisation of Treasuries	3.40	3.06	4.75	4.75
Education	50.21	37.66	50.74	39.32
Special Problem Grants	70.00	52.50	55.00	50.46
<b>Total</b>	<b>144.07</b>	<b>110.43</b>	<b>128.74</b>	<b>109.41</b>

\*\* Excess expenditure of Rs 1.18 crore was met out by the Public Works Department (PWD).

@ 1984-85: Rs 6.24 lakh, 1990-91: Rs 6.23 lakh, 1993-94: Rs 12.96 lakh, 1997-98: Rs 79.01 lakh.

\* (i) Bank of Baroda, (ii) Central Bank of India, (iii) Punjab National Bank, (iv) State Bank of Bikaner and Jaipur, (v) State Bank of India and (vi) UCO Bank.



An officer on special duty in Finance Department was the nodal authority for release and utilisation of grants while a State Level Empowered Committee (SLEC) under the chairmanship of the Chief Secretary of the State Government was constituted to monitor programme implementation.

The records of the implementing agencies/departments for the periods 1996-2000 (1995-2000 in respect of CRF) were test-checked during February to April 2000 and summary of main audit findings are included in the table given below:

(Rupees in crore)

Name of Grant/ Scheme Grants released by GOI/State Government and amount spent	Main audit findings
<b>A- Upgradation grants</b> <b>I. Police Department</b>  (a) Police Outpost Building GOI 0.90 State 0.54 Amount spent 0.54	<b>a(i)</b> Against 20 outpost buildings to be constructed, only 7 buildings were completed through PWD. <i>16-2H-2000</i> <b>(ii)</b> The construction sites of 8 outposts at Jaipur were changed. Hence facility was not provided at identified places. <i>Int-v</i>
<b>(b) Police training</b> (i) Construction of Swimming Pool at Rajasthan Police Academy, Jaipur (ii) Motor Driving School, Bikaner (iii) Barracks at Police Training Sansthan, Kherwara  GOI 2.16 State 1.48 Amount spent 2.66	<b>b(i)</b> The construction of Swimming Pool and Motor Driving school was not completed as of March 2000. As such expenditure incurred on them Rs 65.18 lakh and Rs 95.82 lakh respectively had remained unutilised so far. <i>31.3.2000, 27.12.2000</i> <b>(ii)</b> For construction of Police barracks at Police Training School, Kherwara, Rs 1.05 crore were transferred by the State Government at the fag end of the period of TFC in March 2000 to the Personal Deposit (PD) account of Rajasthan State Bridge and Construction Corporation Limited (RSBCC) but withdrawals of fund were frozen by the State Government till further orders. <i>Not handed to Govt</i>
<b>II. Fire Services</b> GOI 4.50 State 5.00 Amount spent 1.77  <i>Differs</i> <i>As per Rtd. contract</i>	<b>(i)</b> Rs 8.75 lakh were allocated to <i>Nagar Parishad</i> , Tonk in March 2000 for training purposes. However, this amount was frozen by the State Government. <i>3-70xubm</i> <b>(ii)</b> Grant of Rs 9 lakh each was issued for purchase of fire fighting vehicles by <i>Nagar Palika</i> , Abu Road and <i>Nagar Parishad</i> , Sikar. Since the vehicle was not required at Abu Road, Rs 9 lakh were diverted (September 1998) to <i>Nagar Palika</i> , Karoli, <i>Nagar Parishad</i> , Sikar who also did not purchase the chassis of vehicle till March 2000. <i>19.2.2002, 10.7.2002, 7.8.2, 9.2.9, 9.57 Siam</i> <b>(iii)</b> 15 light vehicles chassis of 'Ashoka Leyland' were purchased by purchase committee at highest tendered rate without giving any justification resulting in extra expenditure of Rs 11.13 lakh. <b>(iv)</b> <i>Nagar Palika</i> , Bandikui did not take delivery (March 2000) of fabricated fire fighting vehicle costing Rs 8.35 lakh due to non inspection of fabrication work by Chief Fire Officer. Trained staff and necessary equipment of fire fighting were also not made available. <i>Deliveries Not made available</i> <b>(v)</b> Out of Rs 2.88 crore received from GOI in February 1999, the State Government released Rs 1.50 crore to <i>Nagar Nigam</i> , Jaipur in March 1999 but <i>Nagar Nigam</i> kept this amount in fixed deposit and earned interest of Rs 9.85 lakh. The remaining amount of Rs 1.38 crore was released by the State Government to <i>Nagar Nigam</i> , Jaipur in March 2000. Thus, Rs 2.88 crore though received in February 1999 remained unspent so far (February 2000). <i>dudder SLEC</i>



(Rupees in crore)

Name of Grant/ Scheme Released by GOI/State Government and amount spent	Main audit findings
<p><b>III. Jails Department</b></p> <p>(i) Repair and renovation of Jail buildings</p> <p>(ii) Medical facilities and Sanitation Works</p> <p>GOI 2.54</p> <p>State 3.39</p> <p>Amount spent 2.59</p> <p style="text-align: right; color: blue;">Dated 2</p>	<p>(i) Out of 21 repair and renovation works, 8 works though completed were not handed over by PWD to Jails administration, 3 works were still in progress while one work was not even started.</p> <p>(ii) As per administrative and financial sanction (February 1998) Rs 30 lakh were to be spent on repair of prisoners barracks in Central Jail, Kota. However, Rs 5.84 lakh only were spent on repair work of 21 residential buildings.</p> <p>(iii) 33 items involving estimated expenditure of Rs 7.02 lakh were included in the technical estimate sanctioned (March 1998) for repair of Central Jail, Kota but no expenditure was actually incurred on these items. This amount was diverted for other purposes.</p> <p>(iv) As per technical estimate sanctioned (March 1998) only 200 square(Sq) metre area of roof in Central Jail, Kota was to be repaired at a cost of Rs 0.21 lakh. However, the work was done on 4462 sq. metre incurring an extra expenditure of Rs 4.48 lakh.</p> <p>(v) For providing medical facilities in jails, Rs 22.12 lakh were transferred to the PD account of <i>Karamchari Kalyan Hitkari Nidhi</i> at the fag end of period of TFC i.e. in March 2000. However, this amount was charged to the final head of account and treated as expenditure.</p> <p>(vi) The State Government transferred Rs 1.37 crore to RSBCC, Jaipur for implementing 26 sanitation works in March 2000. All the works were still lying incomplete as only Rs 7 lakh had been spent as of March 2000.</p>
<p><b>IV. Revenue Record Rooms</b></p> <p>GOI 7.11</p> <p>State 7.84</p> <p>Amount spent 7.32</p>	<p>Against targeted works of construction and additions/alterations of 225 record rooms, works of 115 record rooms only were taken up as of March 2000. Of these, 2 works though completed were not handed over, 17 works were still in progress while 3 works were not even taken up by March 2000. Remaining 110 works of record rooms were entrusted to RSBCC in February 2000 and Rs 2.46 crore were transferred to the PD account of RSBCC in March 2000 just to avoid lapse of grant.</p>
<p><b>V. Computerisation of treasuries</b></p> <p>(a) Installation of computers</p> <p>GOI 3.06</p> <p>State 4.75</p> <p>Amount spent 4.75</p>	<p>The computerisation of 32 district treasuries, 6 special treasuries, 204 sub-treasuries and 10 pension sub-treasuries was taken up under the recommendation of TFC. The supply and installation of computers were entrusted to National Informatics Centre (NIC) while preparation of computer rooms was taken up through the treasuries. Out of expenditure of Rs 4.75 crore, expenditure of Rs 4.51 crore was incurred through NIC. The balance Rs 0.24 crore were transferred to treasuries for preparation of computer rooms.</p> <p>As per action plan the computers were to be installed initially at district centres of NIC and thereafter at the treasuries within the period of TFC. These were shifted to 28 treasuries (September 2000). Rest of the computers were still to be installed/lying in district NIC centres.</p>
<p><b>VI. Education</b></p> <p>GOI 37.66</p> <p>State 50.74</p> <p>Amount spent 39.32</p>	<p>(i) Rs 116.50 lakh were allotted during 1999-2000 for construction of 1165 toilets in secondary/senior secondary schools. Of these, 527 toilets costing Rs 52.70 lakh only were constructed. The balance Rs 63.80 lakh were irregularly drawn on 31 March 2000 through Abstract Contingent (AC) bill which was distributed to the District Education Officers in April 2000. Hence, major part of the funds remained unutilised in TFC period.</p> <p>(ii) Grant of Rs 51.30 lakh was transferred (March 2000) to the PD account of the 32 <i>Zila Parishads</i> for the construction of 513 toilets in primary schools which was, however, frozen till further orders. This amount was released by the State Government in May 2000. Thus, it was not utilised during the period of TFC.</p>

21 hand over

P

P

31-3-2000

31-3-2000 Civil  
31-3-2000

→ Nolyph

(Rupees in crore)

Name of Grant/ Scheme Released by GOI/State Government and amount spent	Main audit findings
	<p>(iii) As per action plan 25 girl's hostels were to be constructed through PWD. However, only 16 hostels were completed and 9 handed over to the Education Department. Construction of remaining 9 hostels was still in progress. <i>Occupancy? 21-</i></p> <p>(iv) Though a girl's hostel was already in existence at Hanumangarh, a girl's hostel costing Rs 55.85 lakh was further constructed there resulting in idle investment to this extent.</p> <p>(v) For installation of hand pumps, the Inter Ministerial Empowered Committee (IMEC) approved the unit cost of Rs 40,000 per hand pump. However, during 1997-2000 Public Health Engineering Department (PHED) installed hand pumps at average unit cost of Rs 53484 (1007), Rs 46676 (1196) and Rs 44054 (2239), which resulted in an extra expenditure of Rs 3.06 crore. <i>Successfull</i></p> <p>(vi) 32 hand pumps, installed at a cost of Rs 17.11 lakh failed thus deprived the schools of the facility of drinking water. <i>15 →</i></p> <p>(vii) Provisions for maintenance of 1350 hand pumps installed (490 in secondary schools and 860 in upper primary schools) were not made. <i>→</i></p>
<p><b>B-Special Problem Grants</b></p> <p><b>GOI</b> 52.50</p> <p><b>State</b> 55.00</p> <p><b>Amount Spent</b> 50.46</p>	<p>(i) Initially 24 Urban Water Supply Schemes (UWSS) were identified but one scheme was not taken up and 21 schemes remained incomplete as of January 2000. <i>15-2001</i></p> <p>(ii) Rs 35.79 lakh incurred on other schemes/works of PHED were incorrectly charged to 3 UWSS schemes (UWSS, Goredichacha: Rs 2.71 lakh, Makrana: Rs 26.11 lakh and Jhunjhunu: Rs 6.97 lakh). <i>6-46</i></p> <p>(iii) Store articles valuing Rs 28.69 lakh were issued in excess of provisions made under UWSS, Goredichacha and Jhunjhunu.</p> <p>(iv) Rs 40 lakh in respect of UWSS, Makrana were irregularly drawn and placed (October 1998) under head "8443- Civil Deposit (V) deposit". Of this, Rs 13.43 lakh were withdrawn (November 1998) for payment to Rajasthan State Electricity Board. The balance amount of Rs 26.57 lakh was still lying unutilised as of April 2000.</p> <p>(v) Four additional UWSS with an estimated cost of Rs 9.39 crore were taken up (January 2000) without approval of IMEC and an expenditure of Rs 1.76 lakh was incurred on two of these schemes.</p>

PHED

**(C) Calamity Relief Fund**

A review on Calamity Relief Fund and National Fund for Calamity Relief covering the period 1992-99 was included in the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 1999 (Paragraph 3.3). However, some more points noticed during field study of



Barmer and Chittorgarh districts covering the period of 1995-2000 were as under:

(Rupees in crore)				
Amount released by GOI	Amount released by State Government	Interest earned	Amount spent	Main audit findings
749.87	235.63	53.18	885.46	<p>(i) Payment of wages amounting to Rs 26.40 lakh<sup>1</sup> in respect of 237 muster rolls was made with a delay of 11 to 131 days instead of within 10 days prescribed by the State Government.</p> <p>(ii) Rs 23.63 crore were spent on 2350 relief works<sup>2</sup> without obtaining technical sanction of competent authority.</p> <p>(iii) Rs 53.38 lakh<sup>3</sup> were incurred on construction of various Government buildings, which were not covered by the guidelines.</p> <p>(iv) 8 relief works<sup>4</sup> were executed for Rs 5.11 lakh in municipal areas in contrary to the State Government directions.</p> <p>(v) 179 works<sup>5</sup> with an expenditure of Rs 3.16 crore were executed through contractors against the instructions contained in the guidelines.</p> <p>(vi) 34 road works<sup>6</sup> not covered under State Road Policy were executed with an expenditure of Rs 41.88 lakh on them.</p> <p>(vii) (a) 76 detailed contingent (DC) bills<sup>7</sup> for Rs 12.04 crore were not submitted for adjustment as of March 2000.</p> <p>(b) Rs 8.89 lakh drawn through AC bills during May 1996 and June 1999 in Barmer district and Rs 20.37 lakh drawn during February 1996 to November 1996 in Chittorgarh district were refunded in full after 12 to 230 days.</p> <p>(viii) 30035.73 cubic metre material (Ballast, gravel, etc.) worth Rs 24.57 lakh was lying at various sites of Barmer district without any use and without credit to CRF.</p>

1. Barmer district 233 muster rolls (Rs 26.02 lakh) and Chittorgarh district 4 muster rolls (Rs 0.38 lakh).
2. Barmer district 1057 works (Rs 15.82 crore) and Chittorgarh district 1293 works (Rs 7.81 crore).
3. Barmer district (Rs 34.63 lakh) and Chittorgarh district (Rs 18.75 lakh).
4. 3 works of Nagar Palika, Chittorgarh (Rs 2.92 lakh), 2 works of Nagar Palika, Begun (Rs 1.06 lakh) and 3 works of PWD, division-I, Chittorgarh (Rs 1.13 lakh).
5. 140 works of Barmer district (Rs 3.06 crore) and 39 works of Chittorgarh district (Rs 0.10 crore).
6. 16 road works of Barmer district (Rs 19.48 lakh) and 18 road works of Chittorgarh district (Rs 22.40 lakh).
7. 38 bills of Barmer district (Rs 2.18 crore) and 38 bills of Chittorgarh district (Rs 9.86 crore).

### ***Pending Utilisation Certificate***

Out of Rs110.43 crore released by GOI, utilisation certificates (UCs) of Rs 47.18 crore only were submitted. UCs amounting to Rs 63.25 crore were yet to be submitted to GOI.

### ***Monitoring and Evaluation***

The SLEC was required to meet not less than once in two months. Though the SLEC was constituted in May 1995 but 7\* meetings only were held against required 24 meetings during the period 1996-2000.

Evaluation of the programme was not done either by any department of the State Government or by any independent agency.

These points were referred to the Government in May and July 2000; reply (except from Finance and Revenue Departments) had not been received (October 2000).

## **Medical and Health and Local Self Government Departments**

### **3.9 Implementation of Prevention of Food Adulteration Act**

The Government of India (GOI) enacted the "Prevention of Food Adulteration Act, 1954" (the Act) to ensure quality food to consumers, to protect their interests from fraud or deception and to ensure fair trade practices. The Act mainly provides for (a) constitution of appropriate committees for laying down food standard, procedures and rules for food testing and analysis, prescribe the limitations on import, manufacture and sale of adulterated food, (b) establishment of Central Food Laboratory, (c) detailing the offences under the Act and the penalties which such offences will attract, (d) delegate the Rule making powers to Central and State Governments and (e) appointment of authorities like Public Analyst and Food Inspectors.

In exercise of the powers conferred under the Act, GOI framed the "Prevention of Food Adulteration Rules, 1955" (the Rules), which were applicable to Rajasthan also and the State Government made the "Rajasthan Prevention of Food Adulteration Rules, 1957".

Implementation of the Act/Rules for the period 1995-2000 was reviewed in audit during December 1999 to June 2000 in the offices of Director of Medical and Health Services, Jaipur, Chief Public Analyst, Jaipur, seven Chief Medical and Health Officers (CMHOs), seven Deputy CMHOs (Health), six Public Health Laboratories and seven Municipal Corporations/Councils (at district headquarters) of 7 districts<sup>1</sup>. Important points noticed are as follows:

\* 29 August 1996, 20 February 1998, 29 December 1998, 9 June 1999, 2 July 1999, 21 January 2000 and 29 February 2000.

1. Ajmer, Bikaner, Jaipur, Jodhpur, Kota, Tonk and Udaipur.



**(a) Financial arrangements**

Expenditure on establishment was 95 per cent while expenditure on equipment was less than one per cent.

Against the budget provisions of Rs 3.72 crore, Rs 3.43 crore were spent on the activities relating to implementation of prevention of food adulteration during 1995-2000. Of this, expenditure on salaries of the staff etc. was about 95 per cent on an average. Expenditure on equipment was less than one per cent and on other items viz.; purchase of material, drugs, medicines, etc. ranged from 4 to 6 per cent.

**(b) Efficiency aspects**

(i) No survey of unlicensed vendors was conducted in any of the districts test-checked.

(ii) As per Rule 50 of the Rules, no person shall manufacture, sell, stock, distribute or exhibit for sale any article of food including prepared food or ready to serve food except under a licence.

The Government of Rajasthan, Department of Local Self Government issued (May 1996) orders that obtaining of licences for registered dealers would not be compulsory under the Prevention of Food Adulteration Act and accordingly the work of issue of licences was stopped in Municipal Councils, Tonk and Udaipur from 1 January 1997. However, the Municipal Council, Udaipur restored the work of issue of licences from 1 January 1999. Further in 5 Municipal Corporations/Councils<sup>2</sup> work relating to issue/renewal of licences continued even after issue of aforesaid Government orders.

Licence fee fixed 43 years ago was not revised.

Licence fee was fixed vide Rule 6 of Rajasthan Prevention of Food Adulteration Rules, 1957, which needed immediate revision as the same had been calculated and notified nearly 43 years ago.

**(c) Effectiveness aspects**

(i) The year-wise position of samples to be drawn as per norms, actually drawn by Inspectors and shortfall during 1995 to 1999 in the districts test-checked was as under:

Year	Samples to be drawn as per norms	Samples actually drawn and sent to laboratories	Shortfall	Percentage of shortfall
1995	2647	976	1671	63
1996	2562	1359	1203	47
1997	2334	1329	1005	43
1998	2182	1151	1031	47
1999	1515	624	891	59
<b>Total</b>	<b>11,240</b>	<b>5,439</b>	<b>5,801</b>	<b>52</b>

It was observed that:

Percentage of shortfall in collection of samples ranged between 43 and 63.

While percentage of shortfall ranged between 43 and 63, the percentage of shortfall in Udaipur district ranged between 36 and 86 and in Tonk district

2. Municipal Corporations, Jaipur, Jodhpur and Kota, and Municipal Councils, Ajmer and Bikaner.

between 52 and 85. Shortfall in drawal of samples had affected the very basic requirement of implementation of Prevention of Food Adulteration Act.

**Performance of 17 Inspectors was very poor.**

It was noticed that in most of the cases Food Inspectors did not draw samples as per norms prescribed by the Government in August 1992. The performance of 17 Inspectors<sup>3</sup> was found very poor ranging from 0 to 20 *per cent*.

The Government stated (September 2000) that 2 Inspectors had been posted in each district with the targets of 100 samples per year, disciplinary action would be taken against the Inspectors who would not achieve the prescribed targets and the Inspectors had been instructed to take more samples in future.

Out of 5439 samples analysed, only 1225 samples (23 *per cent*) were found adulterated.

**Samples of alcoholic beverage (Toddy) were not collected.**

(ii) Review of commodity-wise samples collected revealed that not even a single sample of alcoholic beverage (Toddy) was collected in any district though this item was inserted under Prevention of Food Adulteration Rules, 1955.

The department stated (September 2000) that analysing facility of alcoholic beverages is not available at Government Public Health Laboratories. The reply is not tenable as the test facility was to be provided by the Government.

(iii) The State Government violated the provisions of the Act and did not notify any instructions for medical practitioners in Rajasthan (up to December 1999) to report cases of food poisoning.

**Percentage of adulteration in ghee/butter increased from 15 to 28.**

(iv) A review of various types of food analysed and found adulterated during 1995-99 revealed that percentage of adulteration in ghee/butter increased from 15 in 1995 to 28 in 1999.

(v) Analysing fee, to be charged from Railway Department, was increased from Rs 40 to Rs 200 per sample with effect from 26 August 1995 and from Rs 200 to Rs 1000 per sample with effect from 20 May 1999 but Public Health Laboratories, Kota and Udaipur continued to charge Rs 40 per sample up to 18 August 1997 and 8 November 1995 respectively. Similarly, Public Health Laboratory, Jodhpur charged Rs 200 per sample from 20 May 1999 to 12 January 2000. This resulted in less charging of fee of Rs 0.92 lakh (Kota: Rs 0.19 lakh; Udaipur: Rs 0.02 lakh and Jodhpur: Rs 0.71 lakh).

**(d) Consumer awareness and publicity**

To impart health education to the people about the purity of the food articles under Anti Food Adulteration Scheme, each of the 6 major cities of Ajmer, Bikaner, Jaipur Jodhpur, Kota and Udaipur was provided with special team (comprising one co-ordinator, one lady contact and one food technician) to give door to door practical demonstration of spot testing of edible articles and to collect samples of food-stuffs generally used by household ladies in kitchen and also give them information regarding adulteration. In each case of

3. Ajmer: 1, Bikaner: 3, Jaipur:4, Jodhpur: 4, Kota: 1, Tonk: 2 and Udaipur: 2.



adulteration detected by the team, the local Food Inspector was to take a sample from the vendors. Exhibitions were also to be organised from time to time to educate people about the method of spot testing of food- stuff commonly used and to provide demonstrations about the health hazards of adulterants.

**Unfruitful expenditure of Rs 4.04 lakh was incurred on pay and allowances of a lady contact.**

A test-check of records of Dy. CMHO (Health), Kota revealed that posts of coordinator and technician were not sanctioned/posted under the scheme during 1995-99. Though lady contact was posted, her services were utilised in office work for the period from 1 April 1995 to March 2000 (except for the period from 9 July 1998 to 9 September 1998). Thus, the pay and allowances of Rs 4.04 lakh paid to lady contact during 1995-2000 (excluding period from 9 July 1998 to 9 September 1998) proved unfruitful. Besides, a laudable object of educating the public in home testing of adulterated stuff was defeated.

A review of position of samples taken, found adulterated and reported to the Food Inspectors under the Anti Food Adulteration Drive conducted in Jodhpur City revealed that of 93,777 samples taken during 1995-1999 only 1,522 (2 per cent) samples were found adulterated. No information/record was available/maintained by the department about the action taken against the accused. The information regarding action taken in cases where samples found adulterated though called for was not furnished. Further, no non-Government organisation was involved in this campaign.

The department stated (September 2000) that the information regarding action taken on the reported adulterated samples by the team was not being complied separately and hence action taken against the adulterators cannot be segregated. Direction has also been issued to Local Health Officers to send separate reports in future. The reply is not convincing as the department should have maintained separate records to show action taken by Inspectors on the reporting of the team. In the absence of separate records action taken by the Inspectors could not be ascertained.

(e) No periodical training was given to Inspectors/Laboratory staff.

**Prosecution was not launched in 104 cases.**

(f) In districts test-checked, prosecution had not yet been launched in 104 cases relating to 1996-1999 for want of sanction of Local Health Authority, complete information from vendors and further investigation. This indicated that the department was not active about launching prosecution against offenders.

The department stated (September 2000) that directions had been issued to all Local Health Officers to file all pending prosecution cases within one month and in future disciplinary action would be taken against the Food Inspectors/Local Health Officers who will not file prosecution cases in the courts within three months from the date of receipt of report.

(g) 354 cases of the CMHOs, Tonk (153) and Udaipur (201) relating to the period up to 1999 were pending in the courts.

Neither year-wise records of pending court cases were maintained by CMHOs, Beawar (Ajmer district), Bikaner, Jaipur, Jodhpur and Kota nor any information of pending cases was furnished by them to audit.

**(h) Acquittal cases**

Accused were acquitted in 161 cases.

(i) In districts test-checked, accused in 161 cases were acquitted during 1995-1999 due to passing of samples by central food laboratory (28), benefit of doubt (31), samples not homogeneously mixed in bottles of samples (6), incomplete address/non-appearance of accused before court (47), death of accused (21), non-production of witness by the department (7), improper test by Public Analyst (3) and miscellaneous reasons (18). This indicated that due to failure of the department, the accused were acquitted in a large number of cases.

(ii) Files of 113 acquittal cases (Jaipur: 61, Jodhpur: 17 and Tonk: 35) decided by the courts were not produced to audit by the respective CMHOs. As such the grounds of acquittal of accused in these cases could not be examined.

Public Health Laboratories were not re-organised on the basis of zero base budgeting in contravention of specific Government directions.

(i) The State Government had directed (September 1995) the Director, Medical and Health Services, Jaipur to (i) re-organise Public Health Laboratories on the basis of zero base budgeting so that State Government may not bear any extra financial burden; (ii) close down 8 laboratories<sup>4</sup> (out of existing 14 laboratories) and only 6 laboratories at zonal headquarters may continue; (iii) transfer the staff and instruments of the closed public laboratories to zonal laboratories for strengthening and improving their capacity and quality; and (iv) provide sufficient budget for instruments for all types of analysis in the proposed zonal laboratories. However, no re-organisation of laboratories had been done.

The department stated (September 2000) that necessary proposal had been sent to the State Government and action would be taken on receipt of acceptance.

**(j) Surplus staff**

Wasteful expenditure of Rs 9.06 lakh was incurred on pay and allowances of the idle staff of laboratories.

The following Public Health Laboratories were not functioning from the date noted against each due to non-posting of Public Analyst. The staff of these laboratories remained idle resulting in infructuous expenditure of Rs 9.06 lakh on pay and allowances of the staff as all the samples to be received at these laboratories had been sent to Jaipur instead.

Place of Public Health Laboratory	Period	Pay and allowances (Rupees in lakh)
Kota	26 May 1999 to 30 September 1999	2.04
Bhilwara	1 December 1997 to 13 June 1999	5.90
Bharatpur	4 May 1999 to 1 August 1999	1.12
<b>Total</b>		<b>9.06</b>

4. Alwar, Banswara, Bharatpur, Bhilwara, Dungarpur, Jhalawar, Sikar and Sriganganagar.



The department stated (September 2000) that all the surplus staff had been adjusted against vacant posts and the Government work was done by the staff and hence the expenditure on pay and allowances cannot be said to be infructuous. The reply of the department is not tenable because the infructuous expenditure on pay and allowances was calculated for the period when the staff was sitting idle without work.

These points were brought to the notice of departments (July 2000). While reply from Medical and Health Department had been received; reply of Local Self Government Department was awaited (October 2000).

## Medical and Health Department

### 3.10 Abortive outlay on construction of Sub-Health Centres

**Failure of the department to ensure timely completion/handing over of the SHC buildings resulted in unfruitful expenditure of Rs 18.94 crore on incomplete buildings/buildings not handed over.**

State Government (Medical and Health Department) issued (February 1996) administrative and financial sanction of Rs 30.08 crore for construction of 2406 (29 districts) Sub-Health Centres (SHCs) under *Apna Gaon Apna Kam* (AGAK) Scheme. The cost of each SHC was fixed at Rs 3.00 lakh and was to be met from public contribution (Rs 0.80 lakh), State share through Medical and Health Department (Rs 1.25 lakh) and AGAK Scheme through Rural Development Department (Rs 0.95 lakh). The Secretary, Medical and Health Department with the concurrence of Finance Department on grounds of non-receipt of contribution from public and non-availability of funds under AGAK Scheme instructed (February 1997) the District Rural Development Agencies (DRDAs) to utilise Rs 3.00 lakh per SHC from the State share already transferred to DRDAs and complete the construction. Rs 54.45 crore were transferred from State Plan to Personal Deposit (PD) accounts of DRDAs during 1995-98 by the Director, Medical and Health Services, Jaipur. Of this, Rs 41.43 crore had been spent (till September 2000) by DRDAs and Rs 13.02 crore were lying unutilised with them. However, 1360 SHCs had been completed, the construction of 568 SHCs was in progress and the construction of 478 SHCs had not been sanctioned/started by DRDAs.

A test-check of the records of 19 DRDAs revealed that Rs 33.08 crore had been transferred to PD accounts of respective DRDAs for construction of 1398 SHCs, against which DRDAs sanctioned construction of 1169 SHCs. Of these, only 224 buildings were constructed (cost: Rs 5.38 crore) and handed over to the department. Of the remaining 945 buildings, construction of 45 SHC buildings (expenditure: Rs 0.08 crore) had not yet been started, 464 SHC

buildings (expenditure: Rs 7.80 crore) were lying incomplete and 436 SHC buildings (expenditure: Rs 11.06 crore) though completed but not handed over to the department. Rs 8.76 crore remained unutilised with DRDAs.

Thus, failure of the department to ensure timely completion/handing over of the SHC buildings resulted in unfruitful expenditure of Rs 18.94 crore on incomplete buildings/on buildings not handed over and blocking of Rs 8.76 crore, besides depriving the beneficiaries from intended benefits.

Government accepted the facts and intimated (September 2000) that instructions had been issued to concerned agencies to get the work completed and progress intimated monthly.

### **3.11 Excess expenditure on purchase of anti-Tuberculosis Drug**

#### **Imprudent purchase of 800 mg Ethambutol tablets at higher cost caused excess expenditure of Rs 15.40 lakh.**

The Director, Medical and Health Services, Jaipur entered into (December 1996) the rate contract for supply of various medicines with a firm for the period 1996-98 which included 400 mg and 800 mg Ethambutol tablet -an anti Tuberculosis Drug at a cost of Rs 72.90 and Rs 154 per packet (10 x 10 aluminium pack) respectively.

During examination (October – November 1999) of the records of Director, Medical and Health Services, Jaipur, it was noticed that in the earlier (1994-96) and subsequent (1998-2000) rate contracts, the cost of these two tablets was Rs 74 and Rs 82 per packet (400 mg) and Rs 140 and Rs 152 per packet (800 mg) respectively. Evidently two packets of 400 mg were costlier by Rs 8 and Rs 12 than one packet of 800 mg in these two rate contracts. However, in the rate contract concluded in December 1996, the position was reversed and the cost of 800 mg exceeded by Rs 8.20 per packet in comparison to two packets of 400 mg indicating that no proper scrutiny of rates proposed by the firm was done before entering into contract with the firm. Even if prices of two packets of 400 mg and one packet of 800 mg are taken at par, Rs 8.20 per packet of 800 mg was paid in excess as compared to price of two packets of 400 mg.

During 1997-99, the department purchased 187864 packets of 800 mg tablets at a cost of Rs 2.89 crore involving excess payment of Rs 15.40 lakh at Rs 8.20 per packet.

Thus, purchase of 800 mg Ethambutol tablets at higher cost without rate analysis resulted in excess expenditure of Rs 15.40 lakh.



Government stated (September 2000) that purchases were made keeping in view the policy of Government and interest of the patients. The reply was not tenable as purchases should have been made in economical manner after analysing the rates.

## Sheep and Wool Department

### 3.12 Infructuous expenditure on construction of Sheep Breeding Farm

**Lack of proper examination of initial proposals and clearing without assessing the return on investment and productivity of the Sheep Breeding Farm led to termination of contract and an infructuous expenditure of Rs 24.40 lakh.**

State Government (with the approval of World Bank) accorded (September 1995) administrative and financial sanction of Rs 2.09 crore for civil works to enhance the carrying capacity of large scale sheep breeding farm (Farm), Fatehpur (Sikar district). Tenders for the construction work were invited by Public Works Department (PWD) in two packages and the work of package II (Rs 93.15 lakh) and package-I (Rs 107.47 lakh) was awarded in June 1996 and September 1996 respectively.

Subsequently it was decided not to undertake the construction since it was felt that proposed works had no utility as the productivity of farm would not increase in proportion to the investment and that the Government was considering leasing the farm. This was also approved by the Government in December 1997. The contract was terminated (February 1998) by Chief Engineer, PWD at an incomplete stage as ordered by the Government (December 1997). The total expenditure incurred on these works worked out to Rs 24.40 lakh (paid upto August 1998) including Rs 7 lakh on boundary wall and Rs 15 lakh on development works.

Thus, due to inadequate examination of initial proposals and clearing the proposal without assessing the return on investment and productivity of the farm finally led to termination of contract of Sheep Breeding Farm and an infructuous expenditure of Rs 24.40 lakh.

On being pointed out in January 1999, Government accepted (September 2000) the facts. Further progress regarding leasing the farm was awaited (October 2000).

### **3.13 Unfruitful expenditure on Development of Reserve Pasture Land**

**Department's failure to develop the Reserve Pasture Land for producing green fodder resulted in unfruitful expenditure of Rs 13.37 lakh which consequently led to purchase of more dry fodder.**

To minimise animals dependency on dry fodder, Reserve Pasture Land (RPL) situated in Jamdoli (Sector II) of Sheep Breeding Farm (SBF), Jaipur was proposed to be developed for growing green fodder. For this purpose, the Government sanctioned and released Rs 15.70 lakh during 1994-98 for creating infrastructural facilities. To create such facilities the works were executed by Public Works Department, Ground Water Department and Rajasthan State Electricity Board (RSEB).

Scrutiny of records of Superintendent, SBF, Jaipur revealed (February 2000) that boring of two tubewells, construction of pump house with lowering of two submersible pumps and other connected works were completed (September 1998) by the executing agencies at a cost of Rs 13.37 lakh. Despite this, no green fodder could be produced in the farm during 1994-99. While in one case the land was not levelled and consequently the tubewell could not be energised, in case of other tubewell the electricity fitting was not found as per norms by RSEB. Thus, both the tubewells could not be operated and the expenditure of Rs 13.37 lakh was rendered unfruitful. Meanwhile, 2725 tonne of dry fodder was purchased for Rs 66.96 lakh during 1994-2000.

Superintendent, SBF, Jaipur admitted the facts (June 2000). The Director, Sheep and Wool also intimated (June 2000) that decision to utilise the tube wells would be taken at Government level in due course. Meanwhile, a study undertaken by the Government in May 2000 of the progress of the pasture development programme concluded that there was no justification of creating liability of two tubewells.

Thus, department's failure to develop the RPL for producing green fodder resulted in unfruitful expenditure of Rs 13.37 lakh which in turn led to purchase of more dry fodder.

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



## Tribal Area Development Department

### 3.14 Unfruitful expenditure on construction of hostel buildings

**Failure of the department to ensure completion of hostel buildings by the *Avas Vikas Sansthan* resulted in unfruitful expenditure of Rs 4.26 crore and blocking of Rs 2.92 crore.**

Under the Centrally sponsored schemes for construction of hostel buildings under Tribal Sub-Plan area, the State Government accorded administrative and financial sanctions of Rs 10.66 crore\* for construction of 27 hostel buildings during the years 1992-93 to 1996-97. The work was allotted (1992-97) to *Avas Vikas Sansthan* (AVS) by the Government and was to be completed within 12 to 15 months from the date of commencement of work. Accordingly, Rs 10.66 crore were released (1992-97) to AVS by the State Government for construction of hostel buildings.

During examination (May - June 1999) of records of the office of the Commissioner, Tribal Area Development Department, Udaipur it was noticed that out of 27 hostels only 11 hostel buildings constructed at a cost of Rs 3.48 crore were handed over to the department by March 1999 (when the AVS was closed). While remaining 16 buildings were lying incomplete (as of August 2000) after incurring an expenditure of Rs 4.26 crore, Rs 2.92 crore (after adjusting Rs 0.03 crore on account of excess expenditure on 11 completed buildings) remained unutilised with the AVS.

Thus, failure of the department to ensure timely completion of hostel buildings by the AVS resulted in unfruitful expenditure of Rs 4.26 crore on incomplete hostel buildings and blocking of Rs 2.92 crore besides depriving the tribal students from hostel facilities.

Government stated (July 2000) that incomplete works were being executed by Rajasthan Housing Board.

## General

### 3.15 Non-responsiveness to Audit findings and observations resulting in erosion of accountability

Accountant General (Audit) (AG) conducts periodical inspection of the Government departments to test-check the transactions and verify the maintenance of important accounting and other records as per prescribed rules

\* 1992-93: Rs 0.33 crore (1), 1993-94: Rs 2.05 crore (6), 1994-95: Rs 4.98 crore (9)  
1995-96: Rs 2.30 crore (8), 1996-97: Rs 0.33 crore (1), 1997-98: Rs 0.33 crore (1)  
1998-99: Rs 0.34 crore (1)

and procedures. These inspections are followed up with Inspections Reports (IRs). When important irregularities etc. detected during inspection are not settled on the spot, these IRs are issued to the Head of office inspected with a copy to the next higher authorities. The Government of Rajasthan, Finance (Accounts and Investment) Department order dated 5 August 1969 provides for prompt response by the executive to the IRs issued by the AG to ensure corrective action and accountability for the deficiencies, lapses, etc. noticed during inspection. The Head of office and higher authorities are required to comply with the observations contained in the IRs and rectify the defects and omissions promptly and report their compliance to the AG. Serious irregularities are also brought to the notice of the Head of the Department by the office of the AG (Audit). A half-yearly report of pending inspection reports is sent to the Secretary of the Department to facilitate monitoring of the audit observations in the pending IRs.

At the end of June 2000, there were 12,907 IRs containing 44,848 paragraphs issued during the period 1982-83 to 1999-2000 (reports issued upto December 1999) pending settlement. Year-wise break-up of the outstanding IRs at the end of June 2000 was as under:

Year	Inspection Reports	Paragraphs
Upto 1994-95	4,374	11,238
1995-96	1,590	4,368
1996-97	1,909	6,275
1997-98	1,861	7,492
1998-99	1,672	7,779
1999-2000	1,501	7,696
<b>Total</b>	<b>12,907</b>	<b>44,848</b>

#### ***Outstanding IRs of Women and Child Development Department***

IRs issued upto December 1999 pertaining to 153 offices of Women and Child Development Department disclosed that 712 paragraphs (283 IRs) remained outstanding at the end of June 2000. Year-wise break-up of the outstanding IRs and paragraphs was as under:

Year	Number of IRs	Number of paragraphs
Upto 1994-95	86	186
1995-96	25	55
1996-97	35	83
1997-98	52	146
1998-99	47	138
1999-2000	38	104
<b>Total</b>	<b>283</b>	<b>712</b>

Of these, 6 IRs containing 24 paragraphs had not been replied to/settled for more than 5 years. Even the initial replies which were required to be received from the Head of Office within one month from the date of issue were not received as of June 2000 in respect of 50 offices for 50 IRs containing 172 paragraphs issued during 1995-99 (upto December 1999). As a result the following serious irregularities commented upon in these IRs had not been



settled as of June 2000:

S. No.	Nature of irregularities	Number of paragraphs	Amount (Rupees in lakh)
1.	Withdrawal of funds from treasury without immediate requirement	11	4.31
2.	Non-recovery of overpayment and loans and advances etc. from employees	65	159.17
3.	Irregularities in purchases	69	244.36
4.	Non-disposal of unserviceable store articles	95	30.70
5.	Irregularities in maintenance of Cash Book	27	2.92
6.	Non-recovery of shortages in stores	29	4.97
7.	Non-obtaining of sanction of the competent authority for regularisation of expenditure	54	23.10
8.	Blocking/diversion of funds	20	13.06
9.	Cases of theft/losses	47	12.97
10.	Infructuous expenditure	43	23.24
11.	Non-recovery of liquidated damages and outstanding dues from firms/suppliers	46	7.61
12.	Embezzlement and misuse of Government money	21	12.67
13.	Other irregularities	185	340.17
	<b>Total</b>	<b>712</b>	<b>879.25</b>

#### ***Outstanding IRs of Irrigation Department***

IRs issued upto December 1999 pertaining to 111 divisions/offices of Irrigation Department disclosed that 1197 paragraphs relating to 333 IRs remained outstanding at the end of 30 June 2000. Of these, 91 paragraphs relating to 58 IRs had not been replied to/settled for more than 10 years. As a result the following serious irregularities commented upon in these IRs had not been settled as of 30 June 2000.

S.No.	Nature of irregularities	Number of paragraphs	Amount(Rupees in crore)
1.	Non-recovery of irrigation revenue/water charges	38	18.30
2.	Non-recovery from contractors, firms under Clauses 2 and 3	197	131.57
3.	Excess payment	50	2.22
4.	Irregularities in purchase of stores	41	4.08
5.	Wasteful expenditure/loss to Government	194	93.50
6.	Excess expenditure on deposit works	9	9.47
7.	Irregular/non-obtaining of sanction	168	86.77
8.	Disposal of surplus material	19	5.36
9.	Other irregularities	481	90.42
	<b>Total</b>	<b>1197</b>	<b>441.69</b>

According to Rule 327(1) of General Financial and Accounts Rules, the retention period for various accounting records ranges between one and three years after audit. As the departmental officers failed to comply with the observations in IRs within the prescribed retention period of records, the possibility of their settlement in future appeared to be bleak due to non-availability of records. It would also ensure that the defaulting officers go scot free thereby facilitating the continuation of serious financial irregularities and loss to the Government.

Government should look into this matter and ensure that procedures exist for (a) action against the officials who failed to send replies to IRs/paragraph as per the prescribed time schedule, (b) action to recover loss/outstanding advances/ overpayments in a time bound manner and (c) revamping the system to ensure prompt and proper response to the audit observations.

### 3.16 Write off of losses, irrecoverable revenue, etc.

According to information received by Audit, sanctions for write off of Rs 63.99 lakh in 81 cases due to irrecoverable revenue, unserviceable articles, death of animals, loss of books, etc. were issued by Government/departments during 1999-2000 as indicated below:

Department	Losses, irrecoverable revenue, etc. written off	
	Number of cases	Amount (Rupees in lakh)
Agriculture	10	2.12
Animal Husbandry (including Sheep and Wool)	24	3.47
College Education (including Technical Education)	16	1.37
Employment	1	0.20
General Administration	1	0.02
Ground Water	2	0.44
Home	3	0.42
Irrigation	1	0.26
Industries	11	0.69
Law	1	0.02
Medical and Health	4	54.18
Printing and Stationery	1	0.06
Police	2	0.62
Relief	3	0.05
State Enterprises	1	0.07
<b>Total</b>	<b>81</b>	<b>63.99</b>



## CHAPTER –IV WORKS EXPENDITURE

### SECTION-'A' : REVIEW

#### Forest Department

#### 4.1 Forestry Development Project

##### *Highlights*

*The Forestry Development Project was launched in April 1995 with objective of (a) to develop human and institutional resources for proper implementation and management of the Project, (b) to check desertification, restore ecological status by intensive afforestation and silvi pasture development, (c) to meet fuel wood, fodder, small timber and minor forest products requirement of the local population on a sustained basis, (d) to provide gainful employment to the rural people thereby improve their socio-economic condition, (e) to check soil erosion, improve the infiltration of water and hydrological balance, (f) to improve the living environment of the area by stabilising the active sand dunes and taking up plantation in open spaces in urban areas, and (g) to conserve gene-pool and bio-diversity. Expenditure of Rs 136.19 crore had been incurred upto March 2000. Though the Forest Department claimed to have achieved in full the physical targets fixed for different activities under the Project except Farm Forestry, audit scrutiny revealed that the project suffered from elementary deficiencies viz. non-preparation of micro-plans, non-assessing of areas to be covered resulting in short plantation, raising and distribution of seedlings without assessing requirement. No action was taken for poor survival and damaged plantations. Significant points noticed were as under :*

**Afforestation work in 12010 hectare (ha) was done without preparation of Micro-plan.**

*(Paragraph 4.1.5(A)(i))*

**Expenditure of Rs 15.99 lakh became infructuous as only work of fencing and digging of trenches was carried out and no plantation work could be undertaken due to unsuitability of sites, etc.**

*(Paragraph 4.1.5(A)(iii)(b))*

**In 1391 ha of Fuel Wood Plantation and 2903 ha of Silvi-Pastoral Plantation afforestation work was done on other than community land and in 150 ha of Rehabilitation of Degraded Forest-I and Reforestation of Barren Hills, plantation was done on other than forest land.**

*(Paragraph 4.1.5(A) (iv))*

3307 ha area remained uncovered due to short plantation of 27.39 lakh plants in 17 divisions.

(Paragraph 4.1.5(B)(ii))

Rs 86.39 lakh were spent on activities other than plantation and replacement/maintenance of plants, etc.

(Paragraph 4.1.5(B)(iii))

Variation in survival reports as given by divisions and those evaluated by Planning and Monitoring unit was noticed. In 31 sites on which plantation was done at a cost of Rs 1.01 crore survival rate was below 40 per cent. In other 5 sites (plantation cost: Rs 19.43 lakh) percentage of survival rate was around 40. Expenditure on plantation (Rs 1.21 crore) was largely wasteful expenditure.

(Paragraph 4.1.5(B)(iv))

The provision of model cost did not include weeding on trenches and ditches, weeding and hoeing of plants more than 2 times, digging of trench/v-ditch, seed sowing on v-ditch/trench/pits, weeding and hoeing of plants after first maintenance year and repair of *thanwlas* during second and subsequent year, even then Rs 33.40 lakh were irregularly spent on such activities.

(Paragraph 4.1.5(B)(v)(a))

Expenditure of Rs 20.10 lakh was incurred towards payment of electricity bills, repair and maintenance of vehicles, office expenses, etc. out of the funds meant for plantation and their maintenance.

(Paragraph 4.1.5(B)(v)(c))

Raising of 150 lakh plants during 1999-2000 (after targeted period) resulted in extra liability of Rs 4.20 crore. 130.02 lakh plants were distributed to institutions and *Gram Panchayats* against the spirit of the Project.

(Paragraph 4.1.6)

In construction works, cement was consumed less by 1 to 63 per cent and excess by 1 to 177 per cent in 46 earthen dam/anicuts and 22 anicuts respectively. 41 anicuts/earthen dams (cost : Rs 94.12 lakh) were constructed by Village Forest Protection and Management Committees against the Government orders.

(Paragraph 4.1.7 (ii) and (iv))

Against the target of 2 crore mandays, 1.80 crore mandays were generated during 1995-2000. There was no indication about the employment having been provided to women and to the weaker sections of the society.

(Paragraph 4.1.9)



**Expenditure of Rs 26.44 lakh was incurred on activities not related to research works as envisaged in the Project.**

*(Paragraph 4.1.10(iii))*

#### **4.1.1 Introduction**

The Forest Department launched Forestry Development Project (FDP) from April 1995 with financial assistance from Overseas Economic Cooperation Fund (OECF), Japan covering 15 districts of the State of Rajasthan. The main objectives of the Project were (a) to develop human and institutional resources for proper implementation and management of the Project, (b) to check desertification, restore ecological status by intensive afforestation and silvi pasture development, (c) to meet fuel wood, fodder, small timber and minor forest products requirement of the local population on a sustained basis, (d) to provide gainful employment to the rural people thereby improve their socio-economic condition, (e) to check soil erosion, improve the infiltration of water and hydrological balance, (f) to improve the living environment of the area by stabilising the active sand dunes and taking up plantation in open spaces in urban areas, and (g) to conserve gene-pool and bio-diversity.

To achieve these objectives, the Project envisaged: Reforestation of Barren Hills (RBH), Rehabilitation of Degraded Forest (RDF I and II), Fuel Wood Plantation (FWP), Silvi pastoral Plantation (SPP), Construction of anicuts, and Raising and Distribution of plants under farm forestry. The target for afforestation during the Project period (1995-2000) was fixed for 55,000 hectare (ha) (41,000 ha in degraded forests and 14,000 ha on community lands). An amount of Rs 136.19 crore was incurred upto March 2000.

#### **4.1.2 Organisational set up**

The Secretary, Forest Department was the administrative authority dealing with policy aspects, etc. and the Chief Conservator of Forests (CCF) was the overall incharge of the Project who was assisted by 4 Conservators of Forests stationed at Jaipur (2), Ajmer and Kota. The Project activities were implemented by 24 Deputy Conservators of Forests (DCFs)/Divisional Forest Officers (DFOs)/Deputy Chief Wild Life Wardens (DCWLW) and one Executive Engineer (EE). A planning, monitoring, evaluation (P&M) division and a communication, extension and training (CET) division each headed by a DCF were also established.

#### **4.1.3 Audit coverage**

A review of the Project records of Chief Conservator of Forests and 10 divisions<sup>1</sup> was undertaken during March-May 2000 covering the period 1995-2000. This was supplemented by important points noticed during local inspections of other divisions. Important points noticed are discussed in the succeeding paragraphs.

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1. Bhilwara, Bundi, Dholpur, Dungarpur, Karauli, DCF, FDP, Kota, DFO, Kota, EE, Kota, Sawaimadhopur and Tonk.

#### 4.1.4 Financial arrangements

The Government of India entered into an agreement (February 1995) with OECF, Japan according to which OECF was to provide 4219 million Yen as loan against the Project cost of 4964 million Yen (Rs 139 crore) till March 2000. OECF was to reimburse 83 *per cent* of the expenditure incurred on afforestation, habitat improvement and related works including consultancy services and 100 *per cent* of expenditure incurred on overseas training, etc. Remaining expenditure was to be borne by the State Government.

Against the Project outlay of Rs 139.17 crore, the State Government allotted a budget provision of Rs 137.64 crore upto 1999-2000, of which Rs 136.19 crore were spent and Rs 106.38 crore were reimbursed by OECF. Year-wise and component-wise details of expenditure are given in Appendix-XXXII. It would be seen therefrom that there was excess expenditure in works, project management, building, office equipment and research and saving in equipment and vehicle, planning, monitoring and evaluation and communication extension and training. The CCF stated (October 2000) that excess was due to increase in labour rate, pay and allowances, escalation in building material, increase in number of buildings and saving was due to ban on new purchases by the State Government. The reason advanced for the savings in such important area as planning, monitoring, evaluation, etc. is not tenable because these were important activities. In the process, therefore, the department failed to assess the status of implementation and also could not improve upon deficiencies in implementation.

#### 4.1.5 Project implementation

Under the Project, reforestation and rehabilitation programmes were carried out through five plantation activities and 3 other activities. The achievement *vis-a-vis* targets are given in Appendix -XXXIII.

Though the targets were reported to OECF to have been achieved (except in respect of farm forestry) achievement figures were, however, not found to be reliable in the divisions test-checked as discussed in the subsequent paragraphs. Further, no performance indicators were identified by the department to assess how far these objectives were actually achieved and benefits accrued in real terms. The CCF stated (September 1999) that these objectives could not be quantified.

The plantation activities were carried out in three stages viz. planning, plantation and maintenance.

##### (A) Planning

(i) Project for its success envisaged forester's sensitivity to villager needs and peoples' participation, development and management of forest resources. For this it provides for planning. Accordingly, the components of work in each

Plantation activities conducted without preparing the micro-plans in 12010 ha.



village were to be finalised only after the micro-plans were prepared. It was, however, observed that afforestation works in 12010 hectare (ha) of 4 divisions test checked (Dholpur : 3200, Karauli : 3220, Bundi : 3070 and DFO, Kota : 2520) were undertaken without preparing the micro-plans. In other 2 divisions (Bhilwara and Tonk), against 151 micro-plans only 20 micro-plans were furnished. The CCF informed (September 2000) that micro-plans were being prepared. The reply is not tenable as preparation of such micro-plans after the programme period is over, carries no meaning.

(ii) According to Rule 318 of Public Works Financial and Accounts Rules, no work should be executed without obtaining technical sanction from competent authority. However, in 5 divisions<sup>2</sup>, 79 works were executed between 1995 and 2000 at a cost of Rs 1.65 crore without obtaining technical sanction.

(iii) A few interesting cases noticed which led to wasteful /unutilisation of money due to absence of proper planning /not taking up advance work in time etc., were as under:

(a) According to plantation schedule prescribed by the department, advance works were to be carried out in September to March of the preceding year and residual advance and plantation work in the month of April and onwards in the plantation year. It was observed that in 9170 ha (1996-97 : 40 ha, 1997-98: 5110 ha and 1999-2000 : 4020 ha) both the aforesaid works were taken up in the same year. Thus, the plantation work was taken up without adhering to plantation schedule.

(b) Rs 12.14 lakh were incurred on fencing, digging of trenches, etc. on four sites at Bundi and FDP Division, Kota but no plantation could be carried out as these sites were not found suitable. Similarly, though advance works were undertaken on other four sites of 3 divisions<sup>3</sup> at a cost of Rs 3.85 lakh, plantation could not be taken up due to protest by the local people. Thus, in all there was infructuous expenditure of Rs 15.99 lakh.

(c) Advance works viz. fencing, digging of trenches, etc. were to be executed up to March 1998. It was, however, noticed that in Tonk, Bhilwara, Bundi, Sawai Madhopur and Divisional Forest Office, Kota, these works were executed in May 1998 and onwards at the cost of Rs 21.87 lakh based on labour rate of Rs 44 per day effective from 1 May 1998. These could have been completed at a cost of Rs 15.91 lakh had the works been executed before May 1998 at the labour rate of Rs 32 per day. This resulted in an avoidable extra expenditure of Rs 5.96 lakh.

(d) In 3 divisions<sup>4</sup>, as against 37.44 lakh plants raised 29.01 lakh plants were utilised for plantation on sites. Thus, 8.43 lakh plants (cost : Rs 10.26 lakh) remained unutilised.

2. Bundi (17 works : Rs 36.97 lakh), Dungarpur (1 work : Rs 1.82 lakh), Karauli (22 works: Rs 49.61 lakh), FDP, Kota (25 works: Rs 46.89 lakh) and Sawaimadhopur (14 works : Rs 29.97 lakh).

3. Bundi, Jhalawar and Karauli.

4. Bundi (5.40 lakh), Dholpur (2.18 lakh) and Karauli (0.85 lakh).

(e) In 2 divisions<sup>5</sup>, though 77,340 pits were dug plantation was carried out in 32,000 pits only leaving 45,340 pits unutilised, thereby expenditure of Rs 1.15 lakh proved wasteful.

(iv) In RBH, RDF I and RDF II models, plantations was to be done on forest land and in FWP and SPP models on village community land. However, in 17 divisions, plantations in 1391 ha of FWP and in 2903 ha of SPP models were carried out on other than community land and in 3 divisions, 150 ha in RDF I and RBH plantations were undertaken on lands other than forest land between 1996 and 1999. Besides, exhibiting the incorrect coverage under these models, the benefits arising from such plantation on community land was also deprived.

(v)(a) Village Forest Protection and Management Committee (VFPMCs) to be constituted in each revenue village, was responsible for protection of developed areas, grazing by cattle and forest fires, etc. 1301 such committees were formed in 20 divisions, of which 219 were very active, 640 active and 442 less active. However, in 9 divisions test checked only 420 VFPMCs were found constituted as against 576 VFPMCs. Further, these committees were not found active in protection work as lot of plants were damaged<sup>6</sup> in absence of watch and ward during strike period (December 1999 to February 2000) of State employees.

(b) In SPP model, watch and ward of the plantation sites was to be done through VFPMC, for which Rs 1000 upto April 1998 and Rs 1250 per month from May 1998 and onwards were allotted to the divisions. In 5 divisions<sup>7</sup>, Rs. 6.70 lakh provided for this purpose were spent on construction of trench/V ditch, etc instead of watch and ward through VFPMC. The plea of the divisions that the watch and ward was got done through employees of department, was not tenable in view of the fact that no staff was sanctioned for this purpose.

**(B) Plantation and maintenance**

**(i) Non-maintenance of plantation journal**

The basic record relating to plantation was the plantation journal indicating details of area, fencing, soil specification, species of plants, survival and all other activities related to plant growth. This was required to be maintained by site incharge and checked by Range Officer concerned. At the time of inspection, remarks in the inspection note were required to be given by the inspecting officer concerned.

In 3 divisions<sup>8</sup>, plantation journals were not maintained at all, in 6 other divisions these were not maintained properly as details of survival of plants,

5. Bundi ( 43340 pits @ Rs 2.50 ) and Bhilwara ( 2000 pits @ Rs 3.44 ).
6. Sawaimadhopur range : 1643 plants, Bonli range : 7985 plants, Tonk range : 30-45 per cent plants, Malpura range : 10-20 per cent plants.
7. Dholpur (Rs 0.72 lakh), Sawaimadhopur (Rs 3.91 lakh), Karauli (Rs 0.93 lakh), Bhilwara (Rs 0.92 lakh) and DFO, Kota (Rs 0.22 lakh).
8. Bundi, Karauli and FDP, Kota.

Plantation was done on land other than specified in the Project.

Basic record of plantation i.e. Plantation Journals were either not maintained or not maintained properly.



remarks of inspecting officer, etc. were not found filled in. Due to improper/non-maintenance of plantation journals, the very purpose of having a control record to assess progress of plantation and remedial action (if any) suggested by inspecting authorities from time to time, was defeated. In absence of this important record, success rate of plantation provided by the divisions was not authentic and susceptible of verification. The omission was a major flaw and needs proper investigation by the Government.

For less plantation of 27.39 lakh plants proportionate area remaining uncovered works out to 3307 ha.

(ii) Plantation was carried out in 5 different models. The record related to hectare-wise plants planted in each model by all divisions was not maintained for the years 1996-97 and 1997-98. It was, however, observed that in 17 divisions 27.39 lakh plants were planted less during 1996-2000. Due to less planting proportionate area not actually covered works out to 3307 ha as under:

Model	Area (In ha)	Plants to be planted per ha	Plants to be planted	Plants planted	Plants less planted	Uncovered area (In ha)
RBH	5500	1100	6050000	4781372	1268628÷1100	1153
RDF-I	7908	700	5535600	4451100	1084500÷700	1549
RDF-II	1300	200	260000	200216	59784÷200	299
FWP	2179	1100	2396900	2073123	323777÷1100	295
SPP	150	200	30000	27850	2150÷200	11
	17037		14272500	11533661	2738839	3307

(iii) Only 43.44 lakh plants were planted during 1996-2000 against the provision of 58.22 lakh plants (according to different models), in divisions test-checked. Accordingly, Rs 114.14 lakh in proportion plants less planted (14.78 lakh) were required to be surrendered. However, only Rs 39.13 lakh were surrendered. Similarly, of Rs 18.06 lakh, meant for replacement/maintenance, only Rs 6.68 lakh were surrendered. Thus, Rs 86.39 lakh were spent on activities other than plantation and replacement/maintenance viz. fencing, construction of check dams, v-ditch trenches, etc over and above the provision.

(iv) **Failure of plantation**

The Forest Department had categorised plantation as good where survival rate was above 70 per cent, as ordinary where survival rate was between 40 and 70 per cent and as a failure where survival rate was below 40 per cent.

Planning and Monitoring division evaluated the survival rate of plants of some divisions. A comparison of their reports (1996-1999) in respect of 72 sites with the records furnished by the division (1999) showed the variation in respect of 60 sites ranged from 1 to 60 per cent. Ambiguity in record shows that different units of the department does not follow standardised system/mechanism or the reporting practice in absence of basic record was mere formality.

In 31 sites (expenditure: Rs 1.01 crore) survival rate of plantation was below 40 per cent.

A test-check of survival/evaluation reports showed that in 31 sites (1265 ha) on which expenditure of Rs 1.01 crore was incurred, the survival rate of plantation was from zero to 39.53 per cent. In 5 sites, covering an area of 195 ha, and having spent Rs 19.43 lakh, the survival percentage was between 40 and 41. The reasons of low survival/non-survival were not furnished though called for. Due to failure of the department to take adequate preventive measures to protect plants and ensure their growth, expenditure on plantation (Rs 1.21 crore) was largely a wasteful expenditure. The department intimated (September 2000) that action against the defaulting officers had been initiated in some cases whereas in other cases reasons of failure were being investigated and action would be taken accordingly.

(v) *Misutilisation / diversion of funds*

(a) The provision of model cost did not include weeding on trenches and ditches, weeding and hoeing of plants more than 2 times, digging of trench/v-ditch, seed sowing on v-ditch/trench/pits, weeding and hoeing of plants after first maintenance year and repair of *thanwlas* during second and subsequent year, even then Rs 33.40 lakh were irregularly spent on such activities.

(b) Model cost estimates provide 10 per cent of plants planted on sites for casualty replacement in second year. It was, however, noticed that in 3 divisions<sup>9</sup>, plants were replaced in excess of 10 per cent resulting in an avoidable expenditure of Rs. 2.13 lakh on raising of 45,604 plants.

(c) Rs 20.10 lakh were diverted by 8 divisions<sup>10</sup> out of the funds meant for plantation (Rs 6.28 lakh) and for maintenance (Rs 13.82 lakh) towards payment of electricity bills, repair and maintenance of vehicles, office expenses, watch and ward of temporary nurseries, drinking water to labourers, etc.

(d) In Bhilwara division, Rs 4.51 lakh were spent on advance works during 1998-99 and Rs 4.14 lakh were not utilised and surrendered during 1999-2000 out of the funds of Rs 29.56 lakh meant for maintenance of plants during 1998-99 and 1999-2000. In absence of adequate expenditure on maintenance, survival of plants was doubtful. No survival report of plantation years 1995-1999 was provided by the division though called for.

**4.1.6 Farm forestry**

The Project provides for raising of seedlings and distribution of plants so as to improve the tree cover in marginal and sub-marginal land available with farmers and homesteads with private individuals. According to Project targets, 800 lakh plants were to be raised during 1995-1999 for distribution to private individuals during 1996-2000. It was observed that :

(i) Targets of raising of plants and distribution were always communicated from higher authorities to the division, without pre or post feed

9. Dungarpur (Rs 1.71 lakh), Dholpur (Rs 0.21 lakh), Sawaimadhopur (Rs 0.21 lakh).

10. Bhilwara, Sawaimadhopur, Bundi, Karauli, Tonk, FDP, Kota, Dholpur and Dungarpur.



back from nursery or division resulting in short achievement of targets and plants remaining undistributed. The department did not follow a mechanism of demand, evaluation and appraisal of distribution system at regular intervals during the implementation of the Project.

Raising of 150 lakh plants during 1999-2000 (after targeted period) resulted in extra liability of Rs 4.20 crore.

(ii) As against the target of 800 lakh plants, only 659.50 lakh plants were raised during 1995-1999 and 627.14 lakh were distributed upto March 2000. Thus, there was a shortfall of 140.50 lakh plants in raising and 32.36 lakh plants remained undistributed. Apart from this, 150 lakh plants raised during 1999-2000 i.e. after targeted period, resulted in extra liability of Rs 4.20 crore.

130.02 lakh plants were distributed to institutions and Gram Panchayats against the spirit of the Project.

(iii) Large number of plants were distributed to *Gram Panchayats* and Government departments (130.02 lakh) in comparison to distribution to individuals (70.86 lakh). Besides, 1.44 lakh plants were utilised for departmental plantations in Dungarpur division between 1996-97 and 1999-2000.

(iv) One *Gram Panchayat*<sup>11</sup> denied receipt of 10,000 plants and another<sup>12</sup> reported receipt of only 2000 plants instead of 10,000 as shown issued by FDP, Kota.

(v) The figures reported by the CCF relating to undistributed plants in respect of 6 divisions were at variance with records of nursery and divisions. Similarly in 5 divisions<sup>13</sup>, there were excess reporting of plant distribution than actually raised. The CCF stated (September 2000) that difference was due to incomplete maintenance of record. This shows incomplete and casual maintenance of record.

(vi) As per Project, efforts were to be made to maximize the privatisation of seedling raising programme and the plant raising in Government nurseries was to be reduced gradually. However, Rs. 24.40 lakh were irregularly allotted for development of existing nurseries/creation of new nurseries during 1998-99 without any provision.

(vii) In 5 divisions<sup>14</sup>, 7.85 lakh plants (cost: Rs 15.95 lakh) were damaged (including 0.56 lakh undistributed plants of 1996-97) due to flood/non-watering, etc. The CCF stated (September 2000) that action against the officer responsible and to write off loss was being initiated.

#### 4.1.7 Moisture conservation measures

Project envisaged the conservation of all the precipitation which takes place by moisture conservation measures (Earthen Dam, Anicut etc.). These structures were to be constructed in such a way that maximum rain water is

11. Kotda Deep Singh

12. Badod

13. Sawaimadhapur (00.02 lakh), Dausa (0.05 lakh), Bundi (0.09 lakh), Baran (West) (0.04 lakh) and Rajsamand (1.04 lakh).

14. Bharatpur (5 lakh), FDP, Kota (1.79 lakh), Tonk (0.10 lakh), Bhilwara (0.54 lakh) and Dungarpur (0.42 lakh).

stored and to put to the best possible use by the village community. A provision of Rs 9 crore was kept for constructing 530 earthen dam/anicuts. However, 558 earthen dam/anicuts at a cost of Rs 13.70 crore were constructed upto March 2000. A test-check of records showed the following irregularities :

- (i) Department did not maintain any record, survey analysis for pre and post effect measurement, field record such as gauge register to assess the success/failure of construction work in succeeding years and benefits accrued to local villages.
- (ii) In construction of 46 earthen dam/anicuts, the quantity of cement used was 1 to 63 *per cent* less than the prescribed standard in disregard to quality whereas in 22 anicuts excess of quantity was used ranging between 1 and 177 *per cent*; resulting excess use of 157.65 MT of cement (cost: Rs 3.78 lakh). Similarly in Sawai Madhopur division, 5 anicuts were constructed by the contractors and work of R.R. Masonry was done in the ratio of 1:4 cement mortar instead of 1:6. By doing this, the division had spent Rs 0.99 lakh excess on the work. No action was, however, taken against the officer responsible.
- (iii) In 11 districts, the construction material for 36 anicuts, was obtained through '*Gang Mukhiyas*' under piece rate system. However, the payment of transportation of material was made to gang labourers on the basis of transportation by mechanical means (as in BSR). In support of this payment, the documents such as transportation receipt, vehicle number, source of material , proof in support of royalty paid, etc were not on record. As the average lead involved was 28 km, the transportation of material was possible by motor vehicle only. In the absence of any such proof on record, possibilities of transportation cost of Rs 21.58 lakh claimed for the purpose being fake/bogus cannot be ruled out.
- (iv) Under *Janta Van Yojana*, the VFPMCs were to be entrusted with the plantation work only. In 4 divisions<sup>15</sup> test-checked, 41 anicuts/earthen dams required to be constructed departmentally or through contractors were actually got constructed by VFPMCs at a cost of Rs 94.12 lakh. Procurement of material for construction was also allowed to committees in 3 divisions. VFPMCs being a non-technical and non qualified for such construction work, compromise with the quality and specification can not be ruled out. The PCCF in his inspection note (18 July 1998) directed the CCF to review the construction work of anicut executed by VFPMCs since this was not a part of their job. Despite this, there was construction of 20 anicuts during 1999-2000 by VFPMCs.

#### 4.1.8 Purchases

During 1997-98, two software valuing Rs 3.37 lakh were purchased by CF, FDP for Geographic Information System study application. These were not

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15. Bundi (Rs 52.63 lakh), Dholpur (Rs 1.66 lakh) Karauli (Rs 25.98 lakh) and Sawaimadhopur (Rs 13.85 lakh).



put to use for want of other equipment like digitizer and plotter. It was stated that the equipment could not be purchased for want of Government sanction. Thus, software remained unutilised as of August 2000.

#### **4.1.9 Employment generation**

**Employment of 1.80 crore mandays was generated against the target of 2 crore mandays.**

One of the objectives of the Project was to provide employment to the local people mostly to women and belonging to weaker sections of the society. Against the target of 2 crore mandays, mandays generated were reported to be 1.80 crore during 1995-2000. In the records/returns there was no indication, about the employment provided to weaker sections and women in absence of which fulfillment of the objectives could not be ascertained.

#### **4.1.10 Planning, monitoring and evaluation**

(i) Planning, Monitoring and Evaluation Division, set up in January 1996, was required to maintain records/information in respect of plantation against the targets of each division. However, no such records were maintained for the years 1996-97 and 1997-98. In absence of this actual plantation in the divisions other than test checked was not known and proportionate area remained uncovered could not be ascertained.

(ii) Two sites of Kota, already evaluated by Planning and Monitoring unit during 1997-98, were again evaluated by external agency during 1998-99 at a cost of Rs. 0.42 lakh. Similarly, in Bhilwara 3 sites (other than FDP) were got evaluated during 1998-99 at an expenditure of Rs. 0.62 lakh. The expenditure of Rs 1.04 lakh incurred on this account was unfruitful.

#### **(iii) Research**

**Expenditure of Rs 26.44 lakh incurred on items other than the research items.**

Project envisaged priority areas of research studies for commercial propagation in collaboration with Indian Arid Zone, Forest Research Institute, Jodhpur and Rajasthan Agriculture University. However, no research work was taken up in collaboration with these agencies. Instead, Rs 26.44 lakh were spent on construction of green house (Rs 1 lakh), purchase of 15725 root trainer, etc. (Rs 24 lakh), payment of electricity bills, photostat, etc. (Rs 1.44 lakh) by Silviculturist, Jaipur which were not relevant to research works as envisaged in the Project. During 1998-99, 1.18 lakh plants raised in root trainers and were distributed in 5 divisions for planting but no performance report was received except from Rajsamand where 1508 plants were planted.

#### **4.1.11 Inspection**

The DCF/DFO was required to inspect sites during first year (6 times), second-third years (3 times) and thereafter (2 times). Similarly, the Assistant Conservator of Forests was also required to verify at least 20 per cent block area and to attest in token of its verification in plantation cards. It was, however, observed that no such record was maintained in the divisions. In absence of such important control records, details of sites checked could not be ascertained.

#### **4.1.12 Other points**

The Office of CCF, Jaipur was shifted from Jaipur to Kota in April 1997. The reasons for shifting the office were not furnished. However, as the State Secretariat and other linked offices to the Project such as Planning, Monitoring and Evaluation, Communication, Extension and Training, CF (FDP) and CF (Soil Conservation) are located in Jaipur, the shifting of office to Kota is not understandable. This is also borne out of the fact that CCF stayed in Kota for 99 days during past two years whereas his stay at Jaipur during the same period was 276 days involving Rs 1.12 lakh on Travelling Allowance/Daily Allowance. A floor constructed for the Project at a cost of Rs 61 lakh in Aravalli Bhawan, Jaipur remained partially (40 per cent- costing Rs 24.40 lakh) unutilised.

The matter was reported to the Government in July 2000; reply had not been received (October 2000).



## SECTION – 'B': AUDIT PARAGRAPHS

### Command Area Development and Water Utilisation Department

#### 4.2 Changing the system of execution of work without working out the financial implication

**Switching over the system of execution of work from labour rate to through rate without considering the financial implications involved and improper planning led to avoidable extra cost of Rs 6.48 lakh on material procured by contractor and an expenditure of Rs 24.71 lakh on idle wages.**

A Departmental Mechanical Workshop at Suratgarh was manufacturing steel frames, *Naka shutters*, APM Blocks, Data Boards and MM Tanks, etc. since 1977 and providing these to divisions of the Command Area Development (CAD) Organisation of Indira Gandhi Nahar Pariyojana (IGNP). The Area Development Commissioner (ADC), IGNP, Bikaner ordered (September 1993) that all works be undertaken only on through rate basis (with contractor's material) because execution of works on through rate basis would help in eliminating expenditure on procurement, handling, storage of construction material and reduce interest burden and inventory thereby becoming more efficient and cost effective. However, when Chief Engineer, CAD, IGNP, Bikaner assured (December 1994) the ADC, IGNP, Bikaner about the cheaper rates and better quality of *Naka shutter/frame*, manufactured in departmental workshop, the resumption of departmental manufacturing of above items was approved (February 1995) by the ADC, IGNP, Bikaner.

During examination (June 1999) of the records of Executive Engineer, CAD, Building Construction I, IGNP, Bikaner following points were observed:

- (i) ADC's orders (September 1993) for taking works on through rate basis had to be reversed (February 1995) within 17 months which showed that the order was issued in September 1993 without any realistic costing of the product in house.
- (ii) Though decision to undertake works on through rate basis was taken in September 1993, but no other alternative was planned to shift/absorb staff and equipment of mechanical workshop elsewhere.
- (iii) Subsequently, when resumption of departmental manufacturing was approved (February 1995), the divisional officers did not place the orders on the workshop till December 1997 with the result that services of staff and the equipment available in the workshop could not be utilised during October 1993 to December 1997 (the manufacturing process was restarted from

January 1998) involving expenditure of Rs 24.71 lakh on wages of the staff which remained idle.

(iv) During the above period the department had to make avoidable extra payment to the contractors on procurement of material like *Naka shutters/frames* by them. In 14 divisions test-checked, 2041 *Naka shutters* and 3394 frames were procured by the contractors during April 1994 to March 2000 involving extra cost of Rs 6.48 lakh\*.

Thus, switching over the system of execution of work from labour rate to through rate without considering the financial implications led to extra cost of Rs 6.48 lakh on material procured by contractor and an expenditure of Rs 24.71 lakh on idle wages.

The matter was referred to Government in December 1999; reply had not been received (October 2000).

### **4.3 Extra expenditure on carriage of coal**

#### **Extra expenditure of Rs 33.65 lakh on carriage of coal due to non-availing of concession allowed by Railways.**

According to Northern Railway Tariff (effective from 15 January 1995) the booking of coal was permitted on 'TO PAY' basis on payment of surcharge of 15 per cent on freight. No surcharge was, however, payable on freight if the material was booked on 'PRE-PAID' basis.

During examination (December 1999) of the records of the Executive Engineer, Mohangarh Brick Kiln Division, Command Area Development, Bikaner and Jaisalmer Brick Kiln Division, Jaisalmer, it was observed that for 24153.57 metric tonne of coal procured from Central Coal Fields Limited, Calcutta during the period January 1995 to March 1998, surcharge of Rs 33.65 lakh was paid to Railways, without inquiring and without insisting that the firm supply the coal on 'PRE-PAID' basis.

Thus, due to non-availing the concession allowed by Railways, an extra expenditure of Rs 33.65 lakh was incurred by the department.

On referring (March 2000) the matter to Government, the Government stated (October 2000) that Public Works Financial and Accounts Rules do not provide for advance payment of freight. The reply is not tenable in view of the fact that payment of surcharge on freight could have been avoided had department availed the 'PRE-PAID' facility after obtaining sanction of the competent authority on similar lines as advance payment of coal was made.

\* Difference of cost = cost incurred on through rate basis less cost if manufactured in workshop.



#### 4.4 Miscellaneous Public Works Advances lying unadjusted

**Miscellaneous Public Works Advances of Rs 30.07 crore paid during 1959-60 to 1998-99 lying unadjusted as of 31 March 1999.**

Public Works Financial and Accounts Rules provide that transactions pertaining to sales on credit, expenditure incurred on deposit works in excess of deposits received and loss, retrenchment, errors, etc. are booked under the minor head 'Suspense Accounts – Miscellaneous Public Works Advances'. All the transactions recorded under Suspense Accounts are of temporary character and ultimately are to be cleared either by payment or recovery in cash or by adjustment.

It was observed (August 1998 and July 1999) that Miscellaneous Public Works Advances of Rs 30.07 crore were lying unadjusted in 25 divisions of Command Area Development (CAD) of Indira Gandhi Nahar Pariyojana (IGNP) Department, Bikaner (Rs 28.91 crore) and 6 divisions of CAD, Chambal, Kota (Rs 1.16 crore) as of 31 March 1999 as per records maintained in the divisions. Year-wise details of these outstanding advances were as indicated in Appendix-XXXIV.

It was further seen that:

(i) The difference of Rs 25.67 lakh (CAD, IGNP, Bikaner) and Rs 31.80 lakh (CAD, Chambal, Kota) in the monthly accounts balances (CAD, IGNP, Bikaner: Rs 2865.60 lakh and CAD, Chambal, Kota: Rs 116.38 lakh) and divisional records/registers balances (CAD, IGNP, Bikaner: Rs 2891.27 lakh and CAD, Chambal, Kota: Rs 84.58 lakh) had not been reconciled as of March 2000.

(ii) In CAD, IGNP, Bikaner serious efforts were not made for expeditious clearance of outstanding advances of Rs 28.91 crore. In CAD, Chambal, Kota no efforts were made for clearance of advances of Rs 4.77 lakh outstanding since February 1975 to February 1988 in the books of 22 defunct divisions/offices of the Project.

(iii) Rs 1.07 lakh (CAD, IGNP, Bikaner: Rs 0.73 lakh and CAD, Chambal, Kota: Rs 0.34 lakh) were outstanding against officers/officials who had since retired/died.

(iv) In CAD, Chambal, Kota there was a minus balance of Rs 3.44 lakh outstanding in the records/registers of Right Main Canal I and II, Left Main Canal and Field Machinery divisions, details of which were not available on record.

(v) Rs 12.68 crore were outstanding against *Avas Vikas Sansthan* (AVS) out of funds advanced for executing various construction works. No efforts were made either to get the works completed or obtain refund from AVS of unutilised amounts. The recovery of this amount seems doubtful as the AVS had been closed in March 1999.

(vi) Rs 1.77 crore had been shown as outstanding against Water and Power Consultancy Services India Limited (WAPCOS) by Akalwala Division, Bikampur towards payment for survey works though the amount was to be adjusted from concerned divisions.

(vii) Non-adjustment of these advances within the financial year resulted in wrong depiction of expenditure under a grant in the respective Appropriation Accounts to that extent.

The matter was referred to the Government in January 2000 and May 2000; reply had not been received (October 2000).

#### 4.5 Unfruitful expenditure on the water course lying incomplete

**Improper planning and ignoring the observations of Field Testing Unit led to water course of Chak I of Kanakpura Minor, lying in incomplete and damaged condition resulting in unfruitful expenditure of Rs 14.33 lakh.**

To provide water to the cultivators for irrigation purposes, a scheme of construction of a *pucca* water course in Chak I of Kanakpura Minor was approved (October 1994) at a cost of Rs 11.69 lakh with off take point at RD 2.5 (L). The work was allotted (December 1994) to a contractor with dates of commencement and completion as 19 December 1994 and 18 September 1995 respectively. Due to agitation of cultivators, the change in off take point from RD 2.5 (L) to RD 5.7 (L) of Kanakpura Minor was approved (April 1995). However, the agitation continued by other farmers which led to non-completion of work and the Chief Engineer accorded (December 1996) sanction for treating the incomplete work as final at a cost of Rs 14.33 lakh.

A test-check of records of Command Area Development (CAD), Suratgarh Division, Indira Gandhi Nahar Pariyojana (IGNP), Bikaner revealed (August 1999) the following:

(i) Though the representation from the cultivators was received as early as in February 1994, but the proposals for change in off take point and alignment was first moved by the Executive Engineer only in April 1995 i.e. after the allotment of the contract.

(ii) Despite the observations of Field Testing (Vigilance) and Quality Control Circle and Research Unit, CAD, IGNP, Bikaner to improve the quality of work, no action was taken by the department to improve the quality of work and Superintending Engineer of the above Circle refused (December 1997) to issue O.K. certificate.

(iii) No penalty was levied on the contractor for executing below specification work and using sub-standard material and the division continued to pay full payment on the basis of certificates recorded by



Assistant/Executive Engineers that the work had been done as per design and specification.

(iv) The water course was not connected to the canal and was in incomplete condition. The cultivators were taking water through *katcha* water course.

Thus, due to improper planning, ignoring the observations of the Field Testing (Vigilance) and Quality Control and Research Unit, there was unfruitful expenditure of Rs 14.33 lakh.

The Government stated (May 2000) that water course is being partially utilised by cultivators. The Government reply was not convincing as the water course was neither connected with Kanakpura Minor at RD 5.7 nor approved by Quality Control Unit of the department.

## Forest Department

### 4.6 Embezzlement/mis-appropriation of Government revenue

**Special enquiry disclosed *prima facie* embezzlement of Rs 41.82 lakh on being pointed out in audit.**

General Financial and Accounts Rules envisaged that all money received by or on behalf of Government either as dues for deposit, remittance or otherwise shall be brought into Government account without delay. Further, amount received in the office shall be promptly deposited in the treasury within the prescribed period as per Treasury Rules.

During scrutiny of records of Divisional Forest Officer, Baran it was noticed (July 1998) that two demand drafts for Rs 25.47 lakh were shown deposited in the banks through challans, but the same were not found included in the Treasury Schedule. On being pointed out (July 1998), the Forest Department investigated the matter and reported that in all 73 demand drafts amounting to Rs 51.47 lakh (May 1984 to March 1998) were kept by the concerned clerk under his custody for 3 months to 15 years. Further, an enquiry conducted by the Finance Department for the period January 1995 to December 1998 disclosed *prima facie* embezzlement of Rs 41.82 lakh committed by manipulating the official records.

## Indira Gandhi Nahar Pariyojana Department

### 4.7 Avoidable expenditure on excess excavation of earth and its filling

**Execution of the work without the test reports of soil resulted in avoidable expenditure of Rs 84.39 lakh (Rs 104.69 lakh on completion) on extra earth excavation and its filling.**

Public Works Financial and Accounts Rules provide that detailed surveys and investigation must be carried out and working design/drawing should be prepared before preparation of detailed technical estimates. Technical sanction amounts to a guarantee that proposals are structurally sound and are based on adequate data.

Chief Engineer (CE), Indira Gandhi Nahar Pariyojana (IGNP), Jaisalmer, sanctioned (October 1995 and July 1996) the technical estimates for earth work excavation, bentonite\* treatment and cement concrete lining of RD 45 to RD 60 of Gadra Road Sub-branch without testing the soil. Bentonite treatment is given in side slopes and bed of canal in cutting or embankment for strengthening the same when the soil in contact with water exerts a swelling pressure of more than 50 kN/m<sup>2</sup>. For this purpose, provision of extra excavation upto 1 to 1.6 metre deep to be filled with cohesive non-swelling (CNS) earth to be carted from a distance of 15 to 18 km was made in the estimates.

The tendered rates of the work were approved (September 1995 to September 1997) by the CE, IGNP, Jaisalmer and works were awarded (January 1996 to September 1997) to contractors for execution without the test results of the soil. Contractor was paid Rs 60.59 lakh (upto September 1999) for extra excavation. Meanwhile, the soil was got tested from various agencies and on the basis of test reports received during October 1996 to June 1998, it was decided (August 1998) by the Standing Technical Committee of IGNP that there was no need to provide CNS layer. Therefore, extra excavated portion was got refilled with soil at a cost of Rs 23.80 lakh.

It was observed that the extra excavation of earth and its resultant filling could have been avoided had the soil been tested timely. Hence the expenditure incurred on extra excavation of earth and its filling by local sandy soil resulted in avoidable extra payment of Rs 84.39 lakh (upto September 1999) to contractors which would likely increase to Rs 104.69 lakh on completion of the work.

Thus, execution of the work without the test reports of soil resulted in avoidable expenditure of Rs 84.39 lakh (Rs 104.69 lakh on completion) on extra earth excavation and its filling. No responsibility for the lapse was fixed.

\* Bentonite : A type of fine grained clay having not less than 85 per cent of mineral montmorillonite.



Government stated (July 2000) that soil was classified before sanction of estimates. Government reply was not tenable as the soil was neither shown as bentonite (expansive) soil in the L-Section of the estimate nor any tests of soil were got done before finalisation of estimates.

#### **4.8 Extra expenditure on procurement of cement and unnecessary withdrawal of funds**

##### **Improper planning and monitoring in procuring cement led to extra expenditure of Rs 20.95 lakh on purchase of cement at higher rates.**

Superintending Engineer, Stage II, Circle-III, Indira Gandhi Nahar Pariyojana (IGNP), Jaisalmer placed two supply orders in March 1995 with M/s Cement Corporation of India, Jaipur for supply of 7,000 Metric tonne (MT) of cement for two divisions of the project, against Central Stores Purchase Organisation (CSPO) rate contract of 1994-95. According to condition of the rate contract advance payment was required to be made against weekly lifting schedule. The firm had refused telegraphically (29 March 1995) to honour the supply orders due to production constraint, yet both the divisions made (29/30 March 1995) advance payment of Rs 1.15 crore being the cost of procurement to the firm through demand drafts after paying Rs 0.17 lakh as commission on demand drafts. The amount of Rs 1.15 crore was deposited back into Government accounts on 7/16 June 1995 due to non-acceptance of demand drafts by the firm.

During examination (November 1999) of the records of Superintending Engineer, Stage II, Circle III, IGNP, Jaisalmer following points were noticed:

(i) The rate contract with Cement Corporation of India, Jaipur was valid from May 1994 to March 1995, but due to improper planning and monitoring the supply orders were placed in haste at the fag end of the financial year without ascertaining the position of supply of cement by the firm.

(ii) The Chief Engineer (CE), IGNP, Jaisalmer while issuing (December 1994) supply order to another firm for supply of 5400 MT of cement authorised the Executive Engineer (EE), TMC division, IGNP, Mohangarh to receive the said cement. The CE further directed (January 1995) that looking to the gauge conversion work of Jodhpur - Jaisalmer railway track adequate cement may be procured by 1 February 1995. However, EE did not take interest to obtain supply from the firm and only 1800 MT of cement was obtained.

(iii) The rate of cement was increased from Rs 1418 per MT to Rs 2000 per MT in the CSPO rate contract for 1995-96. Construction programme for the year 1995-96 revealed that the total requirement of 15,200 MT of cement for this Circle included 7000 MT cement ordered in 1994-95 and for which advance payment was made. As the cement to the extent of 3600 MT ordered in December 1994 could not be procured in time, the department had to incur



extra expenditure of Rs 20.95 lakh for procurement of cement to that extent during 1995-96.

Government stated (April 2000) that (i) the amount was drawn to procure cement against old rate contract and (ii) full advance payment was to be made as the cement was to be procured in bulk. The reply is not tenable because (i) the amount was withdrawn even after the firm showed its inability to supply cement and (ii) the payment was required to be made against weekly schedule.

## Irrigation Department

### 4.9 Parwan Lift Irrigation Scheme

#### 4.9.1 Introduction

Parwan Lift Irrigation Scheme (Scheme) envisages construction of a pumping station for lifting water from River Parwan (Baran district) on its right bank by 20.74 metre (M), a masonry sub-merged pick-up weir at a distance of 8 km downstream of pumping station (to create a pond for meeting deficiencies in the lean season flow of the river), inlet channel (510 M), feeder channel (1667 M), Left Main Canal (LMC) (26 km) and Right Main Canal (RMC) (5.670 km). The Scheme sanctioned (December 1980) for Rs 3.49 crore was to provide irrigation facilities in the Culturable Command Area (CCA) of 8181 hectare (ha) with irrigation intensity as 75 per cent in Rabi and 25 per cent in Kharif. The Scheme was financed from the State plan funds upto 1994-95 and thereafter by National Bank for Agriculture and Rural Development (NABARD). The work of scheme was still in progress and Rs 37.30 crore were spent upto September 2000.

A test-check of records for the period upto March 2000 was conducted in office of the Executive Engineer, Irrigation Division-I, Baran, Superintending Engineer, Irrigation Circle, Kota and Additional Chief Engineer, Irrigation Zone, Kota during September 1999 and May 2000. Important points noticed are mentioned in succeeding paragraphs :

#### 4.9.2 Time overrun and cost overrun

The administrative sanction of the Scheme for Rs. 3.49 crore was accorded in December 1980 and envisaged completion by 1985 (in four years) was still incomplete as of September 2000. The Scheme was, however, cleared by Technical Advisory Committee (TAC) in March 1982 with the observation that location of pumping station should be reviewed in consultation with Central Water and Power Research Station (CWPRS), Pune. The CWPRS made its recommendation in January 1984 which, *inter alia*, included shifting of site of location of the pumping station from RD 300 to 510 M. The design of pumping station was revised but there was delay in finalisation of drawings of pumping station (received in piece-meals) and the last drawing of the pumping station was received in 1997. The department attributed the main

Cost of the scheme escalated from Rs 3.49 crore to Rs 38.44 crore due to defective designing, improper planning, incorrect estimation and abnormal time overrun.

When this activity to be completed?

→ 38.74



reasons for delay in completion of the Scheme to (i) delay in approval of design of pumping station, electrical and mechanical work, (ii) non-completion of work by some contractors within the scheduled time, (iii) non-payment of land compensation and (iv) inadequate budget allotment. An audit scrutiny revealed that delay was mainly attributable to (i) taking up the works without proper planning, (ii) defective designing and (iii) incorrect estimation of quantities of work, etc. as discussed in subsequent paragraphs.

The department had projected the target date of completion as March 2001 and cost of the scheme as Rs 38.44 crore against the original estimate of Rs 3.49 crore and revised estimate-1994 (not sanctioned) of Rs 25.15 crore. Thus, there had been cost overrun of Rs 34.95 crore which was attributable to the following reasons.

	(Rupees in crore)
Change in design	11.77
Additional work	9.24
Price escalation	12.83
Running and maintenance of pumping station	1.11
<b>Total</b>	<b>34.95</b>

The revised estimate of the Scheme as per actual expenditure had not been prepared.

#### 4.9.3 Improper planning

(i) The original estimate (1980) envisaged construction of feeder channel with a discharge of 230 cusecs. The discharge at the head of LMC and RMC were 124.15 cusecs and 19.97 cusecs respectively. The TAC approved (March 1982) discharge of 160 cusecs, 124.15 cusecs and 19.97 cusecs of water for feeder channel, LMC and RMC respectively. However, even before approval of the scheme by TAC in March 1982, the works of construction of inlet/feeder channel were taken up in December 1981 and the feeder channel and LMC were constructed for discharge of 230 cusecs and 220 cusecs as against the approved discharge of 160 cusecs and 124.15 cusecs respectively.

Executive Engineer's (Irrigation Division-I, Baran) reply that the discharge had been increased due to increase in CCA from 8,181 ha to 9,531 ha was not tenable as the maximum requirement of water including 20 per cent conveyance losses as per revised cropping pattern was 4.11 Million Cubic Metre (Mcum) in a month and the discharge for that is worked out to 112 cusecs which could be passed through a feeder channel of 160 cusecs as approved by TAC.

Due to construction of feeder channel and LMC of higher discharge extra expenditure of Rs 1.07 crore was incurred.

4 pumps (including one standby) of 75 cusecs had been installed at a cost of Rs 2.52 crore after taking into consideration the design discharge of feeder channel for 230 cusecs, though only three pumps (including one standby) were sufficient to discharge the water for required capacity. Thus, due to lapse in designing/construction the feeder channel/canal of higher discharge the department had to incur an extra expenditure of Rs 1.07 crore on installation of extra pump (Rs 0.63 crore) and construction of LMC of a higher discharge (Rs 0.44 crore).



(ii) The sanctioned estimate (1980) envisaged construction of pick-up-weir of 2 M height at a cost of Rs 26 lakh. The Central Water Commission, while examining the proposals, pointed out that the scheme envisaged utilisation of the entire available flow of the Parwan river including the catchment area in the State of Madhya Pradesh (MP). MP State could tap the area falling in MP under some scheme and unless specific concurrence of MP State to utilise all the lean season flow was obtained, the planning of the scheme should be based on the contribution from the catchment in Rajasthan. Instead of taking concurrence of MP State, the department considered only 10 per cent regeneration of water from catchment area falling in MP State. This necessitated raising of height of pick-up-weir from 2 M to 3 M. However, the Executive Engineer (EE), Survey and Investigation Division, Kota, who prepared the Project Report was of the view that even if the MP State decided to entrap the full catchment area, it would take decades to utilise the full catchment. He accordingly proposed construction of weir up to 2 M height as per original proposal and raising the weir to 3 M height would be considered later on, if required. This was to avoid the submergence of causeway on Baran-Bapawar road. As per calculation for water requirement for revised CCA of 9531 ha, the deficiency of water during lean season was only 5.81 Mcum which could be met by the pick-up-weir of 2 M height capable of providing 15.50 Mcum additional water. As such raising of height of pick-up-weir from 2 M to 3 M could have been avoided. Despite these proposals, the Additional Chief Engineer sanctioned an estimate (1984-85) for construction of pick-up-weir of 3 M height (Rs 72.03 lakh) and accordingly the weir was constructed of 3 M height. This resulted into submergence of Baran Bapawar causeway for which PWD had proposed for construction of a bridge at an estimated cost of Rs. 5 crore.

Thus, the Government, besides, incurring an extra cost of Rs 46.03 lakh due to construction of pick-up-weir of 3 M height without ascertaining the actual final requirement of water, would have to bear likely avoidable expenditure of Rs 5 crore on construction of a bridge.

(iii) On the basis of High Flood Levels (HFL) observed at Sangod Gauge Station during 1970 to 1982 and its corresponding levels at Tulsan site, the HFL at Tulsan site (where pump house was constructed) was assessed as RL 264 M. The maximum water level at Tulsan site as per local enquiry was also stated to be RL 264 M.

The CWPRS, Pune in their recommendation (January 1984) stated that the weir would induce silt deposition and increase flood height and recommended that the weir crest may be kept at bed level RL 253.76 M and provided with gates of 2 M height, which may be lifted during high floods to maintain *status quo* in respect of flood levels.

The pick-up-weir of 3 M height was constructed between 1984-85 and 1994-95 but no gates were provided and probable increase in flood height due to construction of 3 M high pick-up-weir was not taken into account while designing the structures. All the structures were designed and constructed according to HFL as RL 264 M. On 22 August 1996, the flood water level RL 265.80 M (recorded at 5 PM) submerged both the banks of river Parwan



surrounding area, all structures of scheme and colony near village and also damaged both the banks of inlet channel. Rs 49.17 lakh spent on restoration of flood damages, providing protection to the structures and channel, could have been avoided, had the probable increase in flood height due to pick-up-weir of 3 M height taken into account while designing the structures.

(iv) The work of pumping station included construction of pump house, inlet channel, erection of pump, switch gears, etc. The work of construction of pump house was awarded in May 1994. Prior to it, the work of inlet channel and feeder channel was executed between 1981-82 and 1987-88 in the depth of 15 M from natural surface level with the result, channel excavated upto 510 M filled with river water. Due to faulty planning of the department in getting the work of inlet channel done in reaches of pump house, the department had to spend Rs 10.35 lakh on dewatering.

EE stated that dewatering was done due to deep foundation level of pump house as it was situated near the river bank. The reply was not tenable as the pump house was situated 510 M away from river bank and even if some seepage was there, the quantum of water would have been negligible in comparison of water in inlet channel already excavated.

#### **4.9.4 Execution**

##### **(i) Pick-up-weir**

A composite estimate for construction of a ogee shaped pick-up-weir comprising wing wall and guide bund on both the sides was sanctioned (April 1984) for Rs 72.03 lakh. But the works were split up irregularly in six parts for which no reasons were on record. The work was allotted under six different agreements in different years between 1984-85 and 1988-89. The rates paid for all these works varied from 6.90 per cent above Schedule 'G' (1984-85) to 149.48 per cent above Schedule 'G' (1988-89). This resulted in an extra expenditure of Rs. 22.63 lakh as compared with the rates of the contractor who executed the work in 1984-85.

##### **(ii) Wrong classification of strata**

The work of construction of inlet/feeder channel 0 to 1050 M was executed through the contractor and payment for execution of 12233 cubic metre (cum) hard rock blasted (instead of soft rock) was made for the work executed up to 6 June 1991. On learning about wrong classification of strata at inlet channel, the SE, directed (June 1991) the EE to reclassify the strata as soft rock. The EE admitted that the strata fell under soft rock yet expressed unwillingness to reclassify the strata as done by his predecessor on the plea that being officer of the same status it would not be proper to over-rule the classification done by previous Executive Engineer. The argument of the EE was not acceptable as it was not only disobedience but also failure to exercise the powers which fell within his domain.

The matter regarding reclassification remained in correspondence during the period between June 1991 and May 1992 but decision to reclassify was not



Lack of proper investigation caused excess payment of Rs 7.29 lakh allowing excavation of 12233 cum strata as hard rock.

taken by any of the four incumbent on the post of SE. In the process no action to effect any recovery from the contractor was taken. The Geologist's report for intake structure (wherefrom inlet channel was off taking) indicated that the rock available was shell rock which was classifiable under soft rock.

Thus, due to lack of proper investigation, vigilance in proper classification of strata the contractor had been allowed excess payment of Rs 7.29 lakh for excavation of 12233 cum strata as hard rock.

(iii) Execution of work on higher rates.

Incorrect estimation of work resulted in extra expenditure of Rs 20.15 lakh.

(a) The work of construction of LMC from 0 to 15150 M was awarded (May 1992) to contractor 'A' for Rs 17.82 lakh (17.71 per cent below Schedule 'G' for Rs 21.60 lakh) to be completed upto 26 July 1993. The contractor executed the earthwork only in strata specified in Schedule 'G' and left the excavation of hard rock and lining of the canal. The quantity of earthwork done except excavation in hard rock was much more than the estimated quantity which indicated that estimate was not correct.

Payment made  
→ To be decision

The contractor, instead of being pursued for execution of left over work, was awarded earthwork in additional reach 15150 to 19860 M and on the plea that the cost of work done was 49.72 per cent more than allotted, the work was finalised at incomplete stage. The remaining work was reassessed and after splitting the work, tenders were called for different reaches#. The works were allotted to different contractors at higher rates resulting in an extra expenditure of Rs 20.15 lakh, when compared with rates of original contractor 'A'.

How much payment?

Why work in 1993?

Thus, due to incorrect estimation of the work and permitting the contractor to execute beyond the scope of work resulted in undue favour to contractor 'A' and thereby extra expenditure of Rs 20.15 lakh.

(b) The rates for work of excavation and lining of left over work of LMC from 9000-11500 M were offered by contractor 'B' at 29.86 per cent above BSR, 1993 (Rs 37.89 lakh). The BSR, 1993 was, however, not in existence. Instead of seeking any clarification regarding intention of the contractor (about year of BSR), the offer was not considered. Since the Schedule 'G' was based on BSR, 1991 (effective up to 1995) the rejection of the tender was not justified. The work was, however, awarded to the second lowest contractor 'C' at 51 per cent above Schedule 'G' at tendered cost of Rs 44.05 lakh. The contractor executed the work amounting to Rs 34.41 lakh and left the remaining work incomplete. Remaining work was got completed through contractor 'D' at 95.99 per cent above Schedule 'G' at a cost of Rs 8.91 lakh.

34.41  
8.91  
43.32

As such the department incurred Rs 43.32 lakh as against Rs 35.50 lakh payable to lowest contractor thereby resulting in extra expenditure of Rs 7.82 lakh.

From where we got this figure?

# 0-2000 M, 2000-4000 M, 4000-6500 M, 6500-9000 M, 9000-11500 M and 11500-14000 M



#### 4.9.5 Economic Viability

Power charges at present rates increased the expenditure on running of pumps rendering the scheme economically non-viable

The benefit-cost (BC) ratio at 10 *per cent* rate of interest according to original estimate (1980) was 2.52:1. In revised estimate (1994) it worked out to 1.5125:1 taking Rs 58.92 lakh on account of power charges for running of pumps. Taking into account power charges of Rs 2.26 crore at present rates the B.C. ratio works out to 1.053:1.

The financial criteria fixed for sanction of irrigation project was to achieve minimum BC ratio of 1.5:1 with 10 *per cent* rate of interest. But the BC ratio has gone down to 1.053:1 including power charges and may decline further due to increase in cost of the scheme thus, rendering the scheme economically non-viable.

The revised BC ratio taking into account the actual construction cost and value of crop production was not worked by the department (May 2000).

#### 4.9.6 Other points

##### (i) Blocking of funds and avoidable payment of interest

Procurement of raw water pumps in advance resulted in blocking of Rs 1.89 crore.

(a) Even before invitation of tenders (October 1993) for construction of pump house building, where pumps were to be erected, the work for supply, erection and commissioning of 4 raw water pumps was awarded (September 1993) to be completed within 22 months. The contractor supplied pumps upto April 1995 at a cost of Rs 1.89 crore and payment was made between December 1994 and January 1997. The work of erection of pump could not be started till July 1997 when the civil work of pump house was completed. As such Rs 1.89 crore remained blocked for a period ranging between 6 and 31 months and Government had to incur an extra liability of Rs 34.56 lakh on account of interest at 13 *per cent* payable to NABARD on the amount blocked.

It was noticed that due to non-completion of civil work of pump house, the site could not be handed over to the contractor for supply, erection and commissioning of Raw Water Pumps within contract period. The contractor claimed (October 1996) Rs 2.17 crore for losses borne by him and requested for appointment of sole arbitrator. The appointment of the arbitrator in the case was awaited.

It was further noticed that one pump after 13 days operation (33 hours) went out of order during November 1998. The reasons could not be ascertained by the department and pump was sent (February 1999) for repair and not received back (May 2000) even after a lapse of 15 months. The actual cost of repair was awaited.

(b) For providing alternate power line for pumping station from Bapawar Grid an amount of Rs 24.54 lakh was deposited (15 March 1995) with Rajasthan State Electricity Board (RSEB) but power line had not been completed (May 2000) and the amount deposited with RSEB had been lying blocked for more than 5 years on which interest amounting to Rs 15.95 lakh had to be borne as the amount was paid out of funds financed by NABARD.



**(ii) Non-recovery of compensation under Clauses 2 and 3 of contract agreements**

The work of excavation and lining of LMC (i) 11500 to 14000 M, (ii) 14000 to 17000 M and (iii) 17000 to 19200 M were awarded (March 1996) to contractor 'E'. Performance guarantee in the shape of Bank guarantee of Rs 6.34 lakh (valid upto 5 March 1997) was obtained. However, the contractor did not start the work in case of 11500 to 14000 M and 14000 to 17000 M whereas in 17000 to 19200 M *pro rata* progress was not maintained and work to the tune of Rs 5.54 lakh only was executed upto November 1996 against the allotted work of Rs 39.91 lakh. Action under Clauses 2 and 3 of the agreement was ordered (August 1997) under which Rs 12.68 lakh were recoverable. Against these orders, the contractor approached to the Court of Law. The Court, while passing stay order (4 March 1997), directed the contractor and Bank to extend the validity period and not to release the Bank Guarantee till final decision. The Bank, however, over looked the Court's orders and released the Bank Guarantee before final decision (15 May 1997) of the Court. The department did not initiate any proceeding for contempt of Court due to which Government had been put to a loss of Rs 6.34 lakh.

The case, though referred to Collector, Kota for recovery under PDR Act in April 2000 yet the same had not been registered by the concerned Collector.

**(iii) Extra expenditure due to incorrect applications of rates**

The estimates relating to works of 0 to 2000 M, 2000-4000 M, 4000-6500 M and 6500 to 9000 M of LMC were sanctioned (November 1995) with a note thereunder that the lead for stone aggregate of 10-20 mm crusher broken be limited to Gadepan (56 kms from Parwan scheme) or nearby quarry. Although sufficient quantity of stone grit was available in Gadepan quarry, yet the source in tender document was taken as Anantpura-Kota (76 to 83 kms) and payment was made without limiting the lead thereby resulted into an avoidable extra expenditure of Rs. 4.26 lakh.

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

**4.10 Defective and delayed execution of Bari Mansarowar Irrigation Project**

Administrative sanction of Bari Mansarowar Irrigation Project (Chittorgarh district) was accorded (August 1989) by the State Government for Rs 4.92 crore with Benefit Cost (BC) ratio of 1.78:1. The Project envisaged construction of earthen dam with gated spillway, wing walls, head outlet sluice, main canal and three minors. Gross Command Area (GCA) of the Project was 1769 hectare (ha) out of which 1503 ha was Culturable Command Area (CCA). Gross storage capacity and dead storage capacity of the dam was kept at 9.48 million cubic metres (Mcum) and 1.06 Mcum respectively. The Project was envisaged to be completed in six years (by 1994-95). The execution of the Project started in July 1990 was still incomplete despite



expenditure of Rs 11.81 crore (including share cost of Rs 1.04 crore received from Public Health Engineering Department (PHED)) upto March 2000.

A test-check of the records of the project in office of Executive Engineer, Irrigation Division, Chittorgarh revealed (May 2000) the following:

### ***Project Planning and Benefit Cost (BC) Ratio***

The revised project report estimating the cost at Rs 13.61 crore was sent (June 1996) to Government giving a BC ratio of 0.626:1 only. A re-revised Project Report reducing the cost to Rs 11.12 crore was submitted (December 1998) to the Government for approval giving a BC ratio of 1.01:1, which was still uneconomical. As such the BC ratio was again changed (16 May 2000) as 1.54:1 by the Joint Director on the same cost without any recorded reasons. Government approval was still awaited (May 2000). However, it was seen that the initial cost of Project was not properly estimated and it had increased considerably due to change in design of spillway and allied works, higher tender premium and cost of spillway gates being about 255 per cent above of the original estimates. Besides, construction cost (Rs 10.47 lakh) of two temples coming under submergence of the dam, compensation paid for houses (Rs 52.39 lakh) and expenditure of Rs 30.01 lakh (against provision of Rs 3.30 lakh only in the original Project Report) incurred on construction of roads were not included in original Project Report. Had the costing of the Project been done properly the BC ratio would have been low initially and would have rendered the Project uneconomical at the initial stage itself.

It was further observed that:

(i) Initially, the Project had irrigation target of 1769 ha-GCA and 1503 ha-CCA and provision to spare 1.209 Mcum water for drinking purposes. In the revised project (Rs 11.12 crore) these targets were increased to 1850 ha-GCA and 1655 ha-CCA, without increasing the capacity of the dam and taking into cognizance the need to spare water for drinking purposes.

(ii) Rs 11.81 crore (including share cost by PHED) had been spent (March 2000) against provision of Rs 10.77 crore for direct charges on work (excluding establishment and tools and plant) proposed in re-revised project cost. There were also pending liabilities worth Rs 72.25 lakh proposed to be executed during 2000-2001. This would further increase project cost and affect BC ratio adversely.

(iii) Proposals for construction of 37.12 km long water courses amounting to Rs 37.12 lakh were disallowed by the Government, yet Rs 11.85 lakh were incurred towards construction of the same.

### ***Project performance***

#### ***Head works***

Technical estimate of Rs. 167.98 lakh for head works was sanctioned (January

1990) by the ACE. Following points were noticed:

**Risk and cost amount of Rs 5.40 lakh not recovered from the contractor.**

(a) Excavation and filling of trench and construction of head outlet sluice was awarded (April 1990) to contractor 'A' at 18.90 *per cent* above Schedule 'G' amounting to Rs 8.82 lakh. Due to failure of the contractor to execute the work, the work was retendered twice and finally got completed (March 1994) through contractor 'B' at 91.78 *per cent* above Schedule 'G' aggregating to Rs 14.22 lakh. Risk and cost amount of Rs 5.40 lakh recoverable from contractor 'A' was not recovered as of May 2000.

**No action was taken to recover extra expenditure of Rs 23.61 lakh from the contractor.**

(b) Works of (i) construction of spillway and (ii) earth work of main dam including up stream pitching, down stream filter toe and wing walls allotted to contractor 'D' in May 1993 and July 1993 respectively, were not completed within the stipulated dates of completion by the contractor. Penalty was imposed on him under clause 3 (c) of the agreement for left over work and the balance work was ordered (November 1997) to be executed at the risk and cost of the contractor 'D'. Accordingly, balance works of spillway and earth work of main dam, etc. allotted (May 1998) to contractors 'E' and 'F', were completed in August 1999 at an extra cost of Rs 11.88 lakh and Rs 11.73 lakh respectively. However, no action was taken to recover the risk and cost amount of Rs 23.61 lakh from contractor 'D' despite lapse of 2 years.

(c)(i) As per Rule 318 of Public Works Financial and Accounts Rules (PWF&AR), technical sanction is a guarantee that proposals are structurally sound and the estimates are accurately calculated and based on adequate data. The estimate of head works was not sanctioned by the ACE in accordance with these provisions. In the works of construction of spillway and earth work of main dam referred to in sub-para (b) certain extra items which were later on got executed through contractors 'E' (spillway : Rs 69.44 lakh) and 'F' (earth work of main dam, etc.: Rs 17.43 lakh) on higher rates were not taken into account while preparing estimates. Accordingly, these were not included in the Schedule 'G' of these works given to contractor 'D,' hence their extra cost was not recoverable from contractor 'D'. Had the estimates been prepared correctly, extra expenditure of Rs 42.27 lakh being difference in rates of contractor 'E' and 'F' with contractor 'D' could have been avoided.

**Increase in height of gates without change in tank level resulted in extra expenditure of Rs 16.78 lakh.**

(ii) The height of gates (10) for spillway was increased by 0.5 M without change in full tank level of the dam. This resulted in extra expenditure of Rs 16.78 lakh including civil works (gates: Rs 7.35 lakh and civil works: Rs 9.43 lakh).

#### **Land acquisition**

**Wrong computation of market value of land resulted in irregular payment of Rs 32.54 lakh.**

(i) According to Section 23(1A) and (2) of Land Acquisition Act, 1894, interest at the rate of 12 *per cent* and solatium at the rate of 30 *per cent* per annum respectively, were payable on the 'market value of the land' only arrived at in accordance with the 'consideration first' of Section 23(1) which does not include value of trees, wells, houses, etc. (other properties). It was, however, observed that the payment of interest was made by including the



value of other properties in the value of land which resulted in irregular payment of Rs 32.54 lakh.

Double payment of Rs 4.99 lakh was made for land compensation.

(ii) Proper records for details of land acquired and payment of land compensation was not maintained by the Division Office. During test-check of records, two cases of double payment amounting to Rs 4.99 lakh were also noticed. In the absence of proper and complete records possibility of irregular payment of land compensation to persons not having proper title of land cannot be ruled out.

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

#### 4.11 Creation of extra liability due to delay on the part of the department

##### Delay in finalisation/sanction of tenders for purchase of hydrometer equipment led to creation of extra liability of Rs 84.62 lakh.

Government of Rajasthan entered (March 1995) into a contract with a firm of United Kingdom (UK) for consultancy services for a World Bank aided project of Modernisation of Hydrometeorological Observation Network under Agricultural Development Project (ADP) in Rajasthan. The contract was valid upto December 1997. The complete project with total consultancy fees of Rs 2.51 crore (UK Sterling £ 302084 plus Indian Rs 42,86,612) was to be executed in three phases (A,B and C) comprising periods of 6 months, 11 months and 7 months respectively starting from March 1995 to February 1997.

Phase 'A' of consultancy service related to preparation of complete and comprehensive scheme for hydrological and hydrometeorological data observation for the State of Rajasthan started in April 1995 and was completed by March 1996.

Phase 'B', comprising (i) inviting tenders for procurement of equipment, (ii) evaluation of bid documents (by the consultant/the department/ the Government and the World Bank), (iii) approval of tenders by the Government of Rajasthan and World Bank and (iv) supply and installation of equipment; started in November 1996 but could be completed by August 1999 (except installation of telemetry) due to delay in finalisation of tender documents by the department /Government.

Meanwhile, the validity of the contract expired (December 1997), and firm requested (September 1998) the Chief Engineer (CE), Investigation, Design and Research (ID&R), Irrigation Unit, Jaipur to revise (May 1998) the consultancy fees failing which the contract was liable to be terminated. On the recommendation of CE, ID&R, Government accorded (August 1999) extension of the contract upto September 1999 and revision of consultancy fees from Rs 2.51 crore to Rs 3.36 crore. The contract was again extended

→ 20.9.15 →

(September 1999) upto September 2000 without further revision in consultancy fees by the Government.

It was observed that the department (Executive Engineer, ADP, Jaipur/CE, ID&R) was not conversant with handling of such works and failed in making adequate advance planning/monitoring including coordination between various departments of the State Government/Central Government. It took about 4 to 12 months for evaluation of tender documents.

Thus, department's failure in planning the project and monitoring it closely resulted in non-completion of work by the consultant firm in time which led to creation of extra liability of Rs 84.62 lakh for the Government due to increase in consultancy fees.

Government while explaining the reasons for delay stated (September 2000) that this was a new type of work and the delay was beyond the control of the department/consultant. Therefore the delay was justified. However, the fact is that an extra liability of Rs 84.62 lakh was created due to increase in the consultancy fees.

#### **4.12 Excess payment for earth work**

##### **Non-observance of codal provisions resulted in excess payment of Rs 23.28 lakh to contractor.**

Para 4.7 of IS Code 1200 (Part 27), 1992 stipulates that where earth work is done by mechanical means, lifts shall not be measured separately. However, in the construction work of earthen dam of Mewara Minor Irrigation Project, though the contractor executed the earth work through mechanical means, the Executive Engineer, Irrigation Division, Dungarpur paid Rs 23.28 lakh on account of extra lifts to contractor.

Thus, allowing lifts separately even when the earthwork was done by mechanical means resulted in excess payment of Rs 23.28 lakh to contractor.

Government while accepting the facts intimated (September 2000) that the action against the defaulting officers and to effect the recovery from the concerned contractor was being taken.



**4.13 Extra expenditure due to delay in clearance of site and finalisation of the drawing and design of the new PHED minor**

**Delay in clearance of site and finalisation of drawing and design of the new PHED minor before inviting tender led to avoidable extra expenditure of Rs 25.01 lakh.**

Rajasthan Water Supply and Sewerage Management Board accorded (January 1996) sanction for construction of new Public Health Engineering Department (PHED) minor between RD 0.500 to RD 11.820 of 'Z' distributary of Gang Canal for Water Supply Scheme, Sriganganagar. Accordingly, Executive Engineer (EE), PHED Division, Sriganganagar requested (July 1996) Irrigation Department for sanction of technical estimates for taking up the work. Technical and administrative sanctions of the project for Rs 123.44 lakh were given by Irrigation Department during 1996-97 without ensuring clearance of site. The EE, PHED Division, Sriganganagar deposited (March and July 1997) Rs 102 lakh with EE, Gang Canal (North), Division Sriganganagar.

Tenders were invited (July 1997) and the rate offered by contractor 'A' at 7.77 *per cent* above Schedule 'G' amounting to Rs 69.40 lakh was found lowest with 2 conditions viz. (i) 70 *per cent* payment of secured advance against material brought to site and (ii) date of start will be the date of giving lay out at site. The first condition was withdrawn (September 1997) by the contractor. As second condition (which had no financial implication) was not withdrawn by the contractor, the tender was rejected (October 1997) by the Chief Engineer (CE), Irrigation (North), Hanumangarh Junction.

Tenders were reinvited (February 1998) by Gang Canal (North) Division. The drawing and design were revised after detailed technical study of the site and provision of single brick lining was made between RD 8.500 and RD 11.820 instead of brick masonry, lowering the amount of Schedule 'G' from Rs 69.40 lakh to Rs 65.82 lakh. The changed drawing was approved (August 1998) by Superintending Engineer, Irrigation Circle, Sriganganagar.

Due to non-removal of trees from the site, and change in drawing and design, the dates of sale/receipt of Notice Inviting Tenders were time and again extended upto November 1998. State Government approved (April 1999) the tender at 45.77 *per cent* above Schedule 'G' aggregating to Rs 95.94 lakh in favour of the same contractor. Work order was issued (April 1999) by the EE with scheduled dates of commencement and completion of work as 22 April 1999 and 21 January 2000 respectively. The work was in progress.

During examination (May 1999) of the records of CE, Irrigation (North), Hanumangarh Junction following points were noticed :

(i) Technical report for construction of minor did not indicate geophysical background of the site which shows that it was prepared without awareness of



the site conditions which led to change in technical specification and delay in finalisation of the drawing and design of the minor.

(ii) Matter for removal of trees from the site was first taken up with the Collector, Sriganaganagar in March 1997, whereas it should have been taken up simultaneously with the preparation of technical estimates.

Thus, delay in clearance of site and non-finalisation of drawing and design of the minor before inviting tender led to avoidable extra estimated cost of Rs 25.01 lakh i.e. 38 *per cent* (45.77 – 7.77) of Schedule 'G' amount of Rs 65.82 lakh.

Government intimated (April 2000) that first time the tender was rejected being conditional. The contention was not tenable because the condition was legitimate having no financial implications and could have been accepted had the department ensured prior clearance of site.

#### **4.14 Loss due to non-execution of valid agreement**

**Failure of the department to submit original agreement to the arbitrator led to non- recovery of the risk and cost and compensation amount from the contractor thereby resulting in loss of Rs 12.03 lakh.**

Additional Chief Engineer (ACE), Irrigation, Kota approved (May 1983) the tender for the construction work of Bilas Irrigation Project, Baran in favour of contractor 'A' for Rs 28.39 lakh. Work order was issued (May 1983) by Executive Engineer (EE), Irrigation Modernisation Division (Renamed as Irrigation Division II), Baran with the stipulated dates of commencement and completion as 11 May 1983 and 10 November 1984 respectively. The contractor started the work in October 1983.

The contractor did not complete the work as per schedule, despite several notices and after having executed work worth Rs 8.94 lakh, left it incomplete (June 1985). The ACE ordered (September 1985) levy of 10 *per cent* compensation (Rs 2.84 lakh) and to get the remaining work completed under Clause 3(c) of the conditions of the contract agreement. Meanwhile, it was noticed (April 1985) that the original agreement was missing. When asked (April 1985) by the EE to sign the duplicate copy of agreement, the contractor refused to do so stating that he had never signed the agreement. On filing (July 1988) a claim by the contractor against the department regarding his dues, Superintending Engineer, Indira Gandhi Nahar Pariyojana, Jaisalmer who was appointed (September 1995) as sole Arbitrator by the Government, held (March 1999) in his award that proper agreement was not found to be executed as department had failed to submit original agreement and as such no action under conditions of agreement could be taken against the contractor. He further issued award for payment of final bill (Rs 0.41 lakh) and security deposit (Rs 0.49 lakh) which was approved (July 1999) by the Government also. No action against the officer/official responsible for lapse was initiated.



The balance work was got executed through contractor 'B' at 3.99 *per cent* above Schedule 'G' (except earth work and extra charges for lead and lift) and completed (June 1992) at a cost of Rs 30.85 lakh, which could have been got executed through former contractor at a cost of Rs 21.66 lakh.

Thus, failure of the department to submit original agreement to the Arbitrator led to non-recovery of the risk and cost (Rs 9.19 lakh) and compensation (Rs 2.84 lakh) amount from the contractor thereby resulting in loss of Rs 12.03 lakh to the Government.

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

#### **4.15 Non-recovery due to non-execution of complete item of work**

##### **Non-deduction for not breaking of large stones led to extra payment of Rs 21.36 lakh to the contractors.**

To increase Command Area of Mahi Project, five agreements were executed (1995-96) for remodeling of Right Main Canal (RMC) of Mahi Banswara involving deep cutting in strata of phyllite, mica, schist, shale, etc. (item 1f) and hard rock requiring blasting (item 1g). These items of work were included in the Schedule 'G' at the rate of Rs 756.70 per 10 cum and Rs 843.10 per 10 cum respectively. The contractors were also required to break the large stones obtained from blasting. As per rate analysis of these items as given in Basic Schedule of Rates (BSR), 1991 of Mahi Project, Rs 64.68 per 10 cubic metre (cum) plus the tender premium was admissible for breaking of the stones.

It was observed (July 1998) that the contractors executed the work for 12,562.58 cum under item 1(f) and 1,52,080.91 cum under item 1(g) but the work of breaking of large stones was not done by the contractors. However, the Executive Engineer, Building and RMC Division, Mahi Project, Banswara did not make any deduction from the contractor's bills on this account. This led to overpayment of Rs 21.36 lakh.

Chief Engineer(CE), Mahi Bajaj Sagar Project, Banswara stated (March 1999) that the recovery of only 20 *per cent* of the excavated stone was justified. However, changing his earlier stand CE stated (July 1999) that on an enquiry with concerned officers/officials it was found that stones were actually broken. Both the above replies are not tenable as the excavation work was done by blasting through mechanical means and stones were dumped at a place and there was no occasion to break the stones. No document in support of breaking of stones was furnished by the department. Further, on enquiry (July 1999) for non-utilising these stones by the sister Division, the Divisional Officer, RMC Distributary Division, Banswara intimated (November 1999) that the departmental stones were of very large size and were lying in the shape of small hills, therefore its blasting was difficult and costlier. It indicates that the work of breaking of large stones was not executed by the contractor.

Thus, non-deduction for not breaking of large stones led to overpayment of Rs 21.36 lakh to the contractor.

The matter was referred to the Government in February 1999; reply had not been received (October 2000).

#### **4.16 Unfruitful expenditure due to improper planning**

**Improper planning led to unfruitful expenditure of Rs 73.18 lakh on the approach drain as neither the irrigation targets were achieved nor there was any utility of the scheme.**

State Government accorded (August 1997) concurrence for the proposal of irrigation in 2500 ha during 1997-99 by lifting water from Bisalpur reservoir with the condition that work would form part of budget provision of Bisalpur Project Estimates and the necessary sanction would be accorded by Chief Engineer, Bisalpur Project, Jaipur. Technical estimates for excavation and construction of approach drain of 1350 metre(M) length from RD 1350(M) of approach channel to reservoir EL 302.5 M to 308 M was sanctioned (August 1997) by Superintending Engineer, Dam Circle, Bisalpur Project, Deoli for Rs 13.45 lakh. This was subsequently revised (November 1998) to Rs 46.17 lakh due to increase in work for providing berms/major variations in various strata. An estimate of Rs 23.95 lakh was also sanctioned (August 1997) for supply and installation of equipment for water lifting.

The whole work was got executed upto November 1997. Rs 43.67 lakh were spent on excavation and construction of approach drain (Rs 41.52 lakh) and construction of pumping station (Rs 2.15 lakh). Besides, Rs.29.51 lakh were spent on purchase and installation of equipment and on running and maintenance (including electricity charges and watch and ward) as of May 1999.

During examination (June 1999) of the records of office of the Executive Engineer, Construction Division III, Bisalpur Project, Deoli, following points were noticed:

(i) There was no provision for approach drain in the project report of Bisalpur Project approved by Central Water Commission. Besides, the work was executed without obtaining administrative and financial sanction of the competent authority.

(ii) Contrary to the decision (November 1992) of the State Level Review Committee comprising representatives of Irrigation and Public Health Engineering Departments, that water below the level of EL 310.6 M was to be reserved for drinking purpose, the lift scheme was executed for drawal of water below EL 310.6 M.

(iii) The original estimates were prepared without going for trial pits/proper survey of the site and quantities in various strata were taken on percentage



basis reportedly due to shortage of time. This indicates that the sanction was obtained in haste, only to get the work started.

(iv) Targets of irrigation were not achieved, as irrigation was done only in 504 ha against target of 2500 ha (20 per cent) during *Rabi* season (1997-98) and no irrigation was done thereafter.

(v) As the water was to flow naturally into approach channel as soon as it reaches EL 309 and whole approach drain was to submerge, the utility of approach drain was not justified.

Thus, improper planning led to unfruitful expenditure of Rs 73.18 lakh on the approach drain as neither the irrigation targets were achieved nor there was any utility of the scheme in future in view of (v) above.

The matter was referred to Government in October 1999; reply had not been received (October 2000).

#### **4.17 Unfruitful expenditure due to start of work without ensuring availability of forest land**

**Failure of the department to ensure availability of forest land before sanction/commencement of the work resulted in expenditure of Rs 92.08 lakh remaining unfruitful.**

Public Works Financial and Accounts Rules lay down that clear title of site is a pre-requisite for planning and designing works and no work should commence on land which has not been duly made over by a responsible Civil Officer.

In violation of the above, the construction of Mudasil Minor (0 to 8.61 kilometre (km)) was approved by the Superintending Engineer, Mahi Project, Banswara during 1988-89 to 1992-93 though about 5.92 ha of land in RD 2 to 5 km was forest land. The minor was meant to provide permanent source of drinking water facilities and to irrigate 5,100 acre land of Banswara district. Excavation works in RD 2 to 5 km were allotted (3 agreements) to a contractor in March 1989, much before the availability of forest land. The case for transferring the forest land for non-forest activities was moved to Forest Department in April 1990 and to Government of India in August 1994. The contractor left the works (between March 1990 and November 1993) after receiving payment of Rs 12.71 lakh, due to non-availability of land and ultimately these works were withdrawn from him in September/October 1998. The Ministry of Environment and Forests, New Delhi approved the diversion of this forest land in exchange of non-forest land (August 1999) but the land had not been handed over to the department (October 1999). Meanwhile, the department allotted the works of RD 0 to 2 and 5 to 8.61 km (4 agreements) in 1992-93 and 1993-94 and incurred an expenditure of Rs 79.37 lakh (September 1998). The works of RD 0 to 2 and 7 to 8.61 km only were

completed. The minor in these lengths also could not be utilised because of non-completion of excavation work in RD 2 to 5 km.

Thus, failure of the department to ensure availability of forest land before sanction/commencement of the work resulted in the expenditure of Rs 92.08 lakh remaining unfruitful, besides denial of drinking water and irrigation facilities to the tribals. The cost of construction of this minor is also likely to go up.

The Government intimated (July 2000) that forest land had been taken over and irrigation facilities would be provided to the area during ensuing *Rabi* crop. The fact remains that the expenditure is unfruitful and no drinking or irrigation facilities were provided as remaining works in different reaches were lying incomplete (October 2000).

#### **4.18 Unproductive expenditure**

**Excavation and widening of Baran Weir Feeder Channel did not serve any fruitful purpose even after incurring an expenditure of Rs 36.98 lakh.**

To increase water flow in the Baran Weir Feeder Channel (10 km long) to feed water of Ruparel River in the Jaisamand dam of Alwar district, the Chief Engineer (CE), Irrigation, Rajasthan, Jaipur allotted (January 1997) Rs 70 lakh for its widening and excavation. Technical estimates for Rs 107.86 lakh were approved (March 1997) by Additional Chief Engineer (ACE), Irrigation Zone, Jaipur.

The work from km 0 to km 5 was allotted (April 1997) by the Executive Engineer, Irrigation Division, Alwar to contractor 'A' for Rs 49.68 lakh. Work from km 5 to km 10 was not awarded.

After execution of work (km 0 to km 4.5) valuing Rs 36.98 lakh, the Executive Engineer, Irrigation, Alwar stopped (June 1997) the execution in view of District Collector, Alwar's suggestion (June 1997) for postponement of the work pending enquiry in the matter to ascertain the quality, payments made and necessity of the work. The work was lying incomplete (March 2000).

During the examination (March 1999) of the records of Irrigation Division, Alwar it was observed that:

(i) Widening of the feeder channel upto 20 metre width was not necessary as the width of the bridge between Baran weir and Jaisamand dam was only 8 metres (subsequently raised by 6 metres in July 1999). Therefore, in case of increase in the water flow, the water would over-flow across the bridge.

(ii) The capacity of the channel was adequate to fill-up the dam as evidenced by the fact that the maximum capacity of the tank was obtained at many times in 1995 and 1996. Thus, excavation or widening to increase the water flow was not justified.



(iii) Widened channel (km 0 to km 4.5) would not be capable of safeguarding against maximum rainfall/flood situation as during heavy rains the enlarge section would carry more water whereas in reaches beyond km 4.5 of the feeder channel the water would overflow causing damage in nearby villages.

(iv) As the width of the channel is not uniform from km 0 to km 10, the possibilities of depositing silt in low flows could not be ruled out.

On being pointed out (October 1999) the Executive Engineer, Irrigation Division, Alwar stated (March 2000) that the department proposed to watch the behaviour of flow in the channel for another one or two years before taking execution of the work in reach km 5 to km 10. He further added (May 2000) that the behaviour of the excavated channel (km 0 to km 5) was watched in February 2000 onwards and it was noticed that balance work might not be required if this behaviour continued.

This shows that the work was done without proper planning and survey, which resulted in unfruitful expenditure of Rs 36.98 lakh on excavation and widening in km 0 to km 5 in Baran Weir Feeder Channel.

The matter was referred to Government in October 1999; reply had not been received (October 2000).

## Public Health Engineering Department

### 4.19 Unfruitful expenditure on Mahamandir Sewerage Scheme, Jodhpur lying incomplete

Policy Planning Committee of Rajasathan Water Supply and Sewerage Management Board (RWSSMB) accorded (August 1989) administrative and financial sanction of Rs 1.87 crore for 'Mahamandir Sewerage Scheme', Jodhpur. In the first phase of the scheme, outfall, main and lateral sewers of Mahamandir, Laxmi Nagar, BJS colony and Bhadwasia areas were proposed to be constructed. In second phase, areas likely to be developed in future were to be covered.

Scheme not commissioned even after incurring an expenditure of Rs 4.75 crore.

Executive Engineer (EE), Public Health Engineering Department (PHED), Revenue and Drainage Division, Jodhpur initiated (May 1991) action for acquisition of land for Sewerage Treatment Plant and finally 356.02 *bigha* of land was acquired by depositing Rs 1.20 crore with the Sub-Divisional Officer of the area, on the basis of award (February 1995). Thereafter, revised administrative and financial sanction for Rs 5.08 crore (including cost of land acquisition) was accorded (June 1995) by Policy Planning Committee. Technical estimates of Rs 3.67 crore of the revised scheme were sanctioned (February 1996) by technical committee of RWSSMB with the instructions that each package of the estimates (24 packages) be sanctioned by competent authority separately. Housing and Urban Development Corporation (HUDCO) sanctioned (March 1996) a loan of Rs 3.17 crore for the scheme to be funded



in 8 quarterly instalments (October 1996 to July 1998) and refundable with interest and other charges in 48 quarterly instalments (December 1998 to September 2010). However, the scheme was not commissioned (June 2000) despite an expenditure of Rs 4.75 crore (State share: Rs 3.55 crore; Loan from HUDCO: Rs 0.90 crore and from Nagar Nigam, Jodhpur: Rs 0.30 crore).

1991-7-5  
- Feb 1994  
Start the scheme  
507 lakh

An examination (April 2000) of the records of EE, PHED, Revenue and Drainage Division, Jodhpur revealed the following irregularities:

4.11.2000

**(A) Implementation/planning**

Inordinate delay in acquisition of land resulted in higher acquisition cost.

(i) Though, the scheme sanctioned (August 1989) was envisaged to be completed by March 1993 technical sanction of the scheme was issued in August 1991 by Technical Committee of RWSSMB. Delay in issue of technical sanction was attributed to non-compliance by EE of certain objections raised by Chief Engineer, PHED, Jodhpur. The final technical estimates could be sanctioned only by February 1996 due to inordinate delay (5 years) in acquisition of the land for Sewerage Treatment Plant which was acquired at a cost (Rs 1.20 crore) six times higher than the original estimates (Rs 20 lakh). 500 sqm of land for package No. OS-1 was yet to be acquired.

No efforts were made to get the share of Rs 75 lakh from Urban Improvement Trust.

(ii) Urban Improvement Trust, Jodhpur did not pay its share of Rs 75 lakh as of date but no efforts were made to get the share by the department.

Expenditure of Rs 10 lakh incurred on consultancy fees proved unfruitful.

(iii) National Environment Engineering Research Institute (NEERI), Jaipur was engaged (January 1997) for conducting a study for Sewerage Treatment Plant and submitting its report in 6 months. NEERI was paid (June 1997 and September 1998) full consultancy fees of Rs 10 lakh in advance while the final report regarding treatment plant was submitted (October 1999) after 27 months. The final report was stated (April 2000) to be incomplete as it did not contain comparative study of the different types of treatment plants and hence utility of the same was doubtful for the department and thus proving the expenditure (Rs 10 lakh) unfruitful. Moreover, proposals for appointment of a new consultant were being mooted in the department. Failure of NEERI in submitting complete report led to non-finalisation of the tender documents for purchase of treatment plant.

30.12.97  
20.10.98  
March 99  
50:  
30  
20

**(B) Execution**

Corrosion  
hbc sam  
leeds not  
produced in field

(i) Initially the pipes were to be procured by the department and supplied to contractor but due to non-approval of the specification of the pipes by the department, the work of providing the pipes was included in the tender for laying and jointing of pipes.

Avoidable extra expenditure of Rs 25.74 lakh on procurement of RCC pipes and manholes.

The scheme envisaged use of 18140.5 M RCC pipes (outfall sewer: 3930 M, main sewer: 5554 M and lateral sewer: 8656.5 M) at rates offered by Rajasthan RCC Pipe Manufacturers Association. It was observed that work (Sewer lines) was executed through the contractors at tender premium ranging from 11 per cent to 100 per cent above Schedule 'G'. Had the department itself procured the pipes and Cast Iron manholes from the manufacturers association

Non BSR items  
CAND  
1999 rates



What comparison  
expenditure

and supplied to the contractor extra expenditure of Rs 25.74 lakh paid to the contractor could have been avoided.

(ii) Works were allotted to different contractors at different tender premia (11 per cent to 100 per cent) for similar/same nature of works and in the same area without any justification thereof, which resulted in extra expenditure of Rs 26.88 lakh. This is borne out by the fact that the work of IS-05 (Intercepting Sewer) and LS-04 (Lateral Sewer), allotted to contractors 'A' and 'B' at 59.99 per cent and 79.80 per cent above, which were left incomplete in December 1995 and April 1997 respectively, were got completed through another contractor 'C' at the same rates in October 1997 and January 1999 respectively.

↓ what's

Expenditure of  
Rs 28.08 lakh incurred  
on encasing of sub-  
standard pipes.

(iii) The scheme provided for laying of RCC pipes class NP-2 conforming to IS-458-1971 specifications and contractors were required to produce testing reports of the pipes or certificates of IS mark but the EE, Revenue and Drainage Division, Jodhpur did not ensure the quality of pipes and submission of test certificates by the contractor.

As a result the department had to incur an expenditure of Rs 28.08 lakh on encasing of pipes (900 mm and 800 mm diameter) to provide protective cushion to pipes laid in the trenches, because the pipes laid by the contractor which should have borne the wheel load at depths upto 3.20 M/4.40 M were found unsafe in view of extra wheel load at depths more than 2.83 M and 3.29 M as per IS Code 783-1985. This indicated that the pipes laid by the contractor were sub-standard/below specification. No records in support of measurement/calculation of load bearing capacity of pipes was available with the department.

(iv) Works amounting to Rs 24.67 lakh were got executed in excess of estimates which ranged between 26.29 per cent and 62.06 per cent of the approved estimates. This shows that the estimates of the scheme were not prepared properly.

Undue financial aid of  
Rs 23.91 lakh to  
contractor.

(v) The agreements executed with the contractors did not provide for any secured advances to contractor. However, undue financial aid of Rs 23.91 lakh was provided to contractors in the shape of secured advances contrary to terms and conditions of the respective agreements.

Thus, the scheme envisaged to be completed at a cost of Rs 1.87 crore by March 1993 was still incomplete (April 2000) even after incurring expenditure of Rs 4.75 crore due to department's failure (i) to prepare technical estimates in time, (ii) to acquire land for sewerage treatment plant before commencement of work and, (iii) to plan and monitor the scheme efficiently. The residents of the area were denied the benefits of the scheme for more than 7 years. Besides, there were cases of unfruitful/avoidable extra expenditure, undue benefit to the contractors and other irregularities involving amount of Rs 1.39 crore.

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



#### 4.20 Undue benefit to contractor and loss to the Government

##### Preparation of incorrect Schedule 'G' based on defective rate analysis, resulted in undue benefit to contractor amounting to Rs 87.60 lakh and loss to the Government.

Estimates for providing, laying and jointing of Re-inforced Cement Concrete (RCC) pipes for the Sewerage Scheme, Jaipur City were prepared (May 1995) by Chief Engineer (CE), Public Health Engineering Department (PHED), Jaipur on the basis of Basic Schedule of Rates (BSR), 1993. As BSR did not contain rates of RCC pipe class NP-2 ISI, the department without any scientific market survey, ascertained the prevailing market rates from three firms. These rates were called by contacting the firms telephonically and there was nothing on record to indicate the basis of selection of firms. One firm was an association of pipe manufacturers. These rates were built into Schedule 'G'. Thus, the rate analysis was defective. While finalising the estimates/Schedule 'G' of the work, 10 per cent was added as contractor's profit.

Undue benefit of Rs 36.71 lakh in awarding the work in 4 packages (3 to 6) to one single contractor by the CE was commented in paragraph 4.11 of Report of the Comptroller and Auditor General of India for the year ended 31 March 1998-(Civil)-Government of Rajasthan. Similarly, the work of Package No. 1 and 2 involving laying of 7586 metre RCC pipes was awarded (June 1996) to another contractor at 23.85 per cent above Schedule 'G'. As of October 1999, the contractor had laid 7190.35 metre RCC pipes costing Rs 1.70 crore.

During the examination (April-May 1999) of records of Executive Engineer, PHED, Survey and Drainage Division, Jaipur the following points were noticed:

(i) On account of 10 per cent profit added by PHED on BSR alone, the contractor got undue benefit of Rs 16.98 lakh as of October 1999. On completion of work a total benefit of Rs 17.92 lakh would pass on to him for total quantity/length (7586 metres) of pipe.

(ii) On account of tender premium for the work (providing, laying and jointing of RCC pipes) which included purchase of RCC pipes by contractor, the contractor was given an avoidable additional benefit of Rs 44.55 lakh as of October 1999. This could have been avoided had PHED themselves purchased the pipes.

(iii) CE's action to award 3 other packages of the work on the same date (20 April 1996) at different tender premiums i.e. 2 per cent, 4 per cent and 8 per cent was unjustified since these packages were for work in adjoining areas. Similarly, awarding (June 1996) of these two packages at 23.85 per cent above Schedule 'G' was also not justified and showed that the tendering process was defective. On the basis of adoption of 2 per cent above Schedule 'G' in respect of these packages the overpayment to contractor worked out to Rs 26.07 lakh as of October 1999.

Approved at technical level





## 4.21.2 Execution

## (a) Earth work

(i) 19292.152 cubic metre (cum) (34728.885 metric tonne (MT)) earth was transported for filling from outside the campus at a cost of Rs 20.93 lakh which could have been saved by utilising 25048.66 cum available at the site. The estimate for requirement of earth, though called for was not made available. Further the lowest rate of Rs 62.45 per MT ( works out to 6.95 per cent above BSR, 1993) was considered reasonable for transportation of above earth from 15 km lead and filling in the campus. It was, however, noticed that the rate analysis worked out to Rs 33.27 per MT instead of Rs 62.45 per MT. Due to incorrect rate analysis, department paid Rs 10.13 lakh as extra for transportation and filling of earth.

Why they have not used?

(ii) IS 2000 (Part 27) : 1992 stipulates, that, where earth work is done by mechanical means, lift shall not be measured separately. In Schedule 'G' different rates of lifts as per lift variation were included and earth work in foundation by mechanical appliances was allotted to a contractor in November 1994. Non-adherence to codal provisions resulted in extra payment of Rs 2.91 lakh.

## (b) Stone work

To effect economy in construction cost, the Chief Engineer (Project) (CE(P)) approved (August 1996) the proposal relating to changes in specifications of Jodhpur Stone, Block Masonry, *Kangara* and *Jali*. These were, however, not implemented as it was reported that contractor had already procured the stone material as per original agreement. Government would have saved Rs 52.96 lakh as detailed below if the CE (P) had taken the decision of modification/changes at initial stage.

Name of work	Approved rates	Proposed revised rates	Difference	Quantity of work executed (upto September 1999)	Extra expenditure
	(Rupees per sq. feet)			(Rupees in lakh)	
Jodhpur stone Block masonry 9"to 11"	660	480.89	179.11	13186	23.62
<i>Kangara</i>	1400	997.83	402.17	796.38	3.20
<i>Jali</i>	1705	435	1270	2058	26.14
				<b>Total</b>	<b>52.96</b>

Government stated that the proposals approved by the then CE (P) in August 1996 was based on 'wrong approach'. The reply was not tenable as the proposals were meant to achieve savings and also raises doubt regarding the reliability of the decision taken by the appropriate authority. Further, the department did not use standard form for signing the agreement which *inter alia* (clause 12) provide the engineer-in-charge to make changes/alterations in original specification during the progress of work and such changes were binding on the contractor to carry out the work accordingly.

Earlier C.E's orders

Why this did not approve?

low level -



**(c) Improper drawing and design of Assembly hall**

Due to improper drawing and design extra expenditure of Rs 13.79 lakh was incurred on increasing the height of Assembly hall.

*Am*

As per original drawing of Assembly hall (No.S-29/9), the steel structure was to be hoisted and erected from level 1418'-6" (datum level) to 1447'-0" top level of Reinforced Cement Concrete (RCC) brackets i.e. the height of hoisting was 28'-6". However, this height was considered insufficient (October 1997). It was decided (February 1998) to hoist and erect the steel structure from level 1418'-6" to 1459'-6". The height was increased from 28'-6" to 41 feet (1459'-6" minus 1418'-6"). A decision was also taken (February 1998) to change the dais from south facing to north facing by demolishing the existing dais. This resulted in an extra expenditure of Rs 13.79 lakh on raising the height of Assembly hall, changing the direction of existing dais and Rs 2.98 lakh on dismantling the already constructed dais. The Government stated that it was not a case of improper drawing and design as assessed by audit but it was a case of continuous thinking improvised perception. The reply is not tenable as the height of old assembly hall was 43'-0" at centre and 39'-6" at periphery of the hall and, therefore, the height of new House at 28'-6" was very much on lower side.

**(d) Air Conditioning work**

**(i) Incomplete system in HVAC plant**

The Project Profile, prepared by Chief Architect in August 1994 included provision of heating, air conditioning, fire fighting and smoke and fire detection systems. It was, however, observed that the technical estimate for Heating, Ventilation and Air Conditioning (HVAC) work did not include provision of winter heating. Accordingly, the job (excluding heating system) was awarded (March 1997) to a contractor for Rs 6.65 crore to be completed by May 1998.

In such a prestigious building, non-adopting of both systems viz. air cooling/air heating indicate the failure of planning and would involve additional recurring expenditure in providing heaters, etc.

**(ii) Extra financial liability on account of non-completion of civil work**

*Am*

A contractor was paid Rs 5.88 crore (including price escalation of Rs 8.47 lakh for the period upto May 1998) for HVAC works executed up to May 2000. The work was lying incomplete due to non-completion of civil work. The contractor claimed escalation of Rs 19.30 lakh for the period June 1998 to March 1999, likely to be increased by the time HVAC work would be completed. Thus, on account of failure of planning and coordination among civil and electrical work of the building, liability on account of escalation charges would accrue which would further burden the *ex-chequer*.

**(e) Irregular engagement of daily wage labour**

A payment of Rs 53.13 lakh on account of wages for labourers engaged between October 1996 and March 2000 was made to the different contractors.

It was observed that:

- (i) In the bills of the contractors the works entrusted to the labourers were shown as supervision of stone works, assistance for giving layout, etc. despite having sufficient number of supervisory staff.
- (ii) Availability of surplus work charge staff in the various PW divisions was not explored before engaging daily wages labour, though 3361 various type of work charge labourers were available against the sanctioned strength of 2270 as on April 1994 in Jaipur Zone.
- (iii) Records relating to the details of payment made, attendance and measurement of work done by daily wages labourers, were not kept by the Project authorities till March 1999. In the absence of which actual work done by labourers could not be ascertained. On being pointed out by audit, the details of payment made and attendance of each labour was kept from April 1999 but measurement and site of work done was not indicated.

#### 4.21.3 Purchase of specific make steel other than IS specification

Tenders for the supply of 580 MT corrosion resistant steel (CRS) conforming to IS-1786-1985, were invited in October 1994. Rashtriya Ispat Nigam Limited (RINL), Steel Authority of India Limited (SAIL) and Tata Iron & Steel Company Limited (TISCO) offered Rs 79.52 lakh, Rs 82.43 lakh and Rs 99.83 lakh respectively. The lowest and second lowest tenders were rejected on the ground that their steel was not corrosion resistant and negotiated offer of Rs 98.67 lakh of TISCO (highest tenderer) was accepted in January 1995. Fresh tenders of TISCO on subsequent two occasions (May 1995 and February 1996) were also accepted and supply of 4798.565 MT of CRS costing Rs 7.82 crore was obtained upto March 1997. A test-check of the records showed the following:

**In purchase of 4798.565 MT corrosion resistant steel without testing for corrosion properties Government suffered a loss of Rs 1.59 crore.**

Mentioning the nomenclature "corrosion resistant steel" in Schedule 'G' in addition to high strength steel conforming to IS-1786-1985 was superfluous. There was no IS code prescribed for corrosion resistant steel.

RINL intimated (May 1995) that their steel was equally corrosion resistant and supported by test results.

Test conducted in March 1995 showed that TISCO bars were not conforming to IS-1786-1985. The steel was, however, not tested for corrosion properties (material was received without any test of quality control with reference to specification quoted).

Department was not aware about the properties and metallurgy of CRS, as in the estimate of raft foundation a provision to treat the mild steel with Acid Alkali and chemical to make it CRS was made and had enquired about the metallurgical properties of CRS from Bureau of Indian Standard on 22 January 1998.



In contravention of item no. 51 (B) of Schedule of Powers, steel valuing Rs 7.82 crore was purchased by the CE (P) by constituting (December 1994) purchase committee at his own level.

Thus, the decision to purchase CRS at higher rate from a private firm was not based on any technical analysis and caused a loss of Rs 1.59 crore to Government. Government intimated (September 2000) that purchase of steel was of Fe-50 grade (having 20.47 per cent higher strength and consumption less by 20 per cent) whereas steel of other firm was of Fe-41.5. The department intimated (8 April 1999) that on the recommendation of rates of TISCO by the purchase committee constituted under item no. 30(VI) of Schedule of Powers (new), the CE(P) approved the tenders. However, Finance Department intimated that matter was under investigation at higher level in Government. It was, however, observed that no such specification of grade of steel was mentioned in the Schedule 'G'. No calculation which can prove for less consumption by 20 per cent was worked out and made available though called for (June 2000). Moreover, requirement of consumption was also not assessed prior to purchase of steel, therefore, comparison of two type of steel could not be made. The reply regarding consumption of steel less by 20 per cent is also not tenable because in his letter (17 March 1998), the CE intimated that "CRS is a metallurgical composition of steel which prolongs the life by protecting against the corrosion, therefore this should be understood in terms of corrosion resistiveness which does not increase the structural strength of steel but increases life of building". Government accepted the facts about non-conducting the corrosion test because of lengthy process.

#### 4.21.4 Blocking of funds

(a) Rs 73.27 lakh payable to the (i) Rajasthan State Electricity Board for installation of 33 KV Grid sub-station (Rs 52.88 lakh) and (ii) Rajasthan State Bridge and Construction Corporation Ltd., Jaipur for construction of paver road in the campus (Rs 20.39 lakh) were lying in deposit since March 1999 so as to utilise the budget provision for the year 1998-99 which could have been fruitfully utilised on other components of the Project.

(b) The items amounting to Rs 2.09 crore were purchased much prior to their actual requirement and could not be commissioned due to non-availability of the site for installation as detailed below:

Items	Cost (Rupees in lakh)	Procurement period	Reason for non-commissioning
Conference and electronic voting system equipment	111.64	December 1998 to December 1999	Non-completion of interior and furniture work in central hall.
Geographical Display Board	12.04	- do -	Non-finalisation of layout.
Four X-ray baggage inspection system	19.00	May 1999	Would be required at the time of session.
Local area net work	19.01	February 1999	For want of site.
Two Generating Sets	47.65	July 1996	Would be used after completion of building.
<b>Total</b>	<b>209.34</b>		

Purchase of equipment much prior to their requirement resulted in blocking of Rs 2.09 crore.

The equipment were lying in store. Due to passage of time possibilities of deterioration in their condition, improper working on their installation and obsolescence of technology can not be ruled out. The guarantee period of X-ray baggage inspection system had already expired in June 2000.

#### 4.21.5 Other point

There was an extra payment of Rs 1.01 crore due to delay in payment of cost of land (for Assembly building : 68656.24 square metre (sqm.) and for staff quarters: 4268.02 sqm.) to Jaipur Development Authority, on account of interest at 6 per cent for the period June 1982 to March 1997.

### 4.22 Non-recovery of furniture rent and other irregularities in procurement and issue of furniture

Furniture articles are issued from Public Works Department (PWD) furniture store to the Ministers of State, Deputy Ministers, Speaker, Deputy Speaker, Members of Legislative Assembly (MLAs) and Government officers/officials as per norms fixed by the Government. If the value of furniture issued is more than prescribed ceiling, the rent shall be recovered from the users. Furniture and electrical items (Cooler, Fridge, Air conditioner, etc.) accounts were maintained by PWD, City Division-I, Jaipur. However, from January 1990 accounts relating to electrical items are maintained by Electrical Division-I, Jaipur separately. ? x D

A test-check conducted (July to August 1999 and March to May 2000) of the records of City Division-I and Electrical Division-I for the period April 1995 to March 2000 showed the following serious irregularities:

#### 4.22.1 Accounts

Proper and complete accounts of procurement, purchase and issue of furniture and recovery of rent, viz. machine numbering of books of issue notes, receipt notes, bill books and monthly raising of rent bills etc. were not maintained by the divisions. What exactly meant

#### 4.22.2 Irregularities in purchases

Rule 64 of the General Financial and Accounts Rules (GF&AR) (Part II) provide that the purchases shall be made in an economical manner and purchases without requirements are prohibited.

It was, however, observed that:

(a) 16 types of furniture worth Rs 35.81 lakh were purchased without immediate requirement during 1995-2000.

(b) Cases of (i) materials received short than those shown in purchase order, (ii) balances not carried forward, (iii) material not shown received by one section after issue by other section, (iv) proper entries in stock ledgers not



made etc. were noticed in the purchase of furniture items worth Rs 4.57 lakh during 1995-2000. Possibility of pilferage of these items cannot be ruled out as there was no check exercised by the department and no action was taken against responsible officers/officials.

Stock ledgers in respect of electrical items worth Rs 95.93 lakh not maintained.

(c) During 1990-2000, electrical items worth Rs 95.93 lakh were purchased by Electrical Division-I, Jaipur, but stock ledgers were not maintained, in absence of which position of receipt, issue and balances could not be ascertained.

Purchases of Rs 59.50 lakh were made in piece meal in violation of the rules.

(d) Contrary to the provisions of rules, tapestry cloth (170 cases) and machine made carpets (21 cases) worth Rs 59.50 lakh were purchased in parts or in piece meal during the period 1995-2000 to avoid the necessary sanction of higher authorities.

(e) During 1995-2000, furniture worth Rs 12.46 lakh were received in advance before initiation of tender process.

(f) During 1998-2000, purchase of new furniture items worth Rs 97.07 lakh (Rs 24.38 lakh were paid during 1998-99 and a liability of Rs 72.69 lakh was carried forward in 1999-2000) was made by City Division-I without budget provision and prior approval of the competent authority.

Enquiry committee constituted (July 1999) by the Chief Engineer(CE), PWD, to examine the whole process of purchase of furniture stated in its report (October 1999) about irregularities such as purchase of furniture without budget provision and prior approval of the competent authority, without issuing any supply order, issue of furniture without any stock entry, splitting of the purchase and issue of incomplete tender documents/work orders were noticed in purchase of furniture and held the concerned officers/officials responsible for such irregularities.

#### 4.22.3 Issue and receipt back of furniture

##### A. Issue

Demand for furniture rent amounting to Rs 14.39 lakh raised but not recovered.

(i) In contravention of the provisions of Public Works Financial and Accounts Rules (PWF&AR) Divisional Officer, City Division-I issued furniture worth Rs 23.64 lakh to the offices under PWD. Of this, furniture costing Rs 12.02 lakh was issued to CE against whom demand for rent amounting to Rs 14.39 lakh upto October 1998 (thereafter records were not complete) was raised but not recovered (May 2000). The furniture issued to other Government offices could not be ascertained in absence of complete records.

(ii) In 152 cases, cost of curtain issued by the division was taken as Rs 21.83 lakh against actual cost of Rs 31.56 lakh with the result that Rs 9.73 lakh were not taken into account for the purpose of rent assessment. This shows failure of the department to assess the correct rent.

(iii) The delivery of the furniture is to be taken from the furniture store and returned to the furniture store by the user as soon as he relinquishes the charge

of the post on transfer/retirement/expiry of tenure, etc. or when the furniture is to be sent for repair. However, department had borne an expenditure of Rs 7.25 lakh on hiring of two trucks, during 1995-2000 for transportation of furniture and electrical items (to and fro) issued to user which resulted in extra burden on State *ex-chequer*.

(iv) Six refrigerators, five water coolers, eight air conditioners were not returned by the officials/firm to which the same were issued by the storekeeper/Junior Engineer, Electrical Division I, Jaipur without notice of Divisional Officer.

(v) In 1999, 119 applications for issue of furniture to MLAs were received without routing through Secretary, *Vidhan Sabha* who was responsible for recovery of the rent, resulting in accumulation of rent. Furniture costing Rs 5.58 lakh was found issued to 17 MLAs during 1999 without obtaining any application from them.

(vi) Contrary to the provisions of PWD Manual, furniture was issued during the years 1997 and 1999 to officers/officials at places other than their Government residence (24 and 22 cases) and for private functions (23 and 24 cases) for which the rent was not assessed and recovered.

(vii) Acknowledgements of receipt of furniture from the user were not taken on issue notes, in the absence of which it could not be ascertained that furniture was issued to correct person.

#### **B. Receipt back**

(i) In 24 cases, the destroyed/lost furniture (Rs 0.50 lakh) was written off on application of user without ensuring lodging of a FIR with police or taken back the destroyed material, which was irregular. Interestingly, 20 of the above users were working in City Division-I/Controlling Offices, even then deposit of destroyed furniture from them was not insisted upon.

(ii) As provided in GF&AR( Part-II), the minimum period of serviceability of carpets and curtains was fixed as 180 months and 60 months respectively. However, the department received them back from users in non-usable condition only after 2 to 66 months and 2 to 30 months respectively without levying any compensation for damages caused on the part of the users.

(iii) In 3 cases, furniture received back from users was found of different size/quality/make which was accepted and no recovery was made from concerned users.

#### **4.22.4 Non-return of furniture from users**

(i) The complete details of actual outstanding furniture could not be ascertained in audit. However, in City Division-I furniture worth Rs 20.20 lakh was stated to be outstanding against ex-Ministers and ex-MLAs of V to X *Vidhan Sabha*. No action was taken to get the furniture back from the Ministers/MLAs.



(ii) CE, PWD issued (November 1999) order that no furniture should be issued to officers/officials henceforth and furniture issued to them be taken back, even then the furniture worth Rs 10.03 lakh was not taken back from 856 officials. The latest position in respect of officers, etc. was not available.

(iii) Electrical Division-I was unable to produce the position of outstanding electrical furniture in absence of complete records.

#### 4.22.5 Non-recovery of rent

Rs 1.35 crore as furniture rent were outstanding.

Rs 1.35 crore as furniture rent were outstanding in City Division-I and Electrical Division-I. The recovery could not be made due to (i) non-raising of monthly rent bills and (ii) non-maintenance of proper and complete records. The recovery seems doubtful due to retirement/death and change of residence of users.

#### 4.22.6 Physical verification

There were shortages of furniture items worth Rs 14.15 lakh.

(a) According to the provisions of PWF&AR, Divisional Officer should carry out physical verification every year. While physical verification of Electrical furniture store had not been conducted since its inception, it was not conducted since 1993-94 in respect of furniture store of City Division-I. Shortage of furniture items worth Rs 14.15 lakh noticed during physical verification in 1992-93, was not recovered/taken back (May 2000).

(b) Rules provide expeditious disposal of unserviceable articles to recover the maximum cost but department did not dispose of 703 unserviceable tools and plant articles out of 771 lying in workshop of furniture store.

#### 4.22.7 Non-utilisation of optimum services of departmental officials/workers

(a) City Division-I, Jaipur incurred Rs 32.51 lakh on pay and allowances of 11 to 18 officials/workers of Workshop and Production Cell during 1996-99 whereas only one *Diwan* (Sagwan wood size 6 ½'x2'x1½') was prepared/built at labour cost of Rs 0.02 lakh and total repair of furniture articles was got done through private contractors instead departmentally as is evident from gate passes (1996-99: 2773 gate passes) issued.

(b) During 1995-2000, in Electrical Division-I, Jaipur salaries of 105 to 127 work charged employees amounting to Rs 56.31 lakh was booked under Head 'Furnishing' even then department unjustifiably spent Rs 77.16 lakh on loading/unloading/ installation and repair through private contractors.

Thus, the services of workers in both the divisions were not utilised at the optimum level making the expenditure of Rs 88.82 lakh on wages, unfruitful.

#### 4.22.8 Other irregularities

(i) During 1995-2000, 3110.7 kg Cotton *Niwar* (size 2 ½" width) (cost: Rs 3.05 lakh) was procured without specifications and issued for 804 Tubular Cots at 3.500 kg to 4.750 kg per cot without taking into account the size of

cots. Actual consumption of *Niwar* costing Rs 3.05 lakh could not be verified in the absence of size of the cots.

(ii) In 54 cases, Rs 10.26 lakh were spent during 1994-2000 on dry cleaning of sofa sets, carpets, etc. on demand of users at their residence without any provisions/authority.

(iii) In contravention of the instructions (October 1996) of Government/General Administration (Section-I) Department officials connected with stores were posted continuously for more than 3 years and reposted in stores repeatedly.

Government stated (June 2000) that action for obtaining the furniture back and recovering the furniture rent was in progress.

#### 4.23 Excess expenditure owing to allotment of work at abnormally higher rates

##### Failure of the department in making comparative analysis of the rates of different tenders resulted in excess expenditure of Rs 28.17 lakh.

State Government accorded (April 1997) administrative and financial sanction of Rs 6.06 crore for construction of 9 buildings in Maharao Bhim Singh Hospital, Kota (Rs 4.97 crore) and 4 buildings in J.K. Lon Hospital, Kota (Rs 1.09 crore).

After inviting tenders (between June and November 1997) 11 of 13 works were awarded (August 1997 to February 1998) at a premium of 12.75 to 30.90 per cent (average rate of 19.21 per cent) above Schedule 'G' amount, based on integrated Basic Schedule of Rates (BSR), 1993. The remaining two works viz. construction of Resident Boys and Resident Girls Hostels, Kota, were however, sanctioned (December 1997) by the Government in favour of contractor 'A' at 11.90 per cent above Schedule 'G' (Rs 1.93 crore), based on above BSR plus 30 per cent increase thereon (Rs 2.51 crore), aggregating to Rs 2.81 crore. Thus, actual rates in these two works were 45.47 per cent above Schedule 'G' as against average of 19.21 per cent in 11 rate contracts. The excess amount works out to be Rs 28.17 lakh\* even if it is calculated at the maximum premium of 30.90 per cent.

The construction work of Hostels of Boys and Girls was awarded with other 11 works during the same period (June 1997 to December 1997), of the same nature as well as in the same campus, as such acceptance of tenders at widely varying rates was unjustified.

Thus, failure of the department in making comparative analysis of the rates of different tenders resulted in excess expenditure of Rs 28.17 lakh.

\*  $45.47 \text{ per cent} - 30.90 \text{ per cent} = 14.57 \text{ per cent}$  of Rs 193.37 lakh = Rs 28.17 lakh.



Government stated (August 2000) that tender premiums were received on higher side in big works due to heavy capital investment, requirement of technical staff/machinery, etc. The reply was not convincing because abnormally varying tender premium for the works of same nature/time period and in same campus were sanctioned.

#### 4.24 Forged payment against insurance policies and loss to Government

**Failure of the department in taking timely action not only resulted in loss of Rs 42.32 lakh to Government on repairs of roads under 2 packages (SA-7 and Bh-1) but facilitated the contractor in obtaining forged payment from Insurance Company.**

Contract agreements for construction of roads under Agriculture Development Project assisted by International Development Association with contractors provides furnishing insurance policy, for the amount of estimated contract value plus 10 per cent, in the joint names of the employer and the contractor against all losses or damages covering the period of operation and maintenance.

Contractor 'A' was awarded (September 1993 to December 1994) 6 packages of works\* at Baran, Bharatpur, Jhalawar and Sawaimadhopur at an estimated cost ranging between Rs 94.90 lakh and Rs 157.29 lakh. The works were to be completed in 24 months with a maintenance period of 12 months. While the contractor completed works of two packages (Jh-2, Ba-2) but left the work incomplete in remaining packages. No maintenance work in any package was done by him. Meanwhile, works in all the packages were damaged in the flood of 1995.

During the examination (July 1999 to September 1999) of records of Executive Engineer, Public Works Department (PWD) Divisions, Baran, Bharatpur, Jhalawar and Sawaimadhopur relating to 6 packages, the following points were noticed:

(i) The contractor obtained insurance policies for the estimated contract value in his name and later on got them endorsed in the name of employer. The policies were submitted (July – August 1995) to the Chief Engineer (CE) (Roads II), PWD, Jaipur and respective Executive Engineers (EEs). The contractor obtained (May – June 1997) forged payment of Rs 16.24 lakh (on account of damages caused by flood) from Insurance Company on production (May 1997) of a no objection certificate bearing false signature of Superintending Engineer & Technical Assistant to CE.

Claim to be filed in 1995

why. - Tender documents

\* Jhalawar: Jh-2 (Rs 124.43 lakh) and Jh-3 (Rs 94.90 lakh); Bharatpur: Bh-1 (Rs 138.29 lakh); Sawaimadhopur: SA-7 (Rs 157.29 lakh); Baran: Kba-1 (Rs 102.66 lakh) and Ba-2 (Rs 101.76 lakh).

(ii) The department was aware of the fact that the contractor had submitted flood damage claims during July-August 1995 to the Insurance Company but the fact that the contractor had obtained forged payment came to their notice (September 1997) only when the matter was taken up (May and August 1997) with the Insurance Company for payment claim and they deputed (September 1997) an official of the division for pursuance of the case. Meanwhile, the execution of work in all the packages was in progress and performance bank guarantee equal to 5 per cent of contract value amounting to Rs 36.05 lakh was available with the department besides retention money at 6 per cent of the executed work. No efforts were made to get damaged roads repaired or to get the bank guarantee/retention money encashed/forfeited.

(iii) Even after receipt of forged payment by the contractor in May-June 1997, no action was taken by the department (CE) against the contractor/Insurance Company. Neither first information report (FIR) in police was lodged nor contractor was blacklisted. On directions issued (November 1997) by CE for lodging FIR against the contractor and Insurance Company, only the EEs, Sawaimadhopur and Bharatpur sent (January 1998 and December 1997) FIR by post to SHO, Police Station (City) and Superintendent of Police (City), Kota respectively but its registration in Police Department and action taken thereon was not ensured subsequently.

(iv) The damaged roads (during flood in 1995) of package SA-7 were repaired through contractor 'B' during the period 21 January 1999 to 20 October 1999 at a cost of Rs 8.84 lakh and the damaged roads of package Bh-1 were repaired through contractor 'C' during the period from 25 October 1998 to 31 December 1999 at a cost of Rs 33.48 lakh. In package Bh-2 estimates for repair of road damaged in flood for Rs 13.87 lakh were prepared but no details of repairs were available. In regard to packages Jh-2, Jh-3 and Kba-1, the concerned EE did not prepare any estimate and details of repairs were also not available. Thus, the Government had to bear a loss of Rs 42.32 lakh due to delayed repair of damaged roads of two packages which would further increase after completion of repair works in other packages.

Had timely action been taken by the department to assess the damages caused due to floods of 1995 and to get the damages repaired from the contractor, the expenditure on repairs could have been met from the amount of insurance policies and loss to Government could have been avoided.

Thus, failure of the department in taking timely action not only resulted in loss of Rs 42.32 lakh to Government on repairs of roads under 2 packages (SA-7 and Bh-1) but facilitated the contractor in obtaining forged payment from Insurance Company.

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

cheque to be issued

15.5.97 Jmsu  
16/5/97 C.E  
16/5/97 Jmsu  
↓ Jt Jmsu  
30/5/97  
NOC

6.12.97  
F.I.R. lodged  
↓  
S.E. - Kothad  
- Bhanupr

→ what about other roads

Account



**4.25 Non-recovery of compensation and cost of excess material from the contractor**

**Failure of the Executive Engineer to renew the bank guarantees resulted in non-recovery of Rs 17.13 lakh on account of compensation and cost of excess material from the contractor.**

Public Works Financial and Accounts Rules (PWF&AR) provide that a contractor is to deposit 5 per cent of the value of work allotted as performance guarantee (PG) and 5 per cent as security deposit (SD) either in cash or in the form of bank guarantee. While the SD may be deposited in advance or deducted from the amounts of bills payable to the contractor, the PG has to be paid before commencement of work.

Different road works under Public Works Department (PWD) Sub-divisions, Ajmer II, Kekri and Bijay Nagar were awarded by the Executive Engineer (EE), PWD District Division, Beawar in November 1996 to contractor 'A' for Rs 1.25 crore. The contractor deposited PG in the form of three bank guarantees for Rs 6.21 lakh valid upto 5 December 1997 (two) and 5 April 1998 (one) respectively besides the earnest money of Rs 3.40 lakh. The stipulated dates of commencement were as 13 November 1996 and that of completion as 12 September 1997 (Ajmer II and Kekri) and 12 July 1997 (Bijay Nagar) respectively.

During examination (August 1999) of the records of the EE, PWD Division, Beawar following points were noticed:

(i) The contractor started the work late and did not maintain *pro rata* progress since December 1996 despite notice served on him and after executing the work for Rs 24.75 lakh upto January 1998 left the work in midstream. The Additional Chief Engineer, PWD Zone, Ajmer imposed (July 1998) a compensation of Rs 12.43 lakh under clause 2 of the contract.

(ii) The EE failed to get the bank guarantees revalidated and refunded (July 1997) the earnest money of Rs 2.55 lakh.

(iii) Bitumen was issued to the contractor by EE even after he left the work incomplete. In all, 25.40 metric tonne of bitumen remained unutilised with the contractor involving recoverable amount of Rs 4.70 lakh. No efforts were made to recover this amount.

Thus, total recoverable amount worked out to Rs 17.13 lakh against which only Rs 1.93 lakh were available with the department on account of SD and other dues which could have been adjusted. Had timely action for renewal of bank guarantee, refund of earnest money and for issue of bitumen been taken, Rs 13.46 lakh could have been adjusted.

Government while accepting the facts intimated (June 2000) that action to recover the amount under Public Demand Recovery Act had been initiated.

*As per the file*

#### 4.26 Unfruitful expenditure on incomplete work

**Failure of the department to ensure availability of adequate funds led to the work lying incomplete and resulting in unfruitful expenditure of Rs 20.29 lakh.**

Additional Chief Engineer (ACE), Public Works Department (PWD), Region Udaipur forwarded (May 1996) a proposal to Commissioner, Tribal Area Development (TAD), Udaipur for construction of submersible bridge at Sonarmata on Jakham river for Rs 48 lakh and requested to issue the sanction. Commissioner, TAD intimated (May 1996) ACE to include the proposals in their State Plan for the year 1996-97, which was not accepted (June 1996) by the ACE as the proposals for Annual plan had already been sent to Government. Later on, in a meeting of officers held (date and minutes are not recorded) in his office, a commitment was given by Divisional Commissioner and Commissioner, TAD to share the expenditure equally out of State Plan and TAD deposits. Consequently, the State Government accorded (September 1996) administrative and financial sanction of Rs 24 lakh under State Plan presuming that equal share from TAD deposits would be made available. ACE accorded (January 1997) technical sanction for Rs 61.28 lakh even though he was not competent to do so.

Due to non-receipt of funds from TAD, Executive Engineer (EE), PWD Division, Dungarpur split the work and allotted (May 1997) the work of main bridge alongwith coffer dam, wing walls, piers except casting slabs on piers and approaches to contractor 'A' at 18.22 *per cent* below Schedule 'G' aggregating Rs 18.34 lakh. The contractor executed the construction of 11 piers/abutments alongwith coffer dam, wing walls and Rs 20.29 lakh were paid upto February 1999 to him. The remaining work of the bridge remained incomplete for want of funds from TAD (May 2000).

During the examination (October – November 1999) of the records of PWD Division, Dungarpur it was noticed that PWD took up the execution of works without ensuring availability of adequate funds which led to work lying incomplete.

On an enquiry, Commissioner, TAD intimated (July 2000) that decision of 50 *per cent* was agreed for one time only for certain PWD roads which did not include submersible bridge at Sonarmata.

Thus, failure of the EE, PWD Division, Dungarpur to ensure availability of adequate funds before taking up the execution led to the work lying incomplete and resulted in unfruitful expenditure of Rs 20.29 lakh. The department also failed to obtain revised administrative and financial sanction.

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



## CHAPTER-V STORES AND STOCK

### SECTION-'B' : AUDIT PARAGRAPH

#### Indira Gandhi Nahar Pariyojana Department

#### 5.1 Stores and stock

A test-check of records for the period 1997-2000 relating to purchase, custody, issue and material management in 13 divisions<sup>1</sup> (out of 38 divisions) of Indira Gandhi Nahar Pariyojana was conducted during September 1999 to April 2000. The important findings are discussed in the succeeding paragraphs:

##### 5.1.1 Stock accounts

(i) The position of stores received, issued and balance at the end of year was reported by the Chief Accounts Officer (CAO) of the Project as under :

(Rupees in crore)

Year	Opening balance	Receipts	Total	Issues	Closing balance
1997-98	52.27	85.89	138.16	92.21	45.95
1998-99	45.95	75.75	121.70	75.03	46.67
1999-2000	46.67	42.18	88.85	53.36	35.49

Figures reported by CAO do not tally with the divisional records.

It was observed that the figures were not tallied with the divisional records having the closing balance at the end of March 2000 as Rs 36.78 crore. On being pointed out, the Government stated (September 2000) that the figures were being reconciled.

(ii) Annual stores and stock accounts to be furnished to the Accountant General by 1 July each year, were not rendered ever since the introduction of system in 1995-96.

(iii) As per Para 4.01 of Hand Book of Important Decisions of Indira Gandhi Nahar Board, a continuous record of the receipts, issues and balance of

1. (1) Kolayat Lift Canal Division, Bikaner, (2) Central Stores Division, Bikaner, (3) Ramgarh Division, Jaisalmer, (4) 29<sup>th</sup> Division, Jaisalmer, (5) Sagarmal Gopa Branch Division, Ramgarh, (6) Pugal Branch Division-I, Phalodi, (7) Lift Mechanical Division, Bikaner, (8) Central Work Shop Division, Bikaner, (9) 20<sup>th</sup> Division, Bikaner, (10) Field Mechanical Division-II, Bikaner, (11) Bisalpur Branch Division-II, Bajju, (12) Charanwala Division-II, Bikampur and (13) 17<sup>th</sup> Division, Loonkaransar.

each article of stock and value thereof was required to be maintained in the priced store ledger and value balances were to be reconciled with the balances shown in Accounts at the close of the year. This was not done due to non-maintenance of priced store ledger. On being pointed out, the Government stated (September 2000) that maintenance of priced store ledger does not seem necessary in the divisions. This was, however, not tenable in view of aforesaid provisions.

(iv) Reserve Stock Limit (RSL) of stores for each division was to be fixed before the commencement of each financial year. It was, however, sanctioned each year after commencement of the respective financial years. It was further observed that :

(a) Value of stock exceeded the RSL by 4 and 1920 *per cent* during 1997-98 (24 divisions), between 4 and 132 *per cent* during 1998-99 (11 divisions) and between 6 and 259 *per cent* 1999-2000 (13 divisions).

(b) In 29 cases (1997-98:16, 1998-99: 5 and 1999-2000: 8) even the opening balance for the year was more than sanctioned RSL.

(c) In 7 divisions, peak balance was consistently higher than RSL (4 to 300 *per cent*) in all the three years.

Scrutiny revealed that increase in RSL was due to procurement of material in excess of its consumption and non-adjustment of stock issue account. Thus, inventory control was not being exercised properly.

(v) Points relating to unutilised materials were as under :

**Material worth Rs 8.14 crore was lying unutilised.**

(a) In 18 divisions material worth Rs 8.14 crore<sup>2</sup> was lying unutilised (upto 1994-95 : Rs 1.76 crore, 1995-96 to 1996-97 : Rs 1.75 crore, 1997-98 and 1998-99 : Rs 4.42 crore, period not available - Rs 0.21 crore). No action to declare these articles as surplus was taken except by Central Stores Division for Rs 0.18 crore (out of such unutilised material worth Rs 1.81 crore).

**Non-utilisation of 3863.35 MT of coal procured between 1977 and 1995 would result in loss of Rs 37.21 lakh.**

(b) 3863.35 metric ton (MT) of coal costing Rs 32.95 lakh procured between 1977 and 1995 were lying unutilised in 4 divisions<sup>3</sup>. The coal had turned into coal dust and its calorific value was decreasing due to mixing of dust and may not be of any use in future. Rs 4.26 lakh were also spent on watch and ward during April 1991 to March 1997. Non-utilisation of coal in time would result in loss of Rs 37.21 lakh.

(c) 447 unserviceable articles viz. vehicle, machinery and other store items valuing Rs 20.08 lakh were lying in 11 divisions, for the period from August 1985 to October 1998. Besides, 15 scrapers (depreciated cost : Rs 31.25 lakh)

2. PCC blocks : Rs 5.56 crore, LDPE film : Rs 0.25 crore, Spare parts : Rs 1.77 crore, Other items : Rs 0.56 crore.

3. Bisalpur Branch-II, Bajju (321.15 MT : Rs 0.61 lakh) since 1977, Gadra Road Sub-branch-I, Jaisalmer (3052.99 MT : Rs 29.02 lakh) since 1988, Pugal Branch-I, Phalodi (477.11 MT : Rs 3.09 lakh) since 1982, 20<sup>th</sup> Division, Bikaner (12.10 MT : Rs 0.23 lakh) since 1995.



were declared as surplus (January 1999). No action for disposal/transfer where these could be utilised had been taken. Non-disposal of such articles entail avoidable expenditure on custody and security, besides deterioration in value with the passage of time.

### 5.1.2 Stock taking

(i) Physical verification of four divisions in each year during 1997-98 and 1998-99 and sub stores of 160 Junior Engineers between 1996-97 and 1999-2000 was not conducted. In 19 divisions, ground balance of Rs 37.96 crore against book balance of Rs 21.72 crore and in another 17 divisions ground balance of Rs 12.80 crore against book balance of Rs 22.12 crore (as on March 1999) was reported by the stock verifiers but no action to reconcile the difference was taken.

(ii) In 7 divisions, 9 Junior Engineers (store incharge) were relieved of their duties on transfer, between March 1983 and July 1999, to other offices, without handing over stores valuing Rs 40.25 lakh to their successors. The stores remained unissued for 1 to 17 years.

### 5.1.3 Accounts

(i) Stores worth Rs 81 lakh were issued for utilisation on the works during the period 1997-98 and 1998-99 by the 2 divisions<sup>4</sup> without availability of budget provision. The expenditure was incurred by keeping the cost of used material in suspense accounts.

(ii)(a) In 18 divisions, accumulated balance of Rs 1.59 crore in storage charges at the end of March 2000 was not credited to "Receipt and Recoveries" whereas in other 13 divisions excess expenditure of Rs 0.73 crore was not written off as "losses on stores" (September 2000).

(b) Storage charges were not to be levied by the executing divisions on the material received from stores division. In 11 divisions, Rs 49.02 lakh (April 1997 to March 2000) were levied as storage charges on the material received from other stores divisions thereby unnecessarily increasing the cost of works.

(iii) The manufacture accounts of machinery like trucks, tractors, mixtures etc. were not maintained in any of the division except Field Mechanical Division-II, Bikaner. These accounts were required to be closed with nil balance at the end of each operation. Balances of Rs (+) 23.26 crore in 29 divisions and Rs (-) 2.88 crore in 7 divisions were lying unadjusted under suspense head 'Manufacture' as on March 2000. Year-wise position of these balances were not available with the divisions. It was observed that plus balances were due to non-adjustment of expenditure during operation period of machines whereas minus balances were due to adjustment of expenditure at higher rate. No steps were taken by the department to close these accounts and clear these suspense balances.

Physical verification was not done in 4 divisions. Ground balance were not reconciled with book balance.

Storage charges were levied by executing divisions thereby unnecessarily increasing the cost of works.

4. Tail Main Canal, Mohangarh (Rs 45 lakh) and Kanwarsen Lift, Loonkaransar (Rs 36 lakh).

(iv) In order to run workshop on 'no profit no loss' basis, the rate of Job is so fixed, that expenditure incurred on staff deployed and material consumed therein, is recovered from that job. However, due to fixation of rates at lower side and deployment of excess staff there was a loss of Rs 4.29 crore under 'Workshop Suspense' in 4 divisions at the end of March 2000.

(v) When the supplies of material are obtained through Director General of Supplies and Disposals (DGS&D), payments are to be released by their Pay and Accounts Officer against proof of dispatch. On receipt of debit from Pay and Accounts Officer the same is passed on to the consignee division by CAO of the Project through CAO memos after debiting Remittance Head. This is to be subsequently cleared when consignee division debits the concerned head of expenditure. Till it is finally debited to the concerned head, the amount remains outstanding in CAO memos. 104 CAO memos (January 1982 to March 2000) worth Rs 25.74 lakh against 13 divisions were outstanding.

104 CAO memos worth Rs 25.74 lakh were outstanding.

#### 5.1.4 Purchases

(i) Five dozer machines were purchased (December 1997) at a cost of Rs 12.01 lakh (including transportation charges) by Field Workshop Division, Jaisalmer from Mahi Project, Banswara. Of these, three machines worked on this Project for 659 hours only and one machine burnt in March 1998. The fifth machine was neither delivered by the Mahi Project, nor its cost (Rs 1.01 lakh) was recovered from them. All the four machines had already completed their life and required extensive repair, expenditure of Rs 12.01 lakh thus remained unfruitful.

(ii) Claims of Rs 26.19 lakh on account of short receipt of material and freight charges paid in excess were lodged with Railway Authorities between 1981 and 1998. Of these, claims of Rs 18.90 lakh were closed/rejected (September 1992) by railways as the connected records had been destroyed or claims were time barred. No action was taken to fix the responsibility for not pursuing the cases and to get this amount written off. Claims of Rs 7.29 lakh pertaining to the period 1990 to 1998 were still under correspondence.

(iii) An advance payment of Rs 1.29 crore was made by the 6 divisions, for supply of coal, to the Central Coal Fields Limited, Calcutta between 1990-91 and 1995-96 but coal worth Rs 1.01 crore only was received. Refund of the balance amount of Rs 0.28 crore<sup>5</sup> was not obtained (September 2000).

#### 5.1.5 Other points

(i) As per Railway tariff no surcharge (at 10 per cent of freight) was payable if the cement was booked on 'pre-paid basis'. During review it was noticed that concession allowed by Railways was not availed by 7 divisions, resulting in avoidable expenditure of Rs 16.76 lakh on carriage of cement between January 1995 and November 1998. The Government stated

Non-booking of cement on 'pre-paid basis' resulted in avoidable expenditure of Rs 16.76 lakh.

5. Xth, Tara Nagar (Rs 9.28 lakh), Pugal Branch-I, Phalodi (Rs 4.60 lakh), XIV, Bikampur (Rs 4.80 lakh), XX, Bikaner (Rs 2.06 lakh), Lift-I, Rawatsar (Rs 1.59 lakh) and XVIII, Bikaner (Rs 5.25 lakh).



(September 2000) that in order to avail this concession payment of freight in advance at factory head was not practicable. It was, however, observed that concession is now being availed of by arranging payments through cement factories.

**Due to non-completion of civil works expenditure of Rs 7.75 crore on procurement of pumps and electric motor remained blocked.**

(ii) For two pumping stations of Sahwa Lift Scheme, pumps and other electrical material procured at a cost of Rs 7.59 crore between December 1995 and December 1996 were lying uninstalled, as the civil works of these stations were not complete, due to change of drawings in May 1996. The schedule date of completion (February 1995 and January 1996) of civil works had since expired and the works were still in progress.

Similarly, 670 KW Capacity Electric Motor (cost : Rs 17.35 lakh) for use on extension of Pumping Station-I, Rajiasar purchased against an advance payment of Rs 15.61 lakh (March 1998) was also lying unused (June 2000) due to non-completion of extension work.

Thus, due to non-completion of civil works Rs 7.75 crore were blocked.

(iii) Rs 72.44 lakh on account of hire charges of machines deployed between March 1972 and October 1996, had not been recovered by 3 divisions<sup>6</sup> from other departments/local bodies.

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6. Field Mechanical, Bikaner (Rs 6.16 lakh), Field Dragline, Bikampur (Rs 40.90 lakh) and Mechanical, Phalodi (Rs 25.38 lakh).

**CHAPTER-VI**  
**FINANCIAL ASSISTANCE TO LOCAL BODIES AND**  
**OTHERS**

**SECTION-'B': AUDIT PARAGRAPHS**

**Finance Department**

**6.1 General**

**6.1.1** Autonomous bodies and authorities including local bodies are set up to discharge generally non-commercial functions of public utility services. These bodies/authorities receive substantial financial assistance from the Government. Government also provides substantial financial assistance to other institutions such as those registered under the State Cooperative Societies Act, Companies Act, 1956, etc. to implement various programmes. The grants are intended essentially for maintenance of schools and hospital buildings, improvement of roads and other communication facilities under municipalities and local bodies.

During 1999-2000, financial assistance of Rs 2038.92 crore was paid to various autonomous bodies and other institutions broadly grouped as under:

<b>Name of institutions</b>	<b>Amount of assistance paid (Rupees in crore)</b>
Universities and Educational Institutions	141.66
Municipal Corporations and Municipalities	6.39
<i>Zila Parishads and Panchayati Raj</i> Institutions	918.90
Development Agencies	1.52
Hospitals and other Charitable Institutions	3.42
Other Institutions	967.03*
<b>Total</b>	<b>2038.92</b>

**6.1.2 Delay in furnishing utilisation certificates**

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

Of 12,554 utilisation certificates due in respect of grants aggregating Rs 2451.96 crore paid during April 1984 to March 1999, only 8045 utilisation

\* Aggregate figure of the amount of assistance paid to various institutions for various purposes/



certificates for Rs 1814.28 crore had been furnished by 31 March 2000 and 4509 certificates for Rs 631.56 crore were in arrears. Department-wise break-up of outstanding utilisation certificates was as given below:

S.No.	Department	Number of outstanding utilisation certificates	Amount (Rupees in crore)
(i)	Education	58	4.12
(ii)	Environment	90	0.74
(iii)	Science and Technology	186	0.49
(iv)	Medical and Health, Family Welfare and Ayurved	3	0.12
(v)	Dairy Development	5	5.50
(vi)	Social Welfare	341	2.50
(vii)	Women and Child Development	29	2.37
(viii)	Tourism	2	0.04
(ix)	Animal Husbandry	29	2.91
(x)	Fisheries	12	0.75
(xi)	Industries	79	66.99
(xii)	Cooperative	12	5.79
(xiii)	Police	2	0.30
(xiv)	Special Schemes and Integrated Rural Development (Now Rural Development)	3661	538.94
<b>Total</b>		<b>4509</b>	<b>631.56</b>

In absence of these certificates it could not be ascertained whether the recipients had utilised the grants for the purposes for which these were given.

### 6.1.3 Delay in submission of accounts

Government/Heads of Departments were required to furnish to Audit every year detailed information about the financial assistance sanctioned to various institutions, the purpose for which the assistance was sanctioned and the total expenditure incurred out of it by the institutions. The information for the years 1995-96 to 1999-2000 called for by Audit between May 1996 and May 2000 from Heads of Departments/offices (detailed in Appendix-XXXV) was awaited as of June 2000.

Audit of accounts of the following bodies had been entrusted to the Comptroller and Auditor General of India for the period mentioned against each:

S. No.	Name of body	Period of entrustment	Remarks
(i)	Rajasthan Khadi and Village Industries Board, Jaipur	1996-97 to 2000-2001	Audit of accounts upto 1997-98 completed. Audit for 1998-99 was in progress.
(ii)	Kota Open University, Kota	1988-89 to 1997-98	Audit for the period from 1988-89 to 1997-98 completed.

#### 6.1.4 Audit arrangements

Various authorities who conducted primary audit of local bodies, educational institutions and others were as detailed below:

S.No.	Name of Institution	Name of authority conducting audit
(i)	Panchayati Raj Institutions	Director, Local Fund Audit
(ii)	Cooperative Institutions	The Registrar or an officer nominated by him
(iii)	Municipalities	Examiner of Local Fund Audit
(iv)	Educational Institutions (a) Schools (b) Colleges (c) Universities	A person authorised by Government or Director, Local Fund Audit -do- Chartered Accountants

During 1999-2000, audit of 69 such institutions was conducted under Section 14 of the Comptroller and Auditor General (Duties, Powers and Conditions of Service) Act, 1971 and of 24 institutions under Section 15 of the said Act.

A test-check under Section 15 of the aforesaid Act in respect of sanctions issued by three Heads of Departments viz. Agriculture, Primary and Secondary Education and Ayurved during 1997-2000 was carried out during May - June 2000 to ensure the utilisation of grants for the purpose for which sanctioned, which revealed the following:

##### (i) Agriculture Department

(a) The grant of Rs 20 lakh sanctioned (March 1997) by Government of India (GOI) for purchase of equipment, glassware and chemicals for setting up of Biogas fertilizers production unit was lying unutilised (March 2000) without getting the sanction revalidated after 31 March 1998.

(b) Out of the grant (Rs 25 lakh) sanctioned (1995-99) by GOI to Director, Agriculture for strengthening of Biopesticide units in Banswara, Bundi, Chittorgarh, Sriganganagar, Udaipur and Dungarpur at Rs 5 lakh each, Rs 20 lakh were irregularly sanctioned by the State Government to only one unit in Sriganganagar district and Rs 5 lakh were sanctioned to a unit in Kota district not covered in the scheme.

##### (ii) Primary and Secondary Education Department

(a) The private institutions were allowed (June 1974) to charge fees more by 25 per cent with the condition that this will not count towards calculation of grant-in-aid to the institutions by the State Government. Contrary to this, a sum of Rs 2.52 lakh charged by Principal, Shah Goverdhan Lal Kabra Teachers' Training College, Jodhpur during 1997-2000 in excess of 25 per cent of tuition fee was kept out of income of the college which resulted in excess claim of grant.



(b) During 1997-2000, the sanctions were issued by the Assistant Director and Chief Accounts Officer without proper delegation of powers notified in the Gazette.

**(iii) Ayurved Department**

(a) As per policy decision taken (August 1986) by the State Government, Homeopathic Medical Board (Board) was to be sanctioned a grant of 50 per cent of the expenditure shown in approved budget in 3 instalments. However, had the grant been paid to the Board on the basis of 50 per cent of the actual expenditure, excess grant of Rs 8.38 lakh paid during 1992-2000 could have been avoided. The department intimated (July 2000) that Government decided to sanction 50 per cent of approved estimated expenditure as grant looking to the requirement of the Board. This is not tenable as the estimated expenditure\* during 1992-93, 1993-94 and 1999-2000 was much higher than the actual expenditure.

(b) Utilisation certificates for Rs 1.77 lakh relating to the period as back as 1977-78 were awaited from 16 institutions out of which 15 institutions had since been closed.

(c) Annual supervision/inspection of institutions was not conducted.

(d) Register of assets and grants were not maintained by the grantee institutions.

## Cooperative Department

### 6.2 Non-recovery of interest

#### Interest of Rs 1.75 crore had remained unrecovered from the *Tilam Sangh*

A short term loan of Rs 10 crore from the Contingency Fund was sanctioned in December 1991 to the Rajasthan State Cooperative Oilseed Growers' Federation Limited (*Tilam Sangh*) by the Agriculture (Cooperative) Department as working capital for the procurement of soyabean and oilseeds. The loan carried 18 per cent annual interest and was to be repaid within 3 months of withdrawal or within 7 days of Government demand, whichever was earlier. The date of repayment of loan was extended upto 31 May 1992 with the condition that interest for the remaining period would be charged on the principal loan plus interest outstanding on 31 March 1992.

It was noticed during the examination of the records of Secretary, Cooperative Department, Rajasthan, Jaipur that only Rs 3 crore were repaid/adjusted upto March 1992 and Rs 7.47 crore\*\* were repaid/adjusted between 25 June 1992

\* Figure from 1994-95 to 1998-99 not available.

\*\* Includes Rs 0.47 crore on account of interest as on March 1992.

and 9 January 1993<sup>\$</sup>. However, the interest of Rs 75.38 lakh on the principal amount of Rs 7 crore plus interest outstanding as on 31 March 1992 had not been recovered as of August 2000. The interest on this unrecovered amount (Rs 75.38 lakh) at simple rate of interest worked out to be Rs 99.25 lakh (upto March 2000).

Thus, failure of the department to initiate timely action as per the terms and conditions of the loan resulted in non-recovery of the interest amounting to Rs 1.75 crore from the *Tilam Sangh*.

Government stated (June 2000) that interest of Rs 75.38 lakh was not to be paid by *Tilam Sangh* but was to be adjusted from the interest of Rs 1.13 crore (approximately) due to be paid by the Government to *Tilam Sangh* on another loan (Rs 11.30 crore) sanctioned to it which was, however, deposited in Personal Deposit Account and frozen by the Government. In view of this, the interest of Rs 99.25 lakh was also not payable by the *Tilam Sangh*. Reply was not tenable as the said loan amount was deposited in non-interest bearing Personal Deposit Account of the *Tilam Sangh* and no interest was charged by the Government on loan for the period during which withdrawal was banned.

## Higher Education Department

### 6.3 Irregularities in University of Rajasthan

A test-check of the records of the University of Rajasthan, Jaipur conducted during April to September 1999 covering the period 1995-96 to 1996-97 revealed the following irregularities:

**(A) Creation of interest liability due to non-depositing of Provident Fund subscription**

Creation of excess interest liability of Rs 1.96 crore.

University of Rajasthan Act, 1946 (Act) envisages constitution of a Provident Fund (PF) for employees of the University of Rajasthan (University) subject to such conditions as may be prescribed by the Statutes. As per Clause 41(7)(iii), the balance of the PF account shall be deposited by the University in the Post Office saving bank or Scheduled Bank or invested in Government securities. Further, as per Clause 41(7)(iv), interest at the rates determined for purpose by the PF Committee from time to time, shall be credited to each subscriber's account at the close of the financial year which is 12 per cent since 1993-94.

Contrary to this, the cheques of PF subscriptions recovered from the employees of the University amounting to Rs 4.30 crore pertaining to the year 1996-97 were not deposited in the Bank (Appendix-XXXVI). The money was instead utilised by the University to meet its financial requirements. Thus, non-deposition/investment of employees PF subscriptions in the

\$ 25 June 1992 (Rs 2.60 crore), 2 July 1992 (Rs 0.37 crore) and 9 January 1993 (Rs 4.50 crore).



Bank/Government securities, Unit Trust of India Certificates or Fixed Deposit Receipts of Scheduled Banks was gross violation of the provisions of Act, and resulted in creating liability alongwith interest of Rs 1.96 crore as of March 2000.

The University admitted the facts and stated (October 1999) that cheques of PF subscriptions for the year 1996-97 could not be deposited with the Bank due to non-receipt of block grant from the State Government. The reply was not tenable because non-deposition/investment of employees PF subscription was a gross violation of Act and in the absence of any provision in the Act for utilisation of employees PF subscriptions, the diversion of funds to meet its day to day expenses was irregular.

The matter was referred to Government in February 2000; reply had not been received (October 2000).

**(B) Avoidable excess payment of interest on bank overdraft**

Interest of Rs 1.85 crore overcharged by bank.

Rule 22(ff) of the Act, *ibid* empowers the Syndicate to borrow money or raise public loans for the purpose of University subject to prior concurrence of the State Government. University was availing the overdraft facility from the Bank of Rajasthan Limited (Bank), University Campus, Jaipur. The cash credit limit of Rs 4.00 crore (Rs 4.50 crore in special circumstances) approved on 18 July 1994 was raised temporarily to Rs 5.50 crore from time to time and finally on 27 December 1997 by the Syndicate without obtaining the concurrence of the State Government for enhancing the cash credit limits.

The Bank charged Rs 6.32 crore as interest on overdraft taken by the University during 1991-99 (upto December 1998) by levying discretionary rate of interest varying from 18.36 to 24 *per cent* as against the withdrawal rate of interest of 12 *per cent* upto 17 October 1994 and primary lending rate plus taxes ranging between 14.28 and 18 *per cent* from 18 October 1994. The Bank, however, reduced (January 1999) the rate of interest to 14.28 *per cent* (present primary lending rate) from 1 January 1999, but overcharged interest amounting to Rs 1.85 crore from the University.

On this being pointed out (September 2000) the University took up (September 1999 and August 2000) the matter with the Bank for refund of excess amount of interest charged in previous years.

**(C) Nugatory expenditure on pay and allowances**

Nugatory expenditure of Rs 18.01 lakh.

The University appointed (May 1980) Shri 'A' (working as temporary lecturer in Physics in the University from October 1975) on the post of Electron Microscopist for the Electron Microscope of the Zoology Department. The Microscopist joined duties on 3 May 1980 in University Science Instrumentation Centre (USIC) and remained in the following departments of the University and drew Rs 18.01 lakh as pay and allowances during May

1980 to August 2000:

Name of the Department	Period
USIC	3 May 1980 to 6 June 1980 and 14 May 1981 to 12 September 1994
Zoology Department	7 June 1980 to 13 May 1981
Physics Department	13 September 1994 to 31 August 2000

It was observed that:

(i) Shri 'A' remained in Zoology Department as Electron Microscopist for 11 months only. The Head of the Zoology Department observed (September 1980) that he had no background knowledge of biological samples and their processing for Electron Microscope and there were no duties to be assigned to him as Electron Microscopist. Shri 'A' worked in Zoology Department for 11 months without assigning any duties but he was confirmed (June 1983) on an equivalent post as Electron Microscopist with effect from 18 May 1983 by the Syndicate. After his transfer from Zoology Department the work of Electron Microscopist was looked after by another Associate Professor.

(ii) During his posting in USIC and Physics Department where there was no Electron Microscope his pay and allowances were charged against the post of Professor/PSO-I/Assistant Professor without performing any duty relating to the post for which he was appointed. He continued his research work in USIC/Physics Department contrary to his appointment as Microscopist.

(iii) During 15 October 1987 to 12 September 1994, the salary of Shri 'A' was charged against the post of Professor in USIC on which a regular Professor was also working.

Thus, not only the appointment of the Microscopist on 3 May 1980 and his confirmation on 4 June 1983 were irregular but also the entire expenditure of Rs 18.01 lakh incurred on his pay and allowances (up to August 2000) was rendered nugatory because his services were not utilised for the specialised job for which he was appointed.

Government stated (August 2000) that services of Shri 'A' had been utilised for research advancement in the field of Physics. However, the reply is not tenable because Shri 'A' did not perform the duties of the post for which he was appointed.

#### **6.4 Financial irregularities in Jai Narain Vyas University**

Important points noticed in test-check of records of Jai Narain Vyas University, Jodhpur conducted during November 1999 to April 2000 for the years 1993-94 to 1997-98 were as under:



**(i) Blocking of funds**

Government sanctioned (1990-97) Rs 54.50 lakh\* for construction of administrative building (building) for the University. Drawing and estimates of the building were prepared (August 1992) by the Architect and administrative sanction for Rs 56.84 lakh was issued (December 1992) by the University. For construction of the building, work order was issued (January 1993) to a firm for Rs 47.48 lakh. The building was to be completed by December 1993.

The building could not be completed even after incurring expenditure of Rs 62.35 lakh (upto February 1996) due to defective architectural planning. Consequently, a revised estimate for Rs 71.83 lakh covering an area of 2994.60 sq. metres as against original 2400 sq. metres was approved (August 1995) by the Building Committee. Government when approached for additional funds of Rs 14.99 lakh\*\* opined (May 1997) that any additional expenditure on construction works would have to be met out of University's own income. The construction work was stopped (May 1996) for want of funds.

- From purchase  
- By funds -> in building  
- 21/11/96  
- Controlling  
- M. K. M.

Thus, the construction of the building had remained suspended for more than 4 years for want of funds of Rs 14.99 lakh and resulted in blocking of funds of Rs 62.35 lakh, without utility.

**(ii) Irregular diversion of Replacement Fund of the University**

While conveying (September 1970) decision for releasing of block grant to the University for the block of 1969-70 to 1973-74, the Government imposed a condition that the University would be required to invest 5 per cent of the block capital invested on machinery, equipment, costly scientific apparatus etc., (as existed on 31 March 1969), every year to the Replacement Fund (Fund) which was to be kept outside the University account. Expenditure on replacement of machinery, equipment, scientific apparatus was to be met out of this Fund and the balance if any, was to be invested in Government securities or Unit Trust of India. The University Replacement Fund Account had a balance of Rs 1.27 crore as of 31 March 1998.

Contrary to these provisions, University had not transferred 5 per cent amount to the Fund after 1991-92 and instead diverted Rs 9.35 crore out of this Fund during 1971-99 to meet expenditure on salaries and other contingencies (Rs 8.90 crore), House Building Advance (HBA) (Rs 0.40 crore) and conveyance advance to staff (Rs 0.05 crore) violating the condition of block grant. Of this, Rs 8.06 crore were recouped during this period leaving Rs 1.29 crore (salary and other contingency: Rs 0.84 crore; HBA: Rs 0.40 crore and conveyance advance: Rs 0.05 crore) unrecouped as of August 2000. Amount

Accounts

\* 1990-91: Rs 10.35 lakh; 1991-92: Rs 17.42 lakh; 1992-93: Rs 7 lakh; 1993-94: Rs 4.66 lakh; 1994-95: Rs 5.65 lakh; 1995-96: Rs 8.42 lakh and 1996-97: Rs 1.00 lakh.

\*\* Rs 71.83 lakh (revised estimated cost) - Rs 56.84 lakh (original estimated cost)=Rs 14.99 lakh.

spent on HBA and conveyance advance was not recouped despite balance of Rs 0.26 crore and Rs 0.31 crore in HBA and Conveyance Fund respectively.

Thus, the University diverted the Fund on unauthorised items resulting in depletion of the Fund.

**(iii) Irregular grant of subsidy for leave travel concession (LTC) to non-teaching staff**

As per Rule 22(5) of University Act, 1962 every new Statute shall require the approval of the Chancellor. Further as per condition (No. 10) of block grant released by the Government, the University would not take any decision which may reduce its income and increase its expenditure without prior approval of the Government.

The University notified LTC Rules (April 1989) without prior approval of the Government and revised rates of subsidy from time to time irregularly. Under these regulations prescribed, certification and details of journey including ticket number(s) of rail/bus travelled were required to be intimated before making payment of the subsidy.

The University paid Rs 15.82 lakh as subsidy for LTC to its employees during 1993-98, out of which claims of Rs 7.03 lakh were passed by the University merely on production of collective certificates obtained by the employees from a representative of employees association indicating that the employee(s) had accompanied the organised tour and paid a sum more than his entitlement of subsidy amount without insisting upon to submit rail/bus ticket number, details of places visited and actual amount spent. The balance amount of Rs 8.79 lakh was lying unadjusted (April 2000).

Thus, not only the grant of subsidy of Rs 15.82 lakh was irregular and unauthorised but also the adjustment of subsidy of Rs 7.03 lakh was in contravention of University's own rules and regulations.

**(iv) Swimming pool without use**

University Grants Commission, New Delhi conveyed (August 1992) approval for construction of swimming pool at an estimated cost of Rs 27 lakh. The construction work was allotted (March 1994) to a firm for Rs 17.91 lakh with stipulated date of completion as 9 December 1994. The civil works (excluding filtration plant) completed by September 1997 at a cost of Rs 24.21 lakh were handed over (May 1999) to the Sports Board of the University. However, the swimming pool could not be utilised for want of filtration plant (though provided in estimate) and lifeguards (June 2000).

**(v) Loss in running of the University Press**

The University Press was established in 1971 out of the financial assistance given by the University Grants Commission on self sufficiency basis. The University, however, sustained loss of Rs 25.56 lakh during the years 1995-98.



The Manager, University Press attributed (March 2000) the loss to computerisation of examination work since 1995-96 which was earlier done by the University Press and considerable increase in salary of staff and input material.

*Adv.* Audit scrutiny of the record, however, revealed that working norms for the technical staff of the Press were not prescribed due to which optimum utilisation of man and machine could neither be assessed nor achieved. Moreover, the recommendation (March 1995) of the Press Committee to have 10 per cent yearly increase in printing, composing and binding job of University Press in view of rising trend of material and wages had not been accepted (April 2000). Thus, the Press was under constant losses.

While accepting the facts the Government stated (October 2000) that University had initiated action in all the cases. However, further developments were awaited (October 2000).

## Local Self Government and Industries Departments

### 6.5 Urban Employment Generation Programme

#### 6.5.1 Introduction

The main urban employment generation programmes implemented in Rajasthan State include:

(i) *Swarn Jayanti Shahari Rojgar Yojana* (SJSRY) launched in December 1997 with which *Nehru Rojgar Yojana* (NRY) launched in October 1989 and *Prime Minister's Integrated Urban Poverty Eradication Programme* (PMIUPEP) launched in November 1995 were merged (from December 1997).

(ii) *Prime Minister's Rojgar Yojana* (PMRY) launched in 1993 to provide employment to educated youth.

The former is concerned with providing of wage and self employment whereas PMRY to self employment only.

#### 6.5.2 Audit coverage

A test-check of records for the period 1995-96 to 1999-2000 was conducted during September 1999 to June 2000 in offices of Director, Local Bodies (DLB), Director of Industries, 23 Urban Local Bodies (ULBs) of 17 districts, 10 District Industries Centres (DICs) and 26 branches of banks in 7 districts to review the implementation of schemes. Important points noticed are given in succeeding paragraphs.

### 6.5.3 Financial arrangement

Against the allotment of Central and State share of Rs 53.83 crore during 1995-96 to 1999-2000, expenditure was Rs 53.05 crore. However, the details of amount actually spent by ULBs, amount lying in personal deposit (PD) accounts and unspent balances in banks were not furnished; in the absence of which the actual expenditure on the schemes could not be worked out, except for units test-checked.

#### (i) Diversion of funds

(a) As per instructions issued under NRY, diversion of funds from one component to another without prior approval of the Central Government was prohibited. The instructions were reiterated by GOI in July 1997.

Contrary to these instructions, Rs 44.02 lakh released to 5 *Nagar Parishads*<sup>1</sup> and *Nagar Nigam*, Jodhpur during 1995-98 for Scheme of Housing and Shelter Upgradation component were diverted to Scheme of Urban Micro Enterprises (SUME) component without prior approval of the Central Government.

On being pointed out in audit, DLB had applied (September 2000) for *ex-post facto* sanction to GOI.

(b) In *Nagar Palika*, Chittorgarh expenditure of Rs 35.43 lakh on 19 works already executed under *Nagar Palika*'s own development works during 1996-99 was irregularly debited to SJSRY in January 1999.

#### (ii) Utilisation of scheme's funds for other purposes

Though the funds had been released by the Central and State Governments for utilisation under the specified purposes, five ULBs<sup>2</sup> invested Rs 2.56 crore in Fixed Deposit Receipts (FDRs) during April 1994 to December 1999 and earned interest by such investment. Hence, the funds of the scheme were diverted temporarily to this extent. This also showed that the implementing agencies were not ready with their plans/schemes to utilise the money. This affects adversely on the efficiency of these units in timely implementation of scheme.

#### (iii) Unauthorised payment of pay and allowances and other items

In *Nagar Nigam*, Jaipur although one post of Statistical Officer and two posts of Statistical Inspectors, earlier created under NRY in August and January 1992 respectively, were discontinued from December 1997, payment of Rs 7.48 lakh on their salaries and allowances from December 1997 to March 2000 was debited incorrectly to SJSRY resulting in unauthorised expenditure from the scheme.

1. Ajmer, Bhilwara, Bikaner, Pali and Udaipur.
2. *Nagar Palika*, Chittorgarh (Rs 55 lakh), Banswara (Rs 111.45 lakh), Sardarshahar (Rs 45.55 lakh), Sujangarh (Rs 23 lakh) and *Nagar Parishad*, Udaipur (Rs 21 lakh).

Rs 2.56 crore kept in FDRs.



**(iv) Excess expenditure on administrative and office expenses**

Rs 1.31 crore spent in excess on administrative and office expenses.

Provisions under SJSRY stipulated that not more than 5 per cent of the total amount allotted to State should be utilised for administrative and office expenses. It was observed that over the period 1998-99 to 1999-2000 Rs 1.31 crore were incurred in excess of norms.

**6.5.4 Programme Management**

**Self Employment Scheme**

Under self employment component, financial assistance (bank loan and subsidy) and training is provided to the poor unemployed persons for setting up of micro enterprises under various schemes. Loan is provided by banks on the recommendations of ULBs and subsidy is provided by ULBs. Under PMRY loan is provided by banks, on the recommendations of DICs, subsidy is claimed by banks from GOI for further adjustment in loanees accounts.

Analysis of funds allocated and expenditure incurred for this component revealed as under:

**(i) Non-achievement of targets fixed for self employment**

There was a shortfall in the achievement of targets during 1996-97 to 1998-99 to the extent of 16 to 41 per cent, which was attributed by ULBs to lack of cooperation from the banks and non-fulfillment of formalities by applicants.

**(ii) Assistance provided to unidentified families under self employment**

Assistance of Rs 2.31 crore under self employment given to unidentified beneficiaries.

The guidelines of NRY provide that identification of beneficiaries below poverty line, having family annual income below Rs 11,850 should be made through household survey by ULBs with the assistance from neighbourhood committees and Non-Government Organisations (NGOs). Adequate publicity of such lists of beneficiaries was also to be given.

It was noticed that in 20 out of 23 ULBs test-checked neither household survey nor any publicity of the lists was made. Instead, applications for subsidy/loan and training were directly called for during 1995-98 from public by advertisement in newspapers and assistance was provided to unidentified families on the basis of income certificate issued by *Tehsildars*, Gazetted Officers and Ward Members.

Thus, payment of Rs 2.31 crore made to 8371 beneficiaries under NRY by ULBs through banks as an assistance for self employment without proper identification and survey was in contravention to the provisions of guidelines.

**(iii) Non-verification/survey of enterprises established under self employment**

Physical verification/survey of enterprises established under the scheme was not conducted by ULBs to ensure whether the assistance provided was utilised by the beneficiaries for the intended purpose and the beneficiaries crossed the

line of poverty. The Government admitted (October 2000) the facts of non-keeping of proper record.

**(iv) Repayment of loans**

Test-check of 516 loan cases disbursed by 24 banks during 1995-2000 falling in 7 districts<sup>3</sup> revealed that 289 loanees (56 per cent) were defaulters in repayment of loan (total loan Rs 47.10 lakh; recovery Rs 11.41 lakh upto June 2000). Recovery of Rs 41.71 lakh with interest was outstanding which was 89 per cent of the loan disbursed. The banks had treated their accounts as non-performing assets. Further, 43 out of 289 defaulters (15 per cent) from whom recovery of Rs 4.84 lakh was due, did not pay even a single instalment. The reasons for low recovery and high percentage of defaulters were mainly attributed by the banks to non-cooperation by Government machinery, closing down of ventures due to lack of trade knowledge, mis-utilisation of funds and malafide intention of loanees. This showed that there was lack of coordination between banks and district administration.

**(v) Training and infrastructure support**

Targets and achievements in respect of imparting training were as under:

(In numbers)

Year	Scheme	Targets	Achievements	Shortfall (Percentage)
1995-96	NRV	5750	3033	2717 (47)
1996-97	NRV	5750	3680	
	PMIUPEP	3020	343	
	<b>Total</b>	<b>8770</b>	<b>4023</b>	<b>4747 (54)</b>
1997-98	NRV	6292	1284	
	PMIUPEP	4000	1155	
	SJSRY	-	2706	
	<b>Total</b>	<b>10292</b>	<b>5145</b>	<b>5147 (50)</b>
1998-99	SJSRY	920	400	520 (57)
1999-2000	SJSRY	1928	2410	-

Reasons for shortfall during 1995-99 were attributed by ULBs to less receipt of applications for training and selection of such projects by beneficiaries for which training was not necessary. Reply was not tenable as it showed lack of motivation to the public about the benefits of the schemes.

**6.5.5 Scheme of Urban Wage Employment**

Wage employment to urban poor in towns was to be provided through creation of public assets with expenditure on material and labour in the ratio of 60:40. Scrutiny of records, however, revealed as under:

**(i) Payment of wages to unidentified families**

Below poverty line (BPL) lists were not prepared by 20 ULBs in NRV. In PMIUPEP and SJSRY though lists of BPL families were prepared in 1996 and 1998 respectively but beneficiaries engaged on wage employment works were not identified from such lists in 12 ULBs despite having spent Rs 1.83 crore

3. Ajmer, Banswara, Churu, Hanumangarh, Jaipur, Sikar and Udaipur.

Wages of Rs 1.83 crore were paid to non-BPL families.



on payment of wages for 272322 mandays during 1995-2000. It was stated by ULBs that due to non-availability of BPL families, the works were executed by engaging rural and other labour available at the spot. Thus, benefits of the schemes were extended to unidentified families also. In reply Government stated (October 2000) that it was not specifically mentioned to engage only BPL families on such works. Reply was not tenable, being in contravention of guidelines issued by GOI.

**(ii) Non-maintenance of ratio of expenditure on material and labour**

In 10 out of 20 ULBs test-checked, expenditure on material was found higher ranging between 61 and 90 per cent as against prescribed norm of 60 per cent. This resulted in excess expenditure on material to the extent of Rs 43.78 lakh on 750 works executed during 1995-2000. Government admitted the facts stating that in urban areas construction works require more consumption of material for which GOI had been approached to remove this ratio. Final outcome was awaited.

**(iii) Infructuous expenditure on incomplete works**

40 works left incomplete after spending Rs 49.67 lakh.

In 4 ULBs<sup>4</sup>, 40 works with expenditure of Rs 49.67 lakh incurred during 1996-99 were left incomplete which were not taken up again as of March 2000 reportedly due to increase in rates of materials (19 works), dispute of site (2 works) and non-availability of labour (19 works).

Of these, 3 out of 5 community centres constructed at Kishangarh were physically inspected by the audit. It was observed that 2 community centres in ward number 8 (expenditure Rs 2.94 lakh) and ward number 21 (expenditure Rs 3.08 lakh) were in dilapidated conditions and were not worth utilising. This resulted in unfruitful expenditure of Rs 6.02 lakh. In reply the Government stated (October 2000) that directions had been issued to complete such works on priority.

**(iv) Loss due to setting of cement bags**

Nagar Palika, Kishangarh purchased 4000 cement bags worth Rs 4.60 lakh in March 1998. Of this, only 1241 bags were used and balance 2759 cement bags remained unused till April 2000.

During physical inspection (September 1999) of cement store by Audit Party along with the Junior Engineer of Nagar Palika, cement was found in set condition. This resulted in loss of Rs 3.17 lakh.

**(v) Excess reporting of mandays generated**

In following ULBs, there was difference in mandays of employment of labour reported to DLB and actually generated as shown in muster rolls, which

4. Kishangarh, Hanumangarh, Churu and Fatehpur.

resulted in excess reporting as mentioned against each:

Name of ULB	Period	Mandays reported	Mandays generated as per muster rolls (In numbers)	Excess reporting	Amount paid (Rs in lakh)
Kishangarh	1997-98 to 1998-99	28291	24333	3958	19.43
Banswara	1999-2000	12429	12010	419	5.50
Churu	1995-96 to 1996-97	2014	1964	50	1.24

In ULB Kishangarh, neither the measurement of works executed through muster rolls were recorded nor the value of works executed was worked out. In absence of these, execution of works could not be verified.

**(vi) Irregular purchase of Sodium lights**

On the basis of sanction accorded by DLB, Jaipur (October 1997), *Nagar Palika*, Sujangarh (Churu district) purchased 100 Sodium lights in October and November 1997 at a cost of Rs 3.31 lakh for basic physical amenities in *kachchi basti* under PMIUPEP. But all the Sodium lights were irregularly fixed in the main market in contravention of the guidelines. Government stated (October 2000) that the ULB had been instructed to give credit of the amount to the accounts of SJSRY.

**(vii) Execution of works through contractors**

21 works costing Rs 40.92 lakh were executed through contractors depriving employment to BPL families.

In *Nagar Palika*, Hanumangarh, it was noticed that 21 works costing Rs 40.92 lakh were executed during 1996-98 through contractors resulting in non-generation of employment to BPL families. Government stated (October 2000) that instructions had been issued for investigation through Vigilance Department.

**6.5.6 Non-implementation of Scheme of Housing and Shelter Upgradation**

Scheme of Housing and Shelter Upgradation under NRY envisaged creation of employment in the form of providing subsidy and loan to urban poor having annual income up to Rs 11850 for construction/renovation of dwelling house.

In 23 ULBs test-checked, Rs 183.43 lakh and Rs 82.56 lakh allotted under NRY and PMIUPEP respectively remained unutilised. Similarly, funds of Rs 35.87 lakh allotted for imparting training under NRY remained unutilised in 9 out of 23 ULBs test-checked. Reason for non-implementing of the programme was reported by the Government (October 2000) as non-execution of counter guarantee to Housing and Urban Development Corporation.

**6.5.7 Non-implementation of DWCUA scheme**

Scheme of Development of Women and Child in Urban Areas (DWCUA) under SJSRY envisaged to create employment specially for women who intend to establish the self venture in groups.

In 23 ULBs test-checked, Rs 65.56 lakh (out of Rs 65.92 lakh) allotted to DWCUA groups and Thrift and Credit Societies during 1997-98 to 1999-2000 remained unutilised with ULBs. The scheme was, thus, not implemented.



### 6.5.8 *Non-furnishing of utilisation certificates to the Central Government*

UCs for Rs 13.05 crore not sent to GOI.

During 1995-2000, utilisation certificates (UCs) for Rs 22.35 crore submitted to Central Government against the amount of Rs 35.40 crore (opening balance Rs 3.12 crore and receipt Rs 32.28 crore). UCs for Central share of Rs 13.05 crore were not sent by DLB.

### 6.5.9 *Prime Minister's Rojgar Yojana*

The scheme aimed at setting up of self employment ventures through industry, service and business routes by way of imparting training. The assistance and loan to the beneficiaries are provided by banks in consultation with DICs. Expenditure on training incurred by DICs during 1995-2000 was Rs 3.71 crore against allotment of Rs 3.75 crore. Test-check of records revealed as under:

#### (i) *Non-achievement of targets fixed for disbursement of loan*

16178 persons not provided assistance of loan even after training.

The targets fixed for disbursement of loan to beneficiaries were not achieved by the banks. Shortfall in achievement of targets during 1995-2000 to the extent of 30 to 60 *per cent* was attributed by State Level Coordination Committee and DICs mainly to demanding of collateral security by banks and non-turning up of beneficiaries for completion of formalities at the banks.

Though 55586 persons were imparted training during 1995-2000 yet 39408 persons only were distributed loan. Thus, 16178 persons were not provided loan assistance inspite of training imparted to them.

#### (ii) *Inadequate coverage of SC/ST, OBC and women beneficiaries*

As per GOI guidelines, under PMRY preference was to be given to weaker sections including women. The scheme envisaged 22.5 *per cent* reservation for Scheduled Caste (SC)/Scheduled Tribe (ST) and 27 *per cent* for other backward classes (OBC). In case of non-availability of SC/ST and OBC candidates, the State Government was to consider other categories of candidates.

It was, however, observed that during 1995-96 to 1998-99 percentage for SC/ST beneficiaries ranged between 8 and 14, OBC beneficiaries between 14 and 18 and for women beneficiaries percentage was 3 only.

In 6 out of 10 DICs test-checked, percentage of SC/ST, OBC and women beneficiaries under PMRY varied from 6 to 13, 11 to 22 (except DIC, Churu) and 1 to 5 *per cent* respectively during 1995-1999, despite sufficient number of applications sponsored by Task Force Committee to banks and loan sanctioned by banks.

In 2 DICs<sup>5</sup>, neither any SC/ST nor any women officer was included in task force meeting. This was in contravention of the instructions issued by GOI in August 1995 and June 1997. While admitting the facts, DIC, Bikaner stated

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5. Barmer and Bikaner.

(April 2000) that the officers of these groups would be invited in future in task force.

**(iii) Payment of bills for imparting training without supporting documents**

Rs 11.20 lakh shown as paid for training without supporting documents.

While reviewing records of DIC, Udaipur it was noticed that Rs 11.20 lakh were paid to an NGO for imparting training to 1680 trainees during the period 1995-2000 without obtaining supporting bills, documents, etc. Only the UCs were obtained from the NGO.

**(iv) Diversion of resources from industry/service sector to business sector**

Parameters of PMRY issued by GOI prescribed that not more than 30 per cent enterprises from business sector be assisted under the activities to be covered. However, out of 48948 loan cases sanctioned in the State during 1995-99, 28481 cases (58 per cent) were for business sector (General Store, Manihari, Auto Parts, etc.) which violated the prescribed ceiling of 30 per cent. Excess sanction for financial assistance of Rs 60.98 crore (loan) in 13797 cases under business sector was diverted from industry (Saw mill, Shoe making, Ready-made garments etc.) and service sector (Auto Rickshaw, TV, Computer, Radio, Typing, etc.).

**(v) Repayment of loans**

Test-check of 624 loan cases disbursed by 22 banks during 1995-2000 paid in 7 districts<sup>6</sup> revealed that 203 loanees (33 per cent) were defaulters in repayment of loans (total loans Rs 109.61 lakh, recovery Rs 31.16 lakh up to June 2000). Recovery of Rs 101.76 lakh with interest was outstanding which was 93 per cent of the loan disbursed. The banks had treated their accounts as non performing assets. Further, 14 out of 203 defaulters from whom recovery of Rs 7.58 lakh was due did not pay even a single instalment.

**6.5.10 Monitoring, evaluation and effectiveness**

As per instructions of GOI (July 1993) State Urban Development Agency at State level and District Urban Development Agencies at district level were to be set up to supervise the implementation of urban employment generation programme, which were to be registered under the Societies Registration Act. However, in place of these, the State Government constituted High Level Policy Making Committee and High Level Executive Committee at State level and Poverty Alleviation Committees at district level only in October 1998. The meetings of the Policy Making Committee were to be organised half yearly and those of Executive Committee and District Level Poverty Alleviation Committees were to be organised quarterly but only one meeting each of those Committees was organised on 24 May 1999 and 11 August 1999 against the prescribed number two and four meetings respectively up to March 2000.

6. Ajmer, Banswara, Churu, Hanumangarh, Jaipur, Sikar and Udaipur.



In the evaluation report of NRY for 1991-92 to 1996-97 prepared by Evaluation Organisation of Rajasthan Government Jaipur, the effectiveness of the scheme was stated fruitful and the achievement of targets under SUME was indicated as 86 to 213 *per cent* for distribution of loan and subsidy and 120 to 248 *per cent* for training under SUME for the years 1994-95 to 1996-97. However, a comparison of the achievements with the targets mentioned in the Annual Progress Reports (APRs) and as stated in the aforesaid Report showed the following:

Component with period	Actual target as per APR	Targets shown in Evaluation Report	Difference in targets i.e. less shown in Evaluation Report	Achievement	Shortfall (percentage between column 2 and 5)
(1)	(2)	(3)	(4)	(5)	(6)
SUME (1991-97)	66502	31875	34627	55076	17
SUME-Training (1994-97)	14300	4520	9780	8563	40

It may be seen from above that there was actually shortfall in achievements to the extent of 17 and 40 *per cent* in both activities under SUME respectively. Further, no record was found to be maintained by ULBs and DICs to watch the income generated by the beneficiaries so as to assess whether the beneficiary had crossed the poverty line.

These points were referred to the Government in August 2000. While reply was received from Local Self Government Department, reply from Industries Department had not been received (October 2000).

## Panchayati Raj Department

### 6.6 Lok Jumbish

*Lok Jumbish Parishad* (LJP), set up as an autonomous and independent body in May 1992, was registered under Rajasthan Societies Registration Act, 1958 to achieve the goals of National Policy on Education (NPE) through people's mobilisation and their participation. LJP conceived five programmes namely Early Childhood Care and Education, Primary Education including Non-formal Education, Women's Development and Education, Special educational measures for the Scheduled Castes (SC), Scheduled Tribes (ST) and Other deprived section of society and Educational Technology.

The activities of LJP were implemented in selected blocks in phased manner. The first phase covered 25 blocks of the State during 1992-94 and 75 blocks from July 1994 onwards.

A test-check of records for the period May 1992 (since inception) to March 2000 was conducted during March to June 2000 in the office of LJP at Jaipur

and two Area Coordinator offices at Ajmer and Dungarpur including 16 blocks. Important audit findings are discussed in the succeeding paragraphs.

### 6.6.1 Financial outlay and expenditure

The funds for the Project were provided by foreign funding agency (i.e. Swedish International Development Agency (SIDA) upto June 1999 and Department for International Development of Britain from July 1999), Government of India (GOI) and State Government in the ratio 3:2:1.

During 1992-2000 grants amounting to Rs 178.94 crore were received from foreign funding agency, GOI and the State Government. Of this, expenditure of Rs 174.40 crore was incurred during these years. It was observed that :

There was a difference of Rs 277.42 lakh in the books of LJP and AG (A&E).

(i) The upper primary education activity was being implemented through the Director, Primary Education, Rajasthan, Bikaner. The expenditure incurred by the Director on the pay and allowances of the teachers posted in the upper primary schools sanctioned by *Khand Stariya Prabandhan Samiti* (KSPS) was reimbursed by the LJP by depositing the amount into the treasury. However, the expenditure for the years 1993-99 as per books of Accountant General (Accounts and Entitlement) (AG) (A&E)) was Rs 1245.76 lakh whereas the LJP adjusted Rs 1523.18 lakh on the basis of utilisation certificates. Thus, there was an excess reimbursement of Rs 277.42 lakh to the LJP.

It was stated by LJP that the expenditure shown in utilisation certificates furnished by the Director, Primary Education was assumed as actual expenditure and agreed to adjust the excess amount of Rs 140.19 lakh for the year 1998-99 in the accounts of 1999-2000. No reply was given for the remaining amount. However, the Director, Primary Education and LJP needs to reconcile these figures with those booked in the accounts of AG (A&E).

Contribution of EPF and interest thereon not deposited to Regional Commissioner, Provident Fund.

(ii) The LJP retained employees provident fund (EPF) contribution and interest thereon amounting to Rs 166.13 lakh pertaining to the period 1995-99 instead of depositing it to the Regional Commissioner, Provident Fund, Jaipur without obtaining any relaxation under Section 17 of the EPF Act. Although, a reference was made (March 2000) to the Commissioner, EPF but the matter was not settled as of June 2000.

(iii) On discontinuation of foreign aid, Rs 318.41 lakh were released by GOI to the LJP in December 1998 for *Sahaj Shiksha Programme* (SSP) under Centrally sponsored scheme of Non-formal Education with the condition that in case of any subsequent decision to fund *Sahaj Shiksha Kendra* of the *Parishad* from retrospective date (i.e. from July 1998 as agreed to by the SIDA) or any other foreign funding agency, the grant shall either be refunded to the Government or adjusted against GOI share for current year. The grant was released to the LJP by GOI including SIDA's share in March 1999 for the same activity and accordingly GOI instructed the LJP to refund the amount alongwith admissible bank interest. The same, however, was not refunded as of September 2000.



Rs 2.49 crore spent on management cost were erroneously charged to different activities of LJP to keep the same below the ceiling of the six per cent.

(iv) The administrative cost/block level management cost amounting to Rs 249.39 lakh for the year 1997-98 of 62 blocks was erroneously charged to different activities which enabled LJP to keep the cost of management below 6 per cent maximum ceiling. If this is reckoned the management cost will be Rs 4.19 crore (11.25 per cent of the Project cost of Rs 37.24 crore).

### 6.6.2 Programme Management

(i) "Early Childhood Care and Education Programme" was entrusted to non-Government organisation (NGO) called Society for Child Development and Education in Rajasthan (VIHAAN) for implementation. Out of the four activities, i.e. Adjusted ICDS schemes, Creche-cum-Lower Primary Unit, *Balalayas* and Pre-Primary Schools, only one activity "Adjusted ICDS scheme" was taken up and against a target of coverage of 10 blocks by 1994, the achievement was 2 blocks till 1994 and 4 blocks by June 2000.

(ii) Under "Women's Development and Education Programme", the "*Mahila Samoohs*" were to be constituted in the villages covered under LJ blocks. The percentage of women linked with programme in 16 blocks under Area Coordinator, Ajmer and Dungarpur was 48.46 per cent and 14.87 per cent respectively as on March 2000 while only 7.56 per cent and 4.57 per cent women respectively were made regular members of *Mahila Samoohs* under two districts.

Explain the part

### 6.6.3 Grant to NGOs

NGOs were engaged for execution of various activities of LJP i.e. building environment, non-formal education, school mapping, etc. The release and utilisation of Grants-in-aid to NGOs was governed by Appendix-II to LJP Financial and Accounts Regulations, 1993 which was supplemented by a set of Bye-laws framed by Executive Committee in 1995. During 1992-2000, Rs 21.62 crore were paid as grants-in-aid to these NGOs and out of this, Rs 20.87 crore were adjusted upto 1999-2000. It was observed that :

Grants-in-aid Committee was not formed.

(i) As per Para 28 of Financial and Accounts Regulations, 1993 of the LJP, the grant was to be released to various NGOs on recommendations of Grants-in-aid Committee. However, the Chairman was authorised to sanction it till the formation of this committee. It was found that the Committee was not formed as of March 2000.

Grants to NGOs were sanctioned and released by by-passing the prescribed procedure.

(ii) As per the Bye-laws, an eligible cooperating agency was to apply to the Director indicating the agency's eligibility and gist of the proposal and the capacity of the agency to implement it. After examination the proposal was to be placed before Administrative Committee for recognition or otherwise, which was to be forwarded further to Grants-in-aid Committee on being satisfied that the proposal deserved consideration. Finally, approval was to be accorded by the Grants-in-aid Committee. It was found that no NGO was granted recognition by Administrative Committee. Grants to NGOs were sanctioned and released by by-passing the prescribed procedure.

Amended in March 2000

26-99



29.10.99

Further, Project Officer, Kishanganj released grants of Rs 3.50 lakh during 1996-97 to an NGO, without approval or authority from the LJP.

(iii) While sanctioning the grants to NGOs, the conditions governing the grants as laid down in Appendix-II to the LJP Financial and Accounts Regulations, 1993 and under Grants-in-aid Bye-laws were not communicated by the LJP to NGOs and also no targets were set for the activities performed by them. As a result, the NGOs charged the Project by Rs 1.82 lakh for activities/items of expenditure unrelated to it.

(iv) Internal audit of the accounts of NGOs was not done by the LJP as required vide Para 13(3) of Grants-in-aid Bye Laws. The adjustment against grants released were carried out by LJP on the basis of reports of Chartered Accountants and utilisation certificates every year while the condition of submitting progress report of work was ignored.

(v) An enquiry (September 1999) by Assistant Director (LJP) about the functioning of NGO, Muktidhara in Ajabpura (Alwar district) which had received a grant of Rs 3.5 lakh during 1997-99 revealed that vouchers regarding 40 per cent of its expenditure were not available and no attendance of training was kept.

#### 6.6.4 Irregular and avoidable expenditure on capital works

LJP spent Rs 14.17 crore during 1992-93 to December 1999 on capital works which were to be done through Village Education Committee/Bhawan Nirman Samiti. It was observed that :

Works lying incomplete resulting in blocking of funds- Rs 78.18 lakh.

(i) 78 capital works on which Rs 78.18 lakh had been spent were lying incomplete (June 2000) resulting in blocking of Government funds. Out of 78 works, 51 works were sanctioned prior to April 1998.

Details about the work by Govt money

Similarly, Rs 3.25 lakh were released to an NGO in March 1993 for construction of field centre at Binjarwara (Ajmer district). The NGO spent Rs 5.15 lakh till May 1996 on additional item of work without prior approval of the LJP. Though the LJP had not released additional amount, the assets had not been transferred to it.

14 works incomplete 19 an dyl

Amount till 1992

(ii) LJP engaged architect consultants without indicating details and analysing the need of consultation, scope of consultancy, etc. and paid in all Rs 74.49 lakh during 1992-2000, although it had in house technical support of an Assistant Project Officer (Junior Engineer) at block level and a Bhawan Nirman Salahkar (retired Chief Engineer, PWD) at Parishad level. Rs 11.34 lakh were paid in excess over agreed amount to 7 architect consultants. As the work involved adding one or two rooms to the existing schools or some repairs, engaging outside consultants particularly when one Chief Engineer at headquarters and a Junior Engineer at each block was available was not understandable. It was also noticed that open tenders were not invited before entrusting the work to consultants and the payments were made without reviewing the physical and financial progress of aforesaid allotted works.

Not transferred so far.



Payment of Rs 50,000 each was made to two firms for document drafting which was already included in their allotted work.

Technical provision

(iii) The LJP irregularly released Rs 10.59 lakh during 1992-95 to an NGO for construction of their Resource Centre (Rs 7.34 lakh) and Field Centre (Rs 3.25 lakh) at village Mamoni and Bhanvargarh (Baran district) in contravention of Para 8 of Financial Parameters as the ownership of these assets were not vested in the LJP.

by name released earlier

27.1.1995

(iv) The construction of Field Centre at Rathariapara (Banswara district), sanctioned for Rs 3.25 lakh was taken up in December 1992 which was completed on 30 June 1995 at a cost of Rs 8.50 lakh i.e. an excess of Rs 5.25 lakh. However, neither any estimate was prepared nor any financial and technical sanctions were issued by the Director, LJP for this work. Payment of Rs 2.09 lakh to the labourers was made through muster rolls but in test-check it was noticed that the details of the work done by the labourers were not recorded on the muster rolls and the stock entry/details of material purchased was not recorded on some vouchers. It was stated (June 2000) by the Director, LJP that an inquiry would be conducted which was not done as of September 2000.

Accounting in progress

#### 6.6.5 Media Support and Educational Technology

LJP engaged six agencies to prepare 25 educational video films for the purpose of introduction of educational training and to hasten LJ progress at a cost of Rs 62.86 lakh during 1992-2000. A Media Support Committee was set up (December 1993) for planning of activities, advising on assignments and review of progress of activities with the approval of the Chairman in December 1993. LJP furnished partial records in respect of four agencies. Following points were observed :

only 25 which records were in

(i) As per LJP Financial and Accounts Regulations, 1993, financial powers in this regard were delegated to the Chairman who would exercise it according to the guidelines of expenditure approved by the Finance Committee but no guidelines were prepared and the powers were exercised by the Chairman.

(ii) Open tenders were not invited before entrusting the work to film agencies. Thus, the benefit of comparative rates was not availed.

In the award of contract several irregularities were noticed resulting in non-recovery of liquidated damages/penalty/tax deduction at source (TDS) which

3

works out to Rs 17.78 lakh as brought out below :

Audit observation	Agency	Delay in months	Remarks
Non-recovery of liquidated damages  Non-recovery of penalty  TDS not deducted	A	5-31	In March 1993, orders of ten films were given which were to be completed in December 1993. Last extension was granted till December 1994. Two films costing Rs 4.86 lakh (Maths) and Rs 4.56 lakh (school mapping) were prepared in May 1995 and July 1997. As per agreement, the agency was liable to pay liquidated damages 5 per cent per month on the consideration agreed upon by the agency which works out to Rs 1.21 lakh and Rs 7.06 lakh respectively.  Penalty at the rate of 2 per cent per month was also payable in the above cases which works out to Rs 3.31 lakh.  TDS to be deducted at the rate of 2 per cent works out to Rs 0.83 lakh which was not deducted from the agency.
Non-recovery of liquidated damages  Non-recovery of penalty  TDS not deducted	B	3-16.5	Completion of films costing Rs 2.95 lakh was delayed by three months and of films costing Rs 4 lakh by 16.5 months. As per agreement, the agency was liable to pay liquidated damages 5 per cent per month on the consideration agreed upon by the agency which works out to Rs 0.44 lakh and Rs 3.30 lakh respectively.  Penalty at the rate of 2 per cent per month was also payable in the above cases which works out to Rs 1.49 lakh.  TDS to be deducted at the rate of 2 per cent works out to Rs 0.14 lakh which was not deducted from the agency.

#### 6.6.6 Unauthorised expenditure on free distribution of text books, teaching and learning material and uniforms

Heavy expenditure was incurred irregularly on free distribution of text books, learning material and uniforms in formal schools.

(a) As per Para 6 of Financial Parameters (GOI), the resources of the LJP should not be utilised for printing, distributing of learning material in formal schools (as the State Government had already a separate scheme for supply of free text books for all children). Contrary to this, Rs 662.74 lakh (Rs 302.35 lakh on text books and Rs 360.39 lakh on teaching and learning material) were spent irregularly on free distribution of text books and learning material in formal schools.

(b) As per Para 10 of Financial Parameters (GOI), non-educational incentives such as mid-day meals, nutrition and free uniforms would not be eligible for finance under the LJP. The LJP had, however, irregularly incurred an expenditure of Rs 38 lakh on distribution of uniforms in the formal schools.

#### 6.6.7 Excess expenditure on Innovative Project (Muktangan)

Excess expenditure incurred on Innovation Project.

As per Para 15 of Financial Parameters (GOI), the cost of single innovative project should not exceed Rs 5 lakh and the duration should not exceed two years. It was noticed that *Muktangan* project was approved (March 1998) by *Navachar Samiti* with estimated cost of Rs 22 lakh for the year 1998-99 for providing education to tribal children. LJP incurred an expenditure of



Rs 31.26 lakh on this project during 1998-99 and 1999-2000 (February 2000) excess by Rs 26.26 lakh over the prescribed limit. The LJP stated that the ceiling was not violated in a financial year which is not acceptable as per the parameter quoted above.

**6.6.8 Other points**

(i) As per Para 11 of Financial Parameter, the LJP would finance pay and allowances of teachers only in new schools. Contrary to this, Senior Deputy District Education Officer, Garhi (Banswara) claimed Rs 17.36 lakh on account of pay and allowances of Group 'D' employees during the years 1995-2000.

(ii) The LJP utilised the services of staff/personnel who were engaged on deputation beyond four years without obtaining any extension from the concerned Administrative Department/Finance Department and unauthorisedly paid Rs 11.12 lakh as deputation allowance in contravention of Rule 144 A (7) of Rajasthan Service Rules and Rule 2(1) (i) and (ii) of LJP Personnel and Service Regulations. The State Government also clarified (April 2000) that excess payment made for the period more than four years was recoverable. The Director, LJP intimated (September 2000) that the matter had been referred to the Government of Rajasthan for waiving off the recovery.

(iii) Only Area Coordinator was to be provided with a vehicle while the blocks were entitled to two motorcycles for each block as per para 14 of Financial Parameter (GOI). However, vehicles and motorcycles amounting to Rs 13.72 lakh were purchased by LJP for District Institutes of Education and Training (DIETs), Mahila Siksha Vihars and blocks in contravention of financial parameters as per details given below :

(Rupees)

1.	DIET, Bikaner, Masuda and Dungarpur	3 Gypsy (One for each)	8,56,908
2.	Mahila Sikshan Vihar, Jalore and Jhalawar	Auto Rikshaw (One each)	98,447
3.	Project Officers (of 10 blocks) and Area Coordinator, Kota	Additional one motor cycle/scooter	4,17,051
	<b>Total</b>		<b>13,72,406</b>

LJP stated that additional vehicles (Jeep) were purchased as DIETs were included later which was not acceptable as the Financial Parameters did not permit vehicles for DIETs.

(iv)(a) Three DIETs i.e. Bikaner, Masuda and Dungarpur were taken over by the LJP during 1995-96 for the purpose of teachers training. As per para 11 of the Financial Parameters, in case of amalgamation or upgradation of existing institution, State Government's commitment towards meeting salary of existing posts would be carried over and the LJP would finance salaries only on the additional staff. No deputation benefit was admissible to the existing

staff. However, deputation benefits amounting to Rs 11.43 lakh of the existing staff of DIET, Masuda were charged to the LJP Account during 1997-2000.

(b) The expenditure incurred by DIETs was Rs 12.74 lakh for the period 1995-98 but it was debited in the LJP account as Rs 23.24 lakh. This excess amount of Rs 10.50 lakh was also included in the utilisation certificates submitted by the LJP to the State Government for reimbursement.

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

## Rural Development Department

### 6.7 Member of Parliament Local Area Development Scheme

#### *Introduction*

A review of the Member of Parliament Local Area Development Scheme (Scheme) was included in the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 1997 (Paragraph 6.6). The scheme was reviewed again in audit during May to August 2000 in 8 constituencies<sup>1</sup> covering the period from 1997-98 to 1999-2000. Amounts of funds available and spent for implementation of the scheme during the period covered in audit were Rs 198.51 crore and Rs 91.50 crore respectively. Amount of expenditure covered in the current audit was Rs 28.45 crore.

#### *Audit findings*

Previous review covering the period from 1993-94 to 1996-97 revealed mainly the following deficiencies and irregularities in the implementation of the scheme:

- (i) Funds not spent in full.
- (ii) Works recommended by Members of Parliament (MPs) either not taken up or left incomplete.
- (iii) Irregular transfer of funds from scheme account to Personal Deposit (PD) account.
- (iv) Expenditure statements for the scheme not sent regularly to the Accountant General.
- (v) Scheme funds spent on inadmissible works/items by the implementing agencies.
- (vi) Works executed without technical sanctions.

1. Ajmer, Alwar, Bharatpur, Bhilwara, Jhunjhunu and Udaipur - Lok Sabha; Ajmer and Jhunjhunu- Rajya Sabha.



- (vii) District Collectors did not ensure provision for maintenance and upkeep of works completed in the scheme.
- (viii) Supervision charges levied irregularly.
- (ix) Asset register not maintained by the implementing agencies.
- (x) Utilisation Certificates (UCs) not furnished by the executing agencies.
- (xi) Non-inspection of works by the District Collectors and other concerned officers.

The current review indicated that these audit findings were not fully addressed and the irregularities/deficiencies continued as noticed from the following:

Irregularity/deficiency	Brief gist of the irregularity
<b>Funds released remaining unutilised</b>	Of Rs 198.51 crore (including opening balance of Rs 73.34 crore) released by the Government of India (GOI) for implementation of the scheme during the years 1997-98 to 1999-2000, only Rs 91.50 crore (46 per cent) were spent leaving unspent balance of Rs 107.01 crore. In 6 districts <sup>2</sup> test-checked, alone such unspent balances amounted to Rs 19.04 crore. Rs 1.39 crore were outstanding against <i>Avas Vikas Sansthan</i> which was closed from March 1999.
<b>Works recommended by MPs not sanctioned/ completed</b>	Out of 3,449 works recommended by MPs in 8 constituencies test-checked during 1997-2000, 3,113 works of Rs 36.19 crore were sanctioned for execution as of March 2000, of which only 1,369 works were completed leaving 1,744 works (56 per cent) incomplete/not started. Of these, 252 works estimating Rs 2.22 crore were not taken up though Rs 0.92 crore were made available to the concerned executing agencies. Similarly, 78 works were lying incomplete/abandoned though Rs 0.57 crore were spent on these works, which were not resumed as of June 2000.
<b>Works executed without technical sanction</b>	48 works of Rs 0.50 crore sanctioned by District Collector, Jhunjhunu were executed without getting technical sanction from the competent authority and Rs 0.41 crore were spent thereon.
<b>Delay in sanction/completion of works</b>	Sanctioning of 605 works of Rs 6.60 crore were delayed by 1 to 21 months by 4 District Collectors <sup>3</sup> . Similarly, completion of 116 works of Rs 1.67 crore was delayed by 1 to 26 months by 3 District Collectors <sup>4</sup> . Non-receipt of technical sanctions in time, change of site by MP, shortage of funds and operation of code of conduct for elections were the reasons attributed (June-August 2000) by District Collectors in respect of delay in issue of sanctions. Reasons attributed were not acceptable as the code of conduct was not attracted in any case, sufficient funds were available and no case of change of site was noticed.

- 2. Ajmer, Alwar, Bharatpur, Bhilwara, Jhunjhunu and Udaipur.
- 3. Ajmer, Alwar, Bharatpur and Jhunjhunu.
- 4. Alwar, Bharatpur and Jhunjhunu.

Irregularity/deficiency	Brief gist of the irregularity
<b>Execution of inadmissible works</b>	Following works were undertaken which were not admissible as per guidelines: (i) 16 repair works pertaining to building and wells were executed in Bhilwara and Jhunjhunu districts respectively at the cost of Rs 2.49 lakh. (ii) Similarly, nine works of Rs 47.80 lakh were sanctioned for memorial buildings in Ajmer district against which Rs 19.78 lakh were spent on such works as of June 2000. (iii) Six Government buildings were constructed at a cost of Rs 28.89 lakh. In all, Rs 51.16 lakh were spent on inadmissible works.
<b>Sharing of funds</b>	District Collectors, Alwar, Bharatpur and Jhunjhunu shared funds of this scheme amounting to Rs 9.64 lakh with other schemes for completion of four works.
<b>Non-maintenance and upkeep of works</b>	District Collectors did not ensure provision for maintenance and upkeep of 1,369 works completed under the scheme in 8 constituencies test-checked.
<b>Scheme funds not deposited in nationalised banks</b>	District Collectors, Bharatpur and Jhunjhunu kept scheme funds in non-nationalised bank accounts which was contrary to scheme guidelines.
<b>Diversion of funds</b>	Rs 3.84 crore were temporarily transferred from scheme account to PD account by District Collectors, Ajmer (Rs 1.32 crore), Alwar (Rs 1.47 crore) and Bharatpur (Rs 1.05 crore) at the instance of the State Government in contravention of scheme guidelines.
<b>Expenditure statements for the scheme were not sent regularly to the Accountant General</b>	District Collectors were required to send expenditure statements of the scheme to the Accountant General by 31 May of the following year for conducting the annual audit. However, no such statements were sent regularly.
<b>Non-maintenance of Asset Registers</b>	As per General Financial and Accounts Rules of the State Government, the District Collectors were required to maintain Register of Assets in respect of assets created. However, no such registers were found maintained by the District Collectors in any of the districts test-checked except Udaipur.
<b>Non-furnishing of utilisation certificates</b>	According to the provision of the scheme, District Collectors were required to send utilisation certificates to Government of India for the funds received. It was noticed that utilisation certificates for Rs 1.36 crore were not sent by District Collectors, Alwar and Bharatpur as on 31 March 2000 for which no reasons were intimated or found on record.
<b>Monitoring</b>	Guidelines provided that heads of the districts shall visit and inspect at least 10 <i>per cent</i> of the works every year. The senior officers of implementing agencies were required to inspect these works through regular visit of the work spots to ensure that the works are progressing satisfactorily. However, no record of inspections was found maintained by any of the District Collectors in districts test-checked.

### Conclusion

Of the Rs 198.51 crore available with State Government under this scheme, only Rs 91.50 crore (46 *per cent*) were spent. Out of 3,113 works sanctioned, only 1,369 works (44 *per cent*) were completed as of March 2000. Records showing inspections, if any, conducted and monitoring done were not maintained.



## **6.8 Unauthorised/irregular utilisation of Central assistance**

**Central assistance of Rs 40.69 lakh was unauthorisedly utilised on purchase of 290 hand-held wireless sets which were either issued to non-BADP districts or to BADP districts in excess of their requirement.**

Under the Centrally sponsored scheme, Border Area Development Programme (BADP), the State Government sanctioned (January 1997) works worth Rs 169.65 lakh for Barmer district which included the purchase of 220 hand-held wireless sets for security purposes. The Police Telecommunication Department, Jaipur, however, purchased (March 1997) 290 sets at a cost of Rs 40.69 lakh.

During examination (July – October 1999) of the records of District Rural Development Agency (DRDA), Barmer it was noticed that though the purchases were made in the name of Barmer district, only 30 sets were issued for Barmer; 90 sets were issued to 3 other BADP districts and 150 sets were issued to non-BADP districts and the remaining 20 sets were lying unutilised. Of 30 sets issued to Barmer district, only 8 sets were issued to various officers and 22 sets were lying unutilised in the stock. Evidently, purchases were made without assessing the actual requirements just to utilise the Central assistance.

Meanwhile, Collector, Barmer suggested (September 1997) the cost of these sets may be charged to Police Modernisation or other schemes and the amount sanctioned for BADP purpose may be utilised gainfully on the other schemes because these sets were reportedly meant for replacement of old sets and the Barmer district having only 33 old sets, its requirement may be upto that extent only. Besides, the district did not have the technology for operating these new sets.

Thus, Central assistance of Rs 40.69 lakh was unauthorisedly utilised for purchase of 290 hand-held wireless sets which were either issued to non-BADP districts or issued to BADP districts in excess of their requirement.

Government stated (September 2000) that the action for regularisation of excess purchase of wireless sets would be taken on receipt of recommendation from DRDAs, Barmer and Jaisalmer. Further, sets purchased out of BADP funds were utilised in non-BADP districts for short periods as per requirement. Government's plea cannot be accepted because the BADP funds were meant for Barmer district and sets for other districts could have been purchased out of regular budget of the department so that BADP funds could have been utilised gainfully on other schemes.

## 6.9 Unfruitful expenditure on digging of wells

**Failure of the District Rural Development Agency in planning, surveying and monitoring the work resulted in unfruitful expenditure of Rs 74.68 lakh incurred on wells lying incomplete/abandoned.**

To provide open irrigation wells, free of cost, to small and marginal farmers belonging to Scheduled Castes/Scheduled Tribes and to the freed bonded labourers living below the poverty line, the Million Wells Scheme (also known as *Jeevan Dhara* Scheme) was introduced in April 1988 and was made one of the components of the *Jawahar Rojgar Yojana* (JRY) from April 1989. The coverage of the scheme was further extended (1993-94) to poor, small and marginal farmers of non-SC/ST category also.

The wells were to be dug by the beneficiaries themselves for which they were to be paid subsidy at the fixed unit cost of the well, fixed at different rates at different times for the sandy and rocky areas in different districts. The subsidy was to be paid in four instalments, (in three instalments from May 1994), on the basis of the specified progress of the work. The plan and survey to ascertain availability of water, wherever necessary, was to be conducted by District Rural Development Agency (DRDA) through survey unit of Ground Water Department before execution of the works by the beneficiaries in their fields.

During the examination (March to June 1998) of the records of DRDA, Udaipur it was noticed that subsidy amounting to Rs 74.68 lakh paid (1991-92 to 1997-98) to 578 beneficiaries in 9 *Panchayat Samitis* (Appendix-XXXVII) for digging/construction of wells remained unfruitful as the wells were lying incomplete (March 2000). Non-completion of wells was attributed by *Vikas Adhikari* to (i) hard rock strata (204 wells - Rs 24.54 lakh); (ii) abandoning of work by the beneficiaries (294 wells - Rs 36.36 lakh); (iii) delay in payment of subsidy by the DRDAs (61 wells - Rs 10.19 lakh) and (iv) other reasons (19 wells - Rs 3.59 lakh). Reasons given by the *Panchayat Samitis* were not tenable because (i) subsidy was payable for digging of wells in sandy as well as rocky areas, but 204 wells dug in hard rock strata did not yield water which shows that no proper survey had been done for availability of water in rocky areas, (ii) abandoning of work by the beneficiaries was also mainly because of non-availability of water due to improper survey before digging and (iii) delayed payment of subsidy was not a valid reason as wells were still incomplete even after payment of subsidy.

Thus, failure of the DRDA in planning, surveying and monitoring the work resulted in unfruitful expenditure of Rs 74.68 lakh incurred on wells lying incomplete/abandoned.

Government stated (September 2000) that the funds as required by the *Panchayat Samitis* for completing wells had been provided and incomplete wells were being completed by beneficiaries. The reply was not tenable because abandoning of wells was mainly because of non-availability of water due to improper survey.



## 6.10 Wasteful expenditure on failure of plantations

### Wasteful expenditure of Rs 46.95 lakh on plantation.

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

It was observed (January – March 1999) that the District Rural Development Agency, Bikaner undertook plantation work under Desert Development Programme through Divisional Forest Officer, Bikaner, at 69 sites during 1993-97. Of these, plantations done on 9 sites involving an expenditure of Rs 66.64 lakh had a survival rate between 17 to 36 per cent as detailed in Appendix.-XXXVIII. The proportionate expenditure of Rs 46.95 lakh incurred on dead plants thus, proved wasteful.

Government intimated (July 2000) that norms for categorisation of plantations done by Chief Conservator of Forests, Indira Gandhi Nahar Pariyojana, Bikaner were for the entire State for plantations done in favourable conditions. As such comparing the successfulness of the plantations of these sites done in adverse climatic conditions on the basis of above categorisation was not scientifically and practically correct. However, comparing with the successful plantation, the amount of unfruitful expenditure worked out to Rs 17.34 lakh only. The reply is not tenable as the categorisation was done looking to the variable climatic conditions of the State as a whole and the amount of Rs 46.95 lakh represent the proportionate expenditure on failure of plantation.

## Social Welfare Department

### 6.11 Unfruitful expenditure on construction of hostel buildings

#### Failure of the department to ensure completion/handing over of hostel buildings by the *Avas Vikas Sansthan* resulted in unfruitful expenditure of Rs 5.78 crore and blocking of Rs 2.29 crore.

Under the Centrally sponsored schemes for construction of hostel buildings for Scheduled Caste and Scheduled Tribe (SC/ST) boys and girls studying in Middle/Secondary Schools/Colleges and Universities, the State Government sanctioned Rs 11.79 crore for construction of 83 hostel buildings<sup>1</sup> during the years 1993-94 to 1996-97. The work was allotted to *Avas Vikas Sansthan* (AVS) and was to be executed during the financial year in which these were sanctioned. Rs 11.79 crore (Central share: Rs 3.46 crore, Special Central Assistance: Rs 3.21 crore and State share: Rs 5.12 crore) were released to

1. 1993-94: 4 buildings (Rs 0.35 crore); 1994-95: 17 buildings (Rs 3.83 crore); 1995-96: 42 buildings (Rs 3.26 crore); 1996-97: 20 buildings (Rs 4.35 crore).

AVS by the State Government during 1993-97 for construction of such buildings.

During examination of records, it was noticed that out of 83 hostels, only 21 hostel buildings constructed at a cost of Rs 3.72 crore were handed over to the department as of June 2000. Of the remaining 62, construction of 22 hostel buildings (expenditure :Rs 3.46 lakh) had not been started as of May 2000, 39 hostel buildings (expenditure :Rs 5.60 crore) were lying incomplete and one hostel building (expenditure :Rs 14 lakh) though complete had not been handed over to the department. Rs 2.29 crore remained unutilised with the AVS which had been closed in March 1999. The construction was to be supervised by the Superintending Engineer of Scheduled Caste and Scheduled Tribe Finance and Development Cooperative Corporation Limited, which was not done.

Thus, failure of the department to ensure timely completion/handing over of hostel buildings by the AVS resulted in unfruitful expenditure of Rs 5.78 crore on incomplete hostel buildings/on buildings not handed over and blocking of Rs 2.29 crore besides depriving the SC/ST students of hostel facilities.

Government stated (June 2000) that efforts were being made to get the construction work of hostels completed through *Avas Vikas Limited* and Rajasthan Housing Board. Further, out of unutilised amount of Rs 2.29 crore lying with AVS; Rs 1.60 crore had been received in cash and deposited with Rajasthan Housing Board and Rs 0.69 crore were being adjusted against excess expenditure on two other works. The fact remains that Rs 8.07 crore had not been gainfully utilised so far and had deprived SC/ST students from hostel facilities.

83 - 37 *Assessment*  
42 - *Completed*

- *Bundi*  
- *Bhanupur*  
- *Pali*  
- *Jodhpur*



## CHAPTER-VII COMMERCIAL ACTIVITIES

### SECTION-'B': AUDIT PARAGRAPH

#### 7.1 Lack of accountability for the use of Public funds in departmental Commercial undertakings

Activities of quasi commercial nature are performed by the departmental undertakings of certain Government departments. These undertakings are to prepare *pro forma* accounts in the prescribed format annually showing the results of financial operation so that Government can assess the results of their working. The Heads of Departments in Government are to ensure that the undertakings which are funded by the budgetary release, prepare the accounts on timely basis and submit the same to Accountant General for audit. As of March 2000 there were 13\* such undertakings in the Government of Rajasthan. However, out of these, 2 undertakings did not prepare the accounts for four years, 3 undertakings for three years, four undertakings for 2 years and 4 undertakings for one year. Rs 1751.66 crore had been invested by the State Government in respect of 13 undertakings at the end of financial year upto which their accounts were completed.

CAG repeatedly commented in the Audit Reports of the State about the failure of the Heads of Departments and the management of the undertakings in timely preparation of the *pro forma* accounts. Accountant General (Audit-II) reminded Chief Secretary intermittently in this matter. But there was little improvement in the situation and most of these undertakings had not finalised their accounts for the period ranging from 1 to 4 years. Government neither initiated action against the defaulting management for their failure to prepare accounts nor took any effective initiative to set right the position. As a result accountability of the management and government in respect of the public funds spent by these undertakings were not ensured.

The department-wise position of arrears (September 2000) in preparation of

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\* This does not include:

- (i) Government Salt Works, Pachpadra with effect from 1993-94, Sodium Sulphide Factory, Didwana and Sodium Sulphate Plant, Didwana with effect from 1999-2000 were declared (January 2000) non-commercial. The *pro forma* accounts of Sodium Sulphide Factory and Sodium Sulphate Plant, Didwana for the year 1998-99 were pending.
- (ii) Scheme for purchase and sale of pumping sets and Rajasthan Ground Water Department, Jodhpur were declared non-commercial with effect from December 1987. However, the *pro forma* accounts of these departmental undertakings from 1975-76 to 1987-88 and 1974-75 to 1987-88 respectively, were pending.

pro forma accounts were as follows:

S. No.	Department	Number of undertakings under the Department	Accounts not finalised (Name of undertakings)	Year from which accounts were due	Investment as per last account* (Rs in crore)	Remarks (number of years in which accounts in arrears)
1.	Home	7	Jail Manufacture, Ajmer	1999-2000	0.43	1
			Jail Manufacture, Alwar	1998-99	0.18	2
			Jail Manufacture, Bikaner	1997-98	0.20	3
			Jail Manufacture, Jaipur	1996-97	0.27	4
			Jail Manufacture, Jodhpur	1998-99	0.52	2
			Jail Manufacture, Kota	1999-2000	0.18	1
			Jail Manufacture, Udaipur	1999-2000	0.49	1
2.	Forest	2	Departmental Trading of Forest Coupes	1997-98	- #	3
			Patta Tendu Scheme	1998-99	- #	2
3.	Printing and Stationery	1	Government Publication Branch, Government Central Press, Jaipur	1999-2000	0.50	1
4.	State Enterprises (Rajasthan State Chemical Works)	2	Sodium Sulphate Works, Didwana	1998-99	- #	2
			Government Salt Works, Didwana	1996-97	- #	4
5.	Public Health Engineering	1	Rajasthan Water Supply and Sewerage Management Board, Jaipur	1997-98	1748.89	3
			<b>Total</b>		<b>1751.66</b>	

No action was taken by the management of these undertakings for such gross failure and disregard of public interest.

Points of interest noticed during the course of audit were as under:

(i) Of the 13 undertakings, 9\*\* undertakings were incurring continuous losses for more than 3 years. The accumulated losses of these 9 departmental undertakings were Rs 1200.36 crore against the total investment Rs 1751.66 crore.

(ii) Fixed Assets registers were not maintained in the Jail Manufacture, Bikaner and Udaipur, Departmental Trading of Forest Coupes, Patta Tendu Scheme and Sodium Sulphate Works, Didwana.

\* Investment represents the balance of fixed capital account and current account of the Government on the last day of the financial year.

# Capital investment of the Government is nil as the remittances from the undertakings were more than the amount invested by the Government.

\*\* Accumulated loss of Jail Manufacture, Ajmer (Rs 0.41 crore), Alwar (Rs 0.17 crore), Bikaner (Rs 0.22 crore), Jaipur (Rs 0.34 crore), Jodhpur (Rs 0.43 crore), Kota (Rs 0.14 crore), Udaipur (Rs 0.33 crore) and Government Publication Branch, Government Central Press, Jaipur (Rs 0.46 crore), Rajasthan Water Supply and Sewerage Management Board, Jaipur (Rs 1197.86 crore).



(iii) In Sodium Sulphide Factory, Didwana (declared non-commercial from January 2000) debtors of Rs 4.88 lakh pertains to Rajasthan State Tanneries Limited which was sold out to a private company in March 1995.

(iv) In Rajasthan Water Supply and Sewerage Management Board, Jaipur Material at site account, Stock register, Journal, General Ledger (Commercial), Bills receivable register, Fixed Assets register were not maintained and age-wise break-up of Sundry debtors of Rs 49.31 crore were not available.

The lack of accountability displayed by the failure to prepare the accounts by the management of these undertakings is a matter of concern as large amount of public funds are involved in these cases. The Government need to initiate strong measures against the defaulting management for their failures to reduce the possibility of serious financial irregularities remaining undetected for long period. Government should also take a re-look at the internal system and arrangements for finalising the accounts and take up the preparation of the accounts on war footing so that the management are held accountable for the proper use of public funds. Government should also re-examine the justification of release of budgetary funds to the undertakings without assessing the financial performance and without finalised accounts.

JAIPUR,  
The

26 March 2001



(RAKESH JAIN)  
Accountant General (Audit)-I, Rajasthan

Countersigned

NEW DELHI,  
The

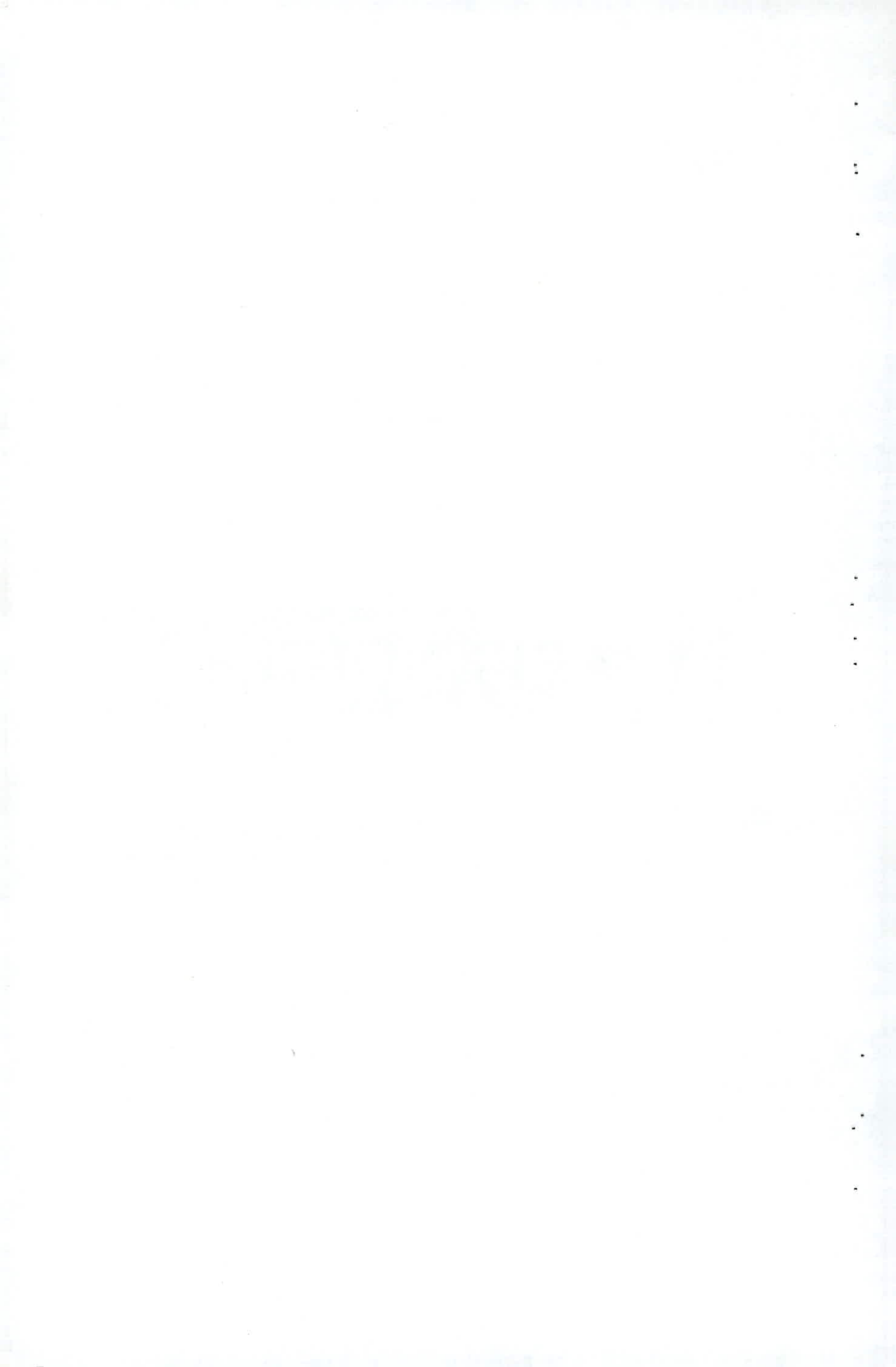
29 March 2001



(V.K. SHUNGLU)  
Comptroller and Auditor General of India

# APPENDICES





## APPENDIX-I

(Refer paragraph 1.1; page 1)

### Part A- Government Accounts

#### ***I. Structure:***

The accounts of the State Government are kept in three parts (i) Consolidated Fund, (ii) Contingency Fund and (iii) Public Account.

#### ***Part I: Consolidated Fund***

All receipts of the State Government from revenues, loans and recoveries of loans go into the Consolidated Fund of the State, constituted under Article 266(1) of the Constitution of India. All expenditure of the Government is incurred from this Fund from which no amount can be withdrawn without authorisation from the State Legislature. This part consists of two main divisions, namely, Revenue Account (Revenue Receipts and Revenue Expenditure) and Capital Account (Capital Receipts, Capital Expenditure, Public Debt and Loans, etc.).

#### ***Part II: Contingency Fund***

The Contingency Fund created under Article 267(2) of the Constitution of India is in the nature of an imprest placed at the disposal of the Governor of the State to meet urgent unforeseen expenditure pending authorisation from the State Legislature. Approval of the State Legislature is subsequently obtained for such expenditure and for transfer of equivalent amount from the Consolidated Fund to Contingency Fund. The corpus of this Fund authorised by the Legislature during the year was Rs 35 crore.

#### ***Part III: Public Account***

Receipts and disbursements in respect of small savings, provident funds, deposits, reserve funds, suspense, remittances, etc., which do not form part of the Consolidated Fund, are accounted for in Public Account and are not subject to vote by the State Legislature.

#### ***II. Form of Annual Accounts***

The accounts of the State Government are prepared in two volumes *viz.*, the Finance Accounts and the Appropriation Accounts. The Finance Accounts present the details of all transactions pertaining to both receipts and expenditure under appropriate classification in the Government accounts. The Appropriation Accounts, present the details of expenditure by the State Government *vis-a-vis* the amounts authorised by the State Legislature in the budget grants. Any expenditure in excess of the grants requires regularisation by the Legislature.



**Part B- List of Indices/ratios and basis for their calculation**

(Refer paragraph 1.11.2; page 19)

Indices/ratios		Basis for calculation
<b>Sustainability</b>		
Balance from the current revenue	BCR	Revenue Receipts minus all Plan grants (under Major Head 1601- 02,03,04,05 )and Non-Plan revenue expenditure
Primary Deficit Interest Ratio		Fiscal deficit minus interest payments <u>Interest payments - Interest receipts</u> Revenue receipts- Interest receipts
Capital Expenditure Vs Capital receipts	Capital Expenditure  Capital receipts	Capital expenditure as per Statement No. 13 of the Finance Accounts  Miscellaneous Capital receipts + Internal Loans (excluding ways and means advances) + Loans and advances from Government of India (excluding Ways and Means advances) + Net receipts from small savings, PF etc. + Repayments received of loans advanced by the State Government – Loans advanced by the State Government
Total tax receipts Vs GSDP	Total tax receipts	State tax receipts plus State's share of Union Taxes and duties.
State tax receipts Vs GSDP	State tax receipts	Statement No. 11 of Finance Accounts
<b>Flexibility</b>		
Balance from current revenue		As above
Capital repayments Vs Capital borrowings	Capital Repayments  Capital Borrowings	Disbursements under Major heads 6003 and 6004 minus repayments on account of Ways and Means Advances/Overdraft under both the major heads  Addition under Major Heads 6003 and 6004 minus addition on accounts of Ways and Means advances/Overdraft under both the major heads
Incomplete Projects		Paragraph No.1.9.3 of the Audit Report
Total Tax Receipts Vs GSDP	State Tax Receipts Total Tax Receipts	Statement No. 11 of Finance Accounts State Tax receipts plus State's share of Union Taxes and duties.
Debt Vs GSDP	Debt	Borrowings and other obligations at the end of the year (Statement No. 4 of the Finance Accounts)

Indices/ratios		Basis for calculation
<b>Vulnerability</b>		
-Revenue Deficit		Paragraph No. 1.9.6 of the Audit Report
-Fiscal Deficit		-----do-----
-Primary Deficit Vs Fiscal Deficit	Primary Deficit	Fiscal Deficit minus interest payments
Total outstanding guarantees including letters of comfort Vs	Outstanding guarantees	Exhibit IV
Total revenue receipts of the Government	Revenue Receipts	Exhibit II
Assets Vs Liabilities	Assets and Liabilities	Exhibit I



**APPENDIX-II**

(Refer paragraph 2.3.3(a); page 30)

**Statement showing cases where supplementary provision (Rs 10 lakh or more) was unnecessary**

Sl. No.	Number and Name of the grant	Original provision	Supplementary provision	Total provision	Expenditure	Savings
<b>Revenue-Voted</b>		<b>(Rupees in crore)</b>				
1.	4-District Administration	96.61	0.26	96.87	87.62	9.25
2.	5-Administrative Services	27.07	1.16	28.23	25.25	2.98
3.	8-Revenue	158.40	4.94	163.34	151.70	11.64
4.	12-Other Taxes	32.36	1.44	33.80	30.26	3.54
5.	15-Pensions & Other Retirement Benefits	1507.15	6.08	1513.23	1336.65	176.58
6.	28-Special Programmes for Rural Development	21.81	3.72	25.53	20.21	5.32
7.	33-Social Security and Welfare	270.58	4.53	275.11	237.52	37.59
8.	36-Cooperation	28.84	0.75	29.59	24.24	5.35
9.	39-Animal Husbandry and Medical	119.89	0.40	120.29	107.14	13.15
10.	43-Minerals	26.76	1.33	28.09	26.53	1.56
11.	44- Stationery and Printing	16.15	1.24	17.39	15.36	2.03
12.	46-Irrigation	706.08	4.44	710.52	661.91	48.61
<b>Capital-Voted</b>						
13.	42-Industries	42.56	0.10	42.66	11.78	30.88
	<b>Total</b>	<b>3054.26</b>	<b>30.39</b>	<b>3084.65</b>	<b>2736.17</b>	<b>348.48</b>

**APPENDIX-III**

(Refer paragraph 2.3.3(b); page 31)

**Statement showing cases where supplementary provision was made in excess of actual requirement (where saving is exceeding Rs 10 lakh in each case)**

Sl. No.	Number and name of the grant	Original provision	Supplementary provision	Total provision	Expenditure	Savings
<b>Revenue-Voted (Rupees in crore)</b>						
1.	1-State Legislature	8.61	1.88	10.49	10.19	0.30
2.	6-Administration of Justice	89.12	5.57	94.69	89.99	4.70
3.	7-Elections	44.92	32.35	77.27	56.49	20.78
4.	13-Excise	126.12	20.08	146.20	145.85	0.35
5.	16-Police	622.13	56.74	678.87	665.19	13.68
6.	17-Jails	26.10	0.33	26.43	26.30	0.13
7.	21-Roads and Bridges	163.05	7.49	170.54	164.83	5.71
8.	27-Drinking Water Scheme	624.86	65.59	690.45	675.48	14.97
9.	35-Miscellaneous Community and Economic Services	55.33	33.93	89.26	85.76	3.50
<b>Revenue-Charged</b>						
10.	President/Vice-President/Governor etc.	2.05	0.51	2.56	2.34	0.22
11.	Interest Payments	2682.83	201.79	2884.62	2825.21	59.41
12.	Public Debt	1726.79	5562.31	7289.10	7132.85	156.25
<b>Capital-Voted</b>						
13.	20-Housing	25.46	20.06	45.52	38.82	6.70
14.	24-Education, Art and Culture	18.86	12.97	31.83	20.61	11.22
15.	35-Miscellaneous Community & Economic Services	0.93	171.27	172.20	171.59	0.61
16.	36-Cooperation	38.11	22.35	60.46	59.53	0.93
17.	45-Loans to Government Servants	76.10	12.20	88.30	84.56	3.74
<b>Capital-Charged</b>						
18.	46-Irrigation	0.10	0.74	0.84	0.36	0.48
	<b>Total</b>	<b>6331.47</b>	<b>6228.16</b>	<b>12559.63</b>	<b>12255.95</b>	<b>303.68</b>



**APPENDIX-IV**

**(Refer paragraph 2.3.3(c); page 31)**

**Statement showing cases where supplementary provision was inadequate by more than Rs 20 lakh in each case**

Sl. No	Number and name of the grant	Original provision	Supplementary provision	Total provision	Expenditure	Excess
<b>Revenue-Voted</b>		<b>(Rupees in crore)</b>				
1.	34-Relief from Natural Calamities	416.83	83.83	500.66	508.50	7.84
2.	41-Community Development	215.86	1.26	217.12	228.04	10.92
3.	48-Power	229.28	250.73	480.01	480.40	0.39
	<b>Total</b>	<b>861.97</b>	<b>335.82</b>	<b>1197.79</b>	<b>1216.94</b>	<b>19.15</b>

## APPENDIX-V

(Refer paragraph 2.3.4(a); page 31)

## Statement Showing cases where expenditure in grants fell short by more than Rs 1 crore and also by more than 10 per cent of the total provision

Sl. No.	Description of the grant	Amount of saving (Rupees in crore)	Main reason for savings
<b>Revenue-Voted</b>			
1.	3-Secretariat	52.07 (55)	Reduction in annual Plan outlay and non-payment of bonus etc. and pay and allowances to employees for strike period.
2.	5-Administrative Services	2.98 (11)	Non-payment of pay and allowances to employees for strike period, economy measures and non-release of bonus and instalment of dearness allowance.
3.	7-Elections	20.78 (27)	Non-submission of claims by the firms/Government press, less demand of honorarium, etc.
4.	9-Forest	14.75 (12)	Reduction in annual Plan outlay, posts remaining vacant, non-payment of pay and allowances to employees for strike period and economy measures.
5.	10-Miscellaneous General Services	1.01 (88)	-
6.	11-Miscellaneous Social Services	3.30 (29)	Reduction in annual Plan outlay and posts remaining vacant.
7.	12-Other Taxes	3.54 (11)	Non-payment of pay and allowances to employees for strike period and economy measures.
8.	15-Pensions and other Retirement Benefits	176.58 (12)	Less receipt of pension cases, non-finalisation of pension cases due to employee's strike and payment of arrears of pension in instalments.
9.	18-Public Relation	1.57 (20)	Posts remaining vacant, non-payment of pay and allowances to employees for strike period and economy measures.



Sl. No.	Description of the grant	Amount of saving (Rupees in crore)	Main reason for savings
10.	19-Public Works	102.26 (37)	Less purchase of stock, less expenditure on repairs and economy measures.
11.	20-Housing	13.24 (27)	Reduction in annual Plan outlay and economy measures.
12.	23-Labour and Employment	13.99 (26)	Receipt of less funds from Government of India, posts remaining vacant.
13.	26-Medical and Public Health and Sanitation	105.54 (11)	Posts remaining vacant, less expenditure on pay and allowances of employees due to strike, less expenditure on drugs, medicines, clothes, food, machinery and equipment and receipt of less funds from Government of India.
14.	28-Special Programmes for Rural Development	5.32 (21)	Reduction in annual Plan outlay.
15.	30-Tribal Area Development	46.72 (17)	Posts remaining vacant, reduction in annual Plan outlay and receipt of less assistance from Government of India.
16.	32-Civil Supplies	2.62 (15)	Non-payment of pay and allowances to employees for strike period and less expenditure on printing and distribution of ration cards.
17.	33-Social Security and Welfare	37.59 (14)	Reduction in annual Plan outlay, receipt of less funds and non-receipt of sanctions from Government of India, economy measures.
18.	36-Cooperation	5.35 (18)	Posts remaining vacant, reduction in annual Plan outlay and receipt of less funds from Government of India.
19.	37-Agriculture	24.55 (14)	Posts remaining vacant, reduction in annual Plan outlay, less/non-receipt of funds from Government of India.

Sl. No.	Description of the grant	Amount of saving (Rupees in crore)	Main reason for savings
20.	38-Minor Irrigation and Soil Conservation	43.06 (31)	Receipt of less funds from Government of India, posts remaining vacant and non-payment of pay and allowances to employees for strike period.
21.	39-Animal Husbandry and Medical	13.15 (11)	Posts remaining vacant, non-payment of pay and allowances to employees for strike period and economy measures.
22.	42-Industries	64.35 (58)	Reduction in annual Plan outlay, economy measures and receipt of less funds from Government of India.
23.	44- Stationery and Printing	2.03 (12)	Economy measures and ban on purchases.
24.	47-Tourism	5.04 (63)	Reduction in annual Plan outlay, less expenditure on pay and allowances.
25.	49-Compensation and Assignments to Local Bodies and Panchayati Raj Institutions	10.65 (37)	Non-release of sanction by State Government.
26.	50-Rural Employment	3.57 (50)	Reduction in annual Plan outlay and abolition of <i>Jeevan Dhara</i> scheme by Government of India.
<b>Revenue-Charged</b>			
27.	6-Administration of Justice	1.40 (11)	Posts remaining vacant, non-payment of salary to employees for the strike period and non-release of bonus and instalment of dearness allowance.
<b>Capital-Voted</b>			
28.	4-District Administration	4.45 (42)	Reduction in annual Plan outlay.
29.	9-Forest	62.69 (67)	Reduction in annual Plan outlay and receipt of less funds from Government of India.
30.	19-Public Works	95.08 (67)	Reduction in annual Plan outlay.



Sl. No.	Description of the grant	Amount of saving (Rupees in crore)	Main reason for savings
31.	20-Housing	6.70 (15)	Reduction in annual Plan outlay.
32.	21-Roads and Bridges	272.50 (71)	Non-starting of works on new schemes.
33.	22-Area Development	44.20 (28)	Reduction in annual Plan outlay.
34.	23-Labour and Employment	1.30 (100)	Reduction in annual Plan outlay.
35.	24-Education, Art and Culture	11.22 (35)	Reduction in annual Plan outlay and receipt of less funds from Government of India.
36.	26-Medical and Public Health and Sanitation	13.27 (74)	-
37.	27-Drinking Water Scheme	221.65 (30)	Change in annual Plan outlay and economy measures.
38.	29-Town Planning and Regional Development	1.08 (51)	Reduction in annual Plan outlay.
39.	30-Tribal Area Development	18.57 (33)	Reduction in annual Plan outlay
40.	33-Social Security and Welfare	21.82 (58)	Reduction in annual Plan outlay.
41.	37-Agriculture	21.35 (28)	Reduction in annual Plan outlay.
42.	38- Minor Irrigation and Soil Conservation	5.39 (28)	Reduction in annual Plan outlay and receipt of less funds from Government of India.
43.	42-Industries	30.88 (72)	Economy measures and reduction in annual Plan outlay
44.	46- Irrigation	263.69 (34)	Reduction in annual Plan outlay.
45.	47- Tourism	13.04 (90)	Reduction in annual Plan outlay
46.	48- Power	50.08 (20)	-
47.	50- Rural Employment	7.01 (14)	Reduction in annual Plan outlay.

Figures in parenthesis represent percentage of saving.

**APPENDIX-VI**

(Refer paragraph 2.3.4(b); page 31)

**Persistent savings of 20 per cent or more**

Sl. No.	Number and name of the grant	Percentage of savings		
		1997-98	1998-99	1999-2000
<b>Revenue-Voted</b>				
1.	11-Miscellaneous Social Services	27	35	29
2.	23-Labour and Employment	23	42	26
3.	28-Special Programmes for Rural Development	42	35	21
4.	50-Rural Employment	88	88	50
<b>Capital-Voted</b>				
5.	26-Medical and Public Health and Sanitation	27	76	74
6.	29-Town Planning and Regional Development	49	31	51
7.	37-Agriculture	37	35	28
8.	38-Minor Irrigation and Soil Conservation	37	53	28



**APPENDIX-VII**

(Refer paragraph 2.3.5; page 31)

**Unrealistic re-appropriation of funds**

Sl. No.	Number and name of the grant/ appropriation and head of account	Provision original plus supplementary	Re-appropriation made addition(+)/ reduction (-)	Total Grant	Actual expenditure	Excess(+)/ saving (-)
1	2	3	4	5	6	7
<b>Revenue-Voted</b>				<b>(Rupees in lakh)</b>		
1	<b>9-FOREST</b> 2406-Forestry and wild life 01-Forestry 102-Social and Farm Forestry (009)-Plantation in Aravalli Mountain range with the assistance of Overseas Economic Co-operation Fund, Japan (01) Organisation and Management	1820.39	R(+) <b>138.50</b> R(-) 5.45 S(-) 61.19	1892.25	1849.22	(-)43.03
2.	4406-Capital Outlay on Forestry and Wild Life 02- Environmental Forestry and Wild Life 110- Wild Life (003) Tiger Project, Sariska	60.00	R(+) <b>227.93</b> R(-) 10.00	277.93	179.40	(-) 98.53
3.	<b>15-PENSIONS AND OTHER RETIREMENT BENEFITS</b> 2071-Pensions and other retirement benefits 01- Civil 105- Family Pensions	12500.00	R(-) 3500.00	9000.00	9351.04	(+)351.04
4.	<b>20-HOUSING</b> 2216-Housing 01-Government residential buildings 106-General Pool Accomodation (002)- Maintenance and Repair	1693.81	R(-) 76.69 S(-) 287.04	1330.08	1416.34	(+)86.26

Sl. No.	Number and name of the grant/ appropriation and head of account	Provision original plus supplementary	Re-appropriation made addition(+)/ reduction (-)	Total Grant	Actual expenditure	Excess(+)/ saving (-)
1	2	3	4	5	6	7
(Rupees in lakh)						
5.	<b>24- EDUCATION, ART AND CULTURE</b> 2202-General Education 02- Secondary Education 109-Government Secondary Schools (001)-Boys Schools	73762.23	R(+) 3604.28 R(-) 595.13 S(-) 1510.57	75260.81	75199.39	(-)61.42
6.	2202-01- Elementary Education 103-Assistance to Local Bodies for Primary Education (001)-Assistance to Panchayat Samitis for Primary Schools	54941.59	R(+)1511.38 R(-) 422.34	56030.63	54485.46	(-)1545.17
7.	2202-05- Language Development 103- Sanskrit Education (002)-Sanskrit College	401.71	R(+) 18.60 R(-) 76.13	344.18	369.75	(+)25.57
8.	<b>26-MEDICAL AND PUBLIC HEALTH AND SANITATION</b> 2211-Family Welfare 105- Compensation (001) IUD (Vasectomy) Tubectomy	350.00	R(+) 45.13	395.13	342.46	(-)52.67
9.	2211-200- Other Services and Supplies (001) Conventional Contraceptives	700.00	(-) 41.10	658.90	700.70	(+)41.80



Sl. No.	Number and name of the grant/ appropriation and head of account	Provision original plus supplementary	Re-appropriation made addition(+)/ reduction (-)	Total Grant	Actual expenditure	Excess(+)/ saving (-)
1	2	3	4	5	6	7
(Rupees in lakh)						
10.	<b>27-DRINKING WATER SCHEME</b> 4215-Capital outlay on water supply and sanitation 01- Water Supply 101- Urban Water Supply (001)-General Urban Water Supply Schemes [12]- Jaipur Water Supply from Bisalpur Project	1351.35	R(-) 1126.13	225.22	286.32	(+) 61.10
11.	4215-01-101(001) [07]- Re-organisation of Ajmer, Kishangarh and Beawer Water Supply Scheme from Bisalpur Dam Through the agency of Chief Engineer, Irrigation Department Add- Percentage charges of Dam portion transferred from Major Head-4701	500.00	R(+) 950.00	1450.00	800.00	(-) 650.00
12.	4215-01-101-(001) [14] For solution of special problems under recommendations of X <sup>th</sup> Finance Commission	1750.00	R(+) 350.00	2100.00	1766.01	(-) 333.99
13.	4215-01 102- Rural Water Supply (008)-Summer Contingency	100.00	R(+) 180.00 R(-) 10.00	270.00	205.72	(-) 64.28
14.	4215-01-102 (010) Minimum Infrastructure Services	1800.00	R(+) 1009.00	2809.00	2446.96	(-) 362.04

Sl. No.	Number and name of the grant/ appropriation and head of account	Provision original plus supplementary	Re-appropriation made addition(+)/ reduction (-)	Total Grant	Actual expenditure	Excess(+)/saving (-)
1	2	3	4	5	6	7
(Rupees in lakh)						
15.	<b>33-SOCIAL SECURITY AND WELFARE</b> 2235-Social Security and Welfare 60- Other Social Security and Welfare Programme 102- Pensions under Social Security Schemes (001) Through the agency of Social Welfare Department [02] Pension to Handicapped and blind orphans	300.00	R(+) 518.00	818.00	772.40	(-) 45.60
16.	<b>34-RELIEF FROM NATURAL CALAMITIES</b> 2245-Relief on account of Natural Calamities 02- Floods, Cyclones, etc. 106- Repairs and restoration of damaged roads and bridges	100.00	R(-)31.95 S(-)68.05	-	82.72	(+)82.72
17.	<b>35-MISCELLANEOUS COMMUNITY AND ECONOMIC SEVRVICES</b> 3454-Census Surveys and statistics 01- Census 800- Other expenditure (003) Census establishment, 1991	0.04	R(+)70.21 R(-)0.01	70.24	0.97	(-)69.27



Sl. No.	Number and name of the grant/ appropriation and head of account	Provision original plus supplementary	Re-appropriation made addition(+)/ reduction (-)	Total Grant	Actual expenditure	Excess(+)/ saving (-)
1	2	3	4	5	6	7
(Rupees in lakh)						
18.	3475-Other General • Economic Services 201- Land ceilings (other than Agriculture land) (002) Urban land ceiling Direction and Administration Percentage Charges of Joint Establishment transferred from Head 2035 (Other collection on Property and Capital Transaction)	64.19	R(-)64.19	-	63.09	(+) 63.09
19.	<b>36-CO-OPERATION</b> 2408-Food Storage and Ware Housing 02- Storage and Ware Housing 101- Rural Godowns Programme (001) Through the agency of Food Department	75.01	R(+)100.10	175.11	144.01	(-)31.10
20.	<b>41-COMMUNITY DEVELOPMENT</b> 2515-Other Rural Development Programmes 101- Panchayati Raj (002) Assistance to Panchayat Samitis [02] Assistance to Project Block Headquarter	6848.17	R(-)911.72 R(+)41.84	5978.29	6115.42	(+)137.13
21.	2515-101 (003) Grants to Panchayati Raj Institutions under the recommendation of State Finance Commission	7767.48	R(+)840.81	8608.29	8456.22	(-)152.07

Sl. No.	Number and name of the grant/ appropriation and head of account	Provision original plus supplementary	Re-appropriation made addition(+)/ reduction (-)	Total Grant	Actual expenditure	Excess(+)/ saving (-)
1	2	3	4	5	6	7
(Rupees in lakh)						
22.	<b>45-LOANS TO GOVERNMENT SERVANTS</b> 7610- Loans to Government Servants etc. 201- House Building Advances (004)-Loans to other employees for House Building through Housing Development Finance Corporation	3720.60	R(+) 240.98	3961.58	3788.68	(-) 172.90
23.	<b>46- IRRIGATION</b> 2701-Major and Medium Irrigation 01- Major Irrigation-Commercial 204- Narbada Project (001) Other Charges	1667.34	R(+) 63.32	1730.66	1705.34	(-) 25.32
24.	2701-01 205- Nohar Feeder Project (001) Other Charges	842.13	R(+) 1200.82	2042.95	614.49	(-) 1428.46
25.	2702 Minor Irrigation 01- Surface Water 800. Other expenditure (001) Other Irrigation Works	2694.00	R(+) 387.00 R (-) 46.77	3034.23	2968.73	(-) 65.50
26.	2702-01-800 (001) Add- Proportionate expenditure transferred from head 2701-80 (General) Establishment	514.14	R(+) 281.88	796.02	70.20	(-) 725.82
27.	4701- Capital Outlay on Major and medium Irrigation 01- Major Irrigation-Commercial 104- Indira Gandhi Nahar Project (003) Stage II [06] Phalodi Lift Scheme	220.00	R(-) 118.75 R(+) 18.75	120.00	245.78	(+) 125.78

R- Re-appropriation  
S- Surrender



**APPENDIX-VIII**

(Refer paragraph 2.3.6 ; page 31)

**Expenditure without provision**

Sl. No.	Number and name of the grant	Head of Account	Expenditure (Rupees in crore)
1.	<b>21-Roads and Bridges</b>	3054- Roads and Bridges 80- General 797- Transfer to/from Reserve Fund /Deposit Account (003) Transfer to/from Central Road fund	1.38
2.	<b>Interest Payments</b>	2049- Interest Payments 01- Interest on Internal debt 101- Interest on Market Loans (001)-Interest on Current loans [26] 11.85 <i>per cent</i> Rajasthan State Development Loan, 2009	11.91

## APPENDIX-IX

(Refer paragraph 2.3.7 (a); page 31)

## Statement showing the savings remaining unsurrendered; Rs 1 crore and above

(Rupees in crore)

Sl. No.	Number and name of the grant	Total grant	Savings	Amount surrendered	Unsurrendered saving
<b>REVENUE-VOTED</b>					
1.	4- District Administration	96.87	9.25	6.40	2.85
2.	7- Elections	77.27	20.78	19.64	1.14
3.	8- Revenue	163.34	11.64	9.99	1.65
4.	9- Forest	124.06	14.75	13.49	1.26
5.	30- Tribal Area Development	273.47	46.72	45.21	1.51
6.	33- Social Security and Welfare	275.11	37.59	35.39	2.20
7.	35- Miscellaneous Community and Economic Services	89.26	3.50	2.09	1.41
8.	39- Animal Husbandry and Medical	120.29	13.15	11.74	1.41
9.	46- Irrigation	710.52	48.61	11.52	37.09
<b>REVENUE-CHARGED</b>					
10.	Interest Payments	2884.62	59.41	2.11	57.30
11.	Public Debt	7289.10	156.25	152.85	3.40
<b>CAPITAL-VOTED</b>					
12.	9- Forest	93.02	62.69	61.18	1.51
13.	24- Education, Art and Culture	31.83	11.22	7.24	3.98
14.	27- Drinking Water Scheme	729.05	221.65	205.36	16.29
15.	30-Tribal Area Development	56.73	18.57	17.56	1.01
16.	45-Loans to Government Servants	88.30	3.74	2.11	1.63
	<b>Total</b>				<b>135.64</b>



**APPENDIX-X**

(Refer paragraph 2.3.8; page 31)

**Surrenders in excess of the actual savings (Rs 50 lakh and more)**

S.No.	Number and name of the grant	Total grant	Saving	Amount surrendered	Amount surrendered in excess
<b>REVENUE-VOTED</b>		<b>(Rupees in crore)</b>			
1.	15-Pensions and Other Retirement Benefits	1513.23	176.58	185.16	8.58
2.	16- Police	678.87	13.68	14.78	1.10
3.	19- Public Works	277.02	102.26	103.50	1.24
4.	20- Housing	49.50	13.24	13.74	0.50
5.	21- Roads and Bridges	170.54	5.71	20.26	14.55
6.	22- Area Development	99.00	5.40	6.40	1.00
7.	24- Education, Art and Culture	2954.36	7.79	24.84	17.05
8.	26-Medical and Public Health and Sanitation	935.54	105.54	106.71	1.17
9.	37-Agriculture	179.48	24.55	26.40	1.85
<b>CAPITAL-VOTED</b>					
10.	21-Roads and Bridges	386.31	272.50	284.54	12.04
11.	42-Industries	42.66	30.88	31.68	0.80
	<b>Total</b>		<b>758.13</b>	<b>818.01</b>	<b>59.88</b>

## APPENDIX-XI

(Refer paragraph 2.3.9; page 32)

## Grant-wise details of estimates and actuals of recoveries adjusted in the accounts in reduction of expenditure

Sl.No.	Number and name of grant	Budget Estimates		Actuals		Actual compared with Budget Estimates	
		Revenue	Capital	Revenue	Capital	More(+)/Less(-) Revenue	More(+)/Less(-) Capital
1.	9- Forest	71,50,000	-	80,81,955	-	+ 9,31,955	-
2.	12- Other Taxes	3,00,56,000	-	2,61,95,516	-	- 38,60,484	-
3.	14- Sales Tax	2,00,56,000	-	3,37,80,000	-	+1,37,24,000	-
4.	15- Pensions and Other Retirement Benefits	10,01,000	-	-	-	- 10,01,000	-
5.	16- Police	2,00,80,000	-	2,55,44,558	-	+54,64,558	-
6.	19- Public Works	2,25,49,54,000	-	1,28,35,00,323	40,29,037	-97,14,53,677	+ 40,29,037
7.	20- Housing	-	-	-	34,858	-	+ 34,858
8.	21- Roads and Bridges	18,98,27,000	-	10,97,68,572	-	-8,00,58,428	-
9.	22- Area Development	-	6,40,66,000	-	7,64,85,896	-	+1,24,19,896
10.	23- Labour and Employment	70,000	-	1,99,997	-	+ 1,29,997	-
11.	26- Medical and Public Health and Sanitation	20,23,000	-	12,96,684	-	-7,26,316	-
12.	27- Drinking Water Scheme	85,09,52,000	1,78,56,00,000	77,39,55,918	1,63,16,79,651	-7,69,96,082	- 15,39,20,349
13.	28- Special Programmes for Rural Development	2,32,46,000	-	-	-	- 2,32,46,000	-
14.	33- Social Security and Welfare Voted	15,95,80,000	-	12,12,80,577	-	- 3,82,99,423	-
	Charged	-	-	5,168	-	+ 5,168	-
15.	34- Relief from Natural Calamities	2,07,00,00,000	-	2,75,93,82,485	-	+ 68,93,82,485	-
16.	35- Miscellaneous Community and Economic Services	-	-	-	27,30,000	-	+ 27,30,000
17.	36- Co-operation	-	-	-	3,07,500	-	+ 3,07,500
18.	39- Animal Husbandry and Medical	-	20,000	-	19,859	-	-141
19.	46- Irrigation	93,36,06,000	2,04,35,87,000	73,69,81,608	1,20,43,53,129	- 19,66,24,392	- 83,92,33,871
	<b>Total Recoveries Voted</b>	<b>6,56,26,01,000</b>	<b>3,89,32,73,000</b>	<b>5,87,99,68,193</b>	<b>2,91,96,39,930</b>	<b>- 68,26,32,807</b>	<b>-97,36,33,070</b>
	<b>Charged</b>	<b>-</b>	<b>-</b>	<b>5,168</b>	<b>-</b>	<b>+ 5,168</b>	<b>-</b>



**APPENDIX-XII**

(Refer paragraph 2.4.2(b); page 33)

**Statement showing the Drawing and Disbursing Officer (DDO)-wise position of pending Detailed Contingent (DC) bills**

District	Drawing and Disbursing Officer	Number of DC bills awaited	Amount (Rupees in lakh)
<b>Ajmer</b>	Tehsildar, Masuda	2	0.25
	Tehsildar, Pisangan	1	0.40
	Tehsildar, Ajmer	1	0.95
	Rajasthan Public Service Commission, Ajmer	39	39.00
	Tehsildar (Land Revenue), Ajmer	2	0.30
	Collector (Relief), Ajmer	96	4478.59
	Tehsildar, Beawar	2	0.50
	Deputy Director (Elementary) Education, Ajmer	1	0.50
		<b>144</b>	<b>4520.49</b>
<b>Barmer</b>	District Sheep and Wool Officer, Barmer	2	0.10
	District Animal Husbandry Officer, Barmer	1	0.20
	Collector (Relief), Barmer	109	897.51
	<b>112</b>	<b>897.81</b>	
<b>Bharatpur</b>	District Animal Husbandry Officer, Bharatpur	1	0.25
	Deputy Commandant, Home Guards, Bharatpur	1	6.10
	Superintendent of Police, Bharatpur	18	9.10
	Collector (Relief), Bharatpur	9	0.37
	Superintendent, Cattle Breeding Centre, Kumher	1	1.00
	Commandant, 6 Raj. Bn., NCC, Bharatpur	1	0.34
	District Election Officer, Bharatpur	14	14.00
	Commandant, 3 Raj. Bn., NCC, Bharatpur	1	2.44
	District Education Officer (Elementary I), Bharatpur	4	0.56
	Deputy Chief Medical and Health Officer (Family Welfare), Bharatpur	2	0.60
		<b>52</b>	<b>34.76</b>
<b>Bhilwara</b>	Commandant 5 Raj. Bn. NCC, Bhilwara	4	3.13
	Deputy Chief Medical and Health Officer (Family Welfare), Bhilwara	1	0.30
	Collector (Administration), Bhilwara	1	1.00
	Collector (Relief), Bhilwara	32	700.24
	Superintendent of Police, Bhilwara	1	9.75
	<b>39</b>	<b>714.42</b>	

District	Drawing and Disbursing Officer	Number of DC bills awaited	Amount (Rupees in lakh)
<b>Bikaner</b>	Superintendent of Police, Bikaner	2	2.00
	District Education Officer, (Elementary-II), Bikaner	2	1.30
	Principal, Sardar Patel Medical College, Bikaner	2	150.02
	Collector (Administration), Bikaner	1	2.00
	Collector(Land Revenue), Bikaner	4	17.45
	Commissioner, Colonisation, Bikaner	1	23.22
	District Election Officer, Bikaner	11	38.66
	Project Director, STED, Bikaner	1	0.25
	Commandant, Police Motor Driving School, Bikaner	1	0.26
	Divisional Commissioner, Bikaner	2	0.04
	Director, Secondary Education, Bikaner	1	63.80
	Collector (Relief), Bikaner	70	1579.22
	Deputy Conservator of Forests, Division-II, Stage-II, Bikaner	1	0.45
	Deputy Chief Medical and Health Officer (Family Welfare), Bikaner	1	0.20
	District Education Officer (Elementary-I), Bikaner	1	0.62
	Superintendent Associated Group of Hospitals, Bikaner	2	0.60
	Commandant, 7 Raj. Bn., NCC, Bikaner	1	0.04
	District Education Officer (Secondary), Bikaner	1	0.01
	Director (Secondary) Education, Bikaner	3	41.85
	Principal, DIET, Bikaner	3	1.60
		<b>111</b>	<b>1923.59</b>
<b>Jodhpur</b>	Superintending Engineer (Central Store), Ground Water Department, Jodhpur	3	89.04
	Superintendent, Associated Group of Hospitals, Jodhpur	1	50.00
	Commandant, 2 Raj. Bn., NCC, Jodhpur	3	0.37
	Sub-Divisional Officer, Jodhpur	2	1.23
	Collector (Relief), Jodhpur	50	2781.87
	<i>Tehsildar</i> , Jodhpur	6	3.71
		<b>65</b>	<b>2926.22</b>
<b>Nagaur</b>	Superintendent of Police, Nagaur	5	5.50
	District Election Officer, Nagaur	1	1.00
	Collector (Relief), Nagaur	161	1715.93
		<b>167</b>	<b>1722.43</b>
<b>Sikar</b>	Deputy Commandant, Home Guards, Sikar	1	3.99
	Commandant, 3 Raj. Bn., NCC, Sikar	4	0.57
	Superintendent of Police, Sikar	15	2.91
	Collector (Relief), Sikar	53	864.05
		<b>73</b>	<b>871.52</b>
<b>Tonk</b>	Collector (Relief), Tonk	73	784.23
	<i>Tehsildar</i> , Tonk	8	0.84
	<i>Tehsildar</i> , Newai	7	1.02
	<i>Tehsildar</i> , Deoli	7	1.52
	<i>Tehsildar</i> , Uniara	11	2.52
	<i>Tehsildar</i> , Malpura	16	3.96
	<i>Tehsildar</i> , Todaraisingh	11	1.66
	Superintendent of Police, Tonk	1	0.02
		<b>134</b>	<b>795.77</b>
<b>Grand Total</b>		<b>897</b>	<b>14407.01</b>



**APPENDIX - XIII**

(Refer paragraph 2.4.3 (a); page 34)

**Statement showing DDO-wise details of drawals of Abstract Contingent (AC) bills without requirement as full amount was deposited back in treasury**

District	Name of Drawing and Disbursing Officer	Number of AC bills	Amount drawn (Rupees in lakh)	Amount deposited (Rupees in lakh)	Delay in months
<b>Ajmer</b>	Rajasthan Public Service Commission, Ajmer	2	2.00	2.00	1
	Tourist Officer, Ajmer	1	0.50	0.50	1
		<b>3</b>	<b>2.50</b>	<b>2.50</b>	
<b>Bharatpur</b>	Collector(Relief), Bharatpur	1	1.00	1.00	3
	Superintendent, Cattle Breeding Centre, Kumher	1	0.32	0.32	3
		<b>2</b>	<b>1.32</b>	<b>1.32</b>	
<b>Bhilwara</b>	<i>Panchayat Samiti, Kotri</i>	2	13.61	13.61	3-4
	<i>Vikas Adhikari, Panchayat Samiti, Shahpura</i>	1	5.00	5.00	4
	<i>Vikas Adhikari, Panchayat Samiti, Jahazpur</i>	2	15.00	15.00	3
	<i>Vikas Adhikari, Panchayat Samiti, Raipur</i>	1	15.00	15.00	4
	Executive Engineer, PWD Dn.-I, Bhilwara	2	30.00	30.00	3
	Executive Engineer, PWD Dn.-III, Bhilwara	2	15.00	15.00	4
	Superintendent of Police, Bhilwara	1	3.00	3.00	1
	Principal, DIET, Shahpura	1	0.15	0.15	5
	<b>12</b>	<b>96.76</b>	<b>96.76</b>	<b>1-5</b>	
<b>Bikaner</b>	Deputy Director, Watershed, Bikaner	1	1.67	1.67	14
	Commanding Officer, I Raj. Bn., NCC, Bikaner	1	0.09	0.09	3
		<b>2</b>	<b>1.76</b>	<b>1.76</b>	<b>3-14</b>
<b>Jodhpur</b>	Collector (Relief), Jodhpur	1	3.00	3.00	10
		<b>1</b>	<b>3.00</b>	<b>3.00</b>	
<b>Nagaur</b>	District Election Officer, Nagaur	9	8.00	8.00	1-2
	Collector (Relief), Nagaur	5	28.30	28.30	1-10
		<b>14</b>	<b>36.30</b>	<b>36.30</b>	<b>1-10</b>
<b>Sikar</b>	Commandant, 3 Raj. Bn., NCC, Sikar	1	0.35	0.35	1
	District Election Officer, Sikar	21	19.41	19.41	1-2
		<b>22</b>	<b>19.76</b>	<b>19.76</b>	<b>1-2</b>
<b>Tonk</b>	District Election Officer, Tonk	7	2.55	2.55	1-2
	<i>Vikas Adhikari, Panchayat Samiti, Newai</i>	1	1.87	1.87	85
	<i>Tehsildar, Tonk</i>	2	0.29	0.29	122
		<b>10</b>	<b>4.71</b>	<b>4.71</b>	<b>1-122</b>
<b>GRAND TOTAL</b>		<b>66</b>	<b>166.11</b>	<b>166.11</b>	

## APPENDIX-XIV

(Refer Paragraph 2.4.3 (b); page 34)

Statement showing DDO-wise details of drawal of AC bills in excess of requirement and more than 35 per cent amount was deposited back into treasury

District	Name of Drawing and Disbursing Officer	Number of AC bills	Amount of AC bills (Rupees in lakh)	Amount deposited (Rupees in lakh)	Delay (in months)
<b>Ajmer</b>	Commandant, 2 Raj. Bn., NCC, Ajmer	3	2.60	1.06	2-12
	Goat Development Officer, Ajmer	1	0.50	0.45	6
	Deputy Secretary, Rajasthan Public Service Commission, Ajmer	1	1.00	0.48	1
	District Education Officer, Ajmer	2	2.00	1.29	1
		<b>7</b>	<b>6.10</b>	<b>3.28</b>	<b>1-12</b>
<b>Barmer</b>	Principal, Girls Senior Secondary School, Barmer	1	0.59	0.32	1
	Deputy Commandant, Home Guards Training Centre, Barmer	1	1.96	0.56	1
	District Election Officer, Barmer	2	6.00	3.95	2
		<b>4</b>	<b>8.55</b>	<b>4.83</b>	<b>1-2</b>
<b>Bharatpur</b>	Superintendent of Police, Bharatpur	2	1.73	1.27	6
	Collector (Administration), Bharatpur	1	1.00	0.85	6
	Commandant, 3 Raj. Battalion, Topkhana, NCC, Bharatpur	2	0.11	0.08	1
	District Education Officer (Elementary)I, Bharatpur	2	1.00	0.40	3
	Deputy Director, Soil Conservation, Bharatpur	1	0.50	0.30	1-3
		<b>8</b>	<b>4.34</b>	<b>2.90</b>	<b>1-6</b>
<b>Bhilwara</b>	Principal, District Institute of Education and Training, Shahpura	1	0.15	0.06	3
	Executive Engineer, Public Works Department Division.-I, Bhilwara	1	30.00	7.65	7
	<i>Vikas Adhikari, Panchayat Samiti, Sahada</i>	1	60.00	20.00	6
	Executive Engineer, Irrigation, Division-I, Bhilwara	1	10.00	8.65	2
	<i>Vikas Adhikari, Panchayat Samiti, Shahpura</i>	2	75.00	22.91	6
	District Education Officer (Secondary)II, Bhilwara	1	5.00	1.65	7
	Deputy Conservator of Forests, Bhilwara	1	1.61	0.76	6
	<i>Vikas Adhikari, Panchayat Samiti, Mandalgarh</i>	1	20.00	11.91	2
	<i>Vikas Adhikari, Panchayat Samiti, Banera</i>	1	24.38	11.30	2
		<b>10</b>	<b>226.14</b>	<b>84.89</b>	<b>2-7</b>



District	Name of Drawing and Disbursing Officer	Number of AC bills	Amount of AC bills (Rupees in lakh)	Amount deposited (Rupees in lakh)	Delay (in months)
<b>Bikaner</b>	Commandant, Home Guards Training Centre, Bikaner	1	6.79	2.13	1
	Commanding Officer, 7 Raj. Battalion, NCC, Bikaner	1	0.45	0.23	9
	Project Officer, Science and Technology Department, Bikaner	1	0.10	0.04	2
	Project Director, Science and Technology Department, Bikaner	2	0.09	0.06	1
	Assistant Director, District Adult Education, Bikaner	3	1.69	0.79	1
	Deputy Chief Medical and Health Officer, Bikaner	1	0.20	0.06	3
			<b>9</b>	<b>9.32</b>	<b>3.31</b>
<b>Jodhpur</b>	Superintendent of Police (Urban), Jodhpur	2	3.86	2.06	2-4
	Superintending Engineer (Central Store), Ground Water Department, Jodhpur	1	0.25	0.20	4
	Superintendent of Police (Rural), Jodhpur	1	1.50	0.63	1
	Vikas Adhikari, Panchayat Samiti, Balesar	1	10.00	9.99	6-10
	Collector (Relief), Jodhpur	1	1.80	1.60	12
		<b>6</b>	<b>17.41</b>	<b>14.48</b>	<b>1-12</b>
<b>Nagaur</b>	Principal, District Institute of Education and Training, Kuchaman City	1	0.20	0.07	1
	District Election Officer, Nagaur	4	3.80	2.16	2
	Collector (Relief), Nagaur	2	7.20	4.67	1-4
		<b>7</b>	<b>11.20</b>	<b>6.90</b>	<b>1-4</b>
<b>Sikar</b>	Principal, District Institute of Education and Training, Sikar	9	1.49	0.57	1
	Commandant, 3 Raj. Bn., NCC, Sikar	1	0.10	0.06	2
	Superintendent of Police, Sikar	1	0.30	0.20	1-4
	District Election Officer, Sikar	12	12.00	6.09	1-7
		<b>23</b>	<b>13.89</b>	<b>6.92</b>	<b>1-7</b>
<b>Tonk</b>	District Election Officer, Tonk	6	4.39	2.40	1-4
	Superintendent of Police, Tonk	1	0.25	0.14	86
		<b>7</b>	<b>4.64</b>	<b>2.54</b>	<b>1-86</b>
<b>Grand Total</b>		<b>81</b>	<b>301.59</b>	<b>130.05</b>	

**APPENDIX - XV**

(Refer paragraph 2.4.6; page 35)

**Statement showing the details of funds drawal made through Fully Vouched Contingent (FVC) bills for gratuitous relief and travelling/mess allowances payment to avoid submission of DC bills**

Name of Office	Number of FVC bills	Amount (Rupees in lakh)	Purpose
Collector (Relief), Ajmer	120	37.66	Gratuitous relief payments
Collector (Relief), Barmer	47	22.24	Gratuitous relief payments
Principal, District Institute of Education and Training, Barmer	46	5.26	Travelling and mess allowance
Collector (Relief), Bikaner	4	0.73	Gratuitous relief payments
Collector (Relief), Nagaur	34	2.59	Gratuitous relief payments
Collector (Relief), Jodhpur	1	3.00	Gratuitous relief payments
Sub-Divisional Officer, Jodhpur	3	0.61	Gratuitous relief payments
Collector (Relief), Sikar	19	17.46	Gratuitous relief payments
Collector (Relief), Tonk	10	2.62	Gratuitous relief payments
<b>Total</b>	<b>284</b>	<b>92.17</b>	



**APPENDIX - XVI**

(Refer paragraph 2.4.12 ; page 37)

**Statement showing the position of drawal of AC bills and balance lying unspent in the various offices**

Name of the office	Number and date of AC bill	Amount (Rupees in lakh)	Expenditure (upto date) (In rupees)	Cash in hand as of June 2000 (In rupees)
Collector (Relief), Jodhpur	21/13-08-1999	1.50	1,13,018	36,982
Collector (Relief), Jodhpur	29/22-03-2000	3.00	2,13,095	86,905
Sub-Ddivisional Officer, Jodhpur	52/31-03-2000	0.74	26,247	47,753
Collector (Relief), Jodhpur	74/30-03-1999	1.37	1,34,655	2,345
Collector (Relief), Jodhpur	04/19-05-1999	1.00	3,301	96,699
Collector (Relief), Bikaner	41/24-10-1998	10.42	9,48,000	94,000
Collector (Relief), Bikaner	73/31-03-1999	35.49	29,49,000	6,00,000
Collector (Relief), Bikaner	73/31-03-2000	18.32	18,03,832	28,168
Project Director, STED Project, Bikaner	97/22-03-2000	0.25	--	25,000
Collector (Land Revenue), Bikaner	546/29-03-1997	7.00	3,99,449	3,00,551
Collector (Land Revenue), Bikaner	479/20-03-1998	8.00	5,03,141	2,96,859
Collector (Land Revenue), Bikaner	371/06-03-2000	2.00	--	2,00,000
Collector (Land Revenue), Sikar	93/29-03-1997	7.00	4,42,000	2,58,000
<b>Total</b>		<b>96.09</b>	<b>75,35,738</b>	<b>20,73,262</b>

**APPENDIX-XVII**

(Refer paragraph 3.1.4; page 41)

**Year-wise details of receipts and expenditure**

(Rupees in crore)

<b>Receipts*</b>	<b>1994-95</b>	<b>1995-96</b>	<b>1996-97</b>	<b>1997-98</b>	<b>1998-99</b>	<b>1999-2000</b>
Opening balance	2.05	3.04	3.28	4.09	6.51	9.52
Water cess	1.14	0.92	1.33	1.22	3.85	0.78
Consent fee	0.19	0.30	0.29	1.22	0.85	1.43
Grant in aid (State Government)	1.60	1.25	0.98	1.90	1.51	-
Grant in aid {(Central Government Project) (World Bank)}	0.05	0.18	0.18	0.42	0.18	1.48
Interest	0.12	0.22	0.32	0.32	0.12	0.61
Miscellaneous receipts	0.02	0.01	0.20	0.08	0.04	0.04
Advances and deposits	0.01	0.05	0.22	2.93	0.03	0.04
<b>Total</b>	<b>5.18</b>	<b>5.97</b>	<b>6.80</b>	<b>12.18</b>	<b>13.09</b>	<b>13.90</b>
<b>Expenditure*</b>	<b>2.14</b>	<b>2.69</b>	<b>2.71</b>	<b>5.67</b>	<b>3.57</b>	<b>3.40</b>
<b>(Percentage of utilisation)</b>	<b>(41)</b>	<b>(45)</b>	<b>(40)</b>	<b>(47)</b>	<b>(27)</b>	<b>(24)</b>
<b>Closing balance</b>	<b>3.04</b>	<b>3.28</b>	<b>4.09</b>	<b>6.51</b>	<b>9.52</b>	<b>10.50</b>

\* Provisional figure



**APPENDIX-XVIII**

(Refer paragraph 3.1.5 (b)(v); page 42)

**Red category units running without consent**

S.No.	Name of Unit	Date of consent granted	Period of running without consent	Remarks
1.	M/s Rajasthan Atomic Power Project, Rawatbhata (units I & II)	Not granted	Since the applicability of Water Act, 1974	Units I and II of the project applied for the consent in March 2000 and was pending.
2.	M/s Kota Thermal Power Station, Kota	24.3.1988	Since inception (1983) except the period from 24.3.1988 to 31.12.1988	The application submitted in June 1994 was not considered on account of non-conforming to the temperature difference. Latest application dated 14.10.1999 was pending due to non-payment of Water Cess and non-submission of time bound action plan for utilisation of fly ash.
3.	M/s Keshoraipatan Sahkari Sugar Mill Limited, Keshoraipatan	29.8.1996	Since March 1997	Non-installation of adequate treatment plant.
4.	M/s Supriya Pharmaceuticals Limited, Bhiwadi	11.7.1995	Since revocation (January 1997)	Non-compliance of the conditions of zero discharge status, injecting waste water into ground and not submitting the application for discharging waste water.
5.	Shree Prints, Pali	29.6.1995	Since April 1996	Pending due to non-compliance of the condition of installation of primary treatment system, non-furnishing the applications with prescribed fee, installation of machinery beyond the limit, discharging acidic waste, etc.
6.	M/s Swastika Gases (Private) Limited, Dausa	1994	Since December 1997	Not applying for consent even after issuing notices under 33/A of the Water Act.
7.	M/s Paam drugs and Pharmaceuticals Limited, Bhiwadi	15.1.1998	15.1.1996 to 14.1.1998	Pending due to non-conforming the parameters of waste water.
8.	M/s Man Structural Limited, Jaipur	-	Since April 1999	Show cause notice issued on 4-11-1999 was not replied.
9.	M/s National Engineering Industries Limited, Newai.	(i)30.8.1997 (ii)28.4.2000	1.9.1998 to 27.4.2000	Pending for want of prescribed fee and not considering application of 13.10.1998 due to placing the same in other file by mistake.
10.	M/s Kapsons Cement (Private) Limited, Alwar	(i)6.7.1998 (ii)1.9.1999	1.1.1999 to 31.8.1999	Not applying for renewal in time.

## APPENDIX -XIX

(Refer paragraph 3.1.9; page 44 &amp; 45)

Table-I

**Standard value of class 'B' (outdoor bathing) and 'C' (drinking water with conventional treatment followed by disinfections) water prescribed by CPCB**

	'B'	'C'
pH value	6.5 to 8.5	6.0 to 8.5
Dissolved Oxygen (DO) (mg per litre)	Not less than 5	4
Biochemical Oxygen Demand (BOD) (mg per litre)	Not more than 3	-
Total Dissolved Solids (TDS) (mg per litre)	-	Less than 2100

Table-II

**A-Deficiencies as per test results of water reported in CPCB publication**

S. No.	Places	Deficiencies based on Mean Value
1.	Pushkar lake, Ajmer	pH 9.3 (year 2000), DO-3.0 mg/l (year 1997) and 2.9 mg/l (year 1998) and BOD 9.9 mg/l (year 2000).
2.	Well of Loomji Chaudhary (4 km up stream of CETP)*, Pali	pH 8.6 (year 2000), DO-3.5 mg/l (year 1996), BOD-3.5 mg/l (1996) and 6.0 mg/l (1997) and TDS-4095, 5110, 5828, 4988 and 5193 mg/l in the year 1996, 1997, 1998, 1999 and 2000 respectively.
3.	Well of Bhopal Singh (24 km down stream of CETP)*, Pali	pH-8.8 (year 1999 & 2000), DO-1.2, 3.9 and 3.3 mg/l in the years 1998, 1999 and 2000, respectively, and TDS-25200, 4130, 5265 and 3865 mg/l in the years 1996, 1998, 1999 and 2000 respectively.
4.	Well of Mangoo Singh, up stream 1 km from Jodhpur	DO-0.6, 0.8, 2.7 and 3.3 mg/l in the years 1996, 1997, 1998 and 1999 respectively, BOD-4.3, 4.5 and 5.3 mg/l in the year 1996, 1997 and 1998 respectively and TDS-8349, 9116, 6143 and 10036 mg/l in the years 1996, 1997, 1998 and 1999 respectively.
5.	Pichhola Lake, Udaipur	pH-9.1 (year-2000).
6.	Fateh Sagar Lake, Udaipur	pH-9.1 (year 2000).
7.	Udaisagar Lake, Udaipur	pH-8.6 (year 1999), DO-3.9 mg/l (1996) & 3.1 mg/l (year 2000) and BOD-6.2, 3.3 and 3.4 mg/l in the years 1996, 1997 and 2000 respectively.

\*CETP = Common Effluent Treatment Plant

**B-Deficiencies as per PHED results**

S.No.	Places	Deficiency
1.	Rajsamand lake, Rajsamand Pichhola and Jaisamand lakes, Udaipur Gaib Sagar and Edward Samand, Dungurpur Kali Sindh, Jhalawar Fai Sagar, Ajmer	pH value of water samples of these places was above the permissible limit of 8.5.
2.	Rajsamand lake, Rajsamand Gaib Sagar, Dungurpur Kagdi Dam, Banswara Diggi Head Works, Sriganganagar Diggi Head Works, Hanumangarh	The value of DO was less than the required value of 4 mg/l.
3.	Rajsamand lake, Rajsamand Gaib Sagar, Dungurpur Bedoli Dam, Tonk Diggi Head Works, Sriganganagar Diggi Head Works, Hanumangarh	The value of BOD was higher than the permissible maximum limit of 3 mg/l.



**APPENDIX-XX**

(Refer paragraph.3.1.9 (c); page 45)

**Water quality of the Inter State Rivers**

State	Name of the River and places	Year	PH	DO	BOD	COD	TDS	TC
Madhya Pradesh	<b>(1) River Chambal</b> (i) Gandhi Sagar Dam Rampura, Madhya Pradesh	1993	7.9	7.4	3.6	38.8	353	6.00
		1994	8.1	7.7	2.6	26.0	390	4.93
		1996	7.9	7.3	1.5	20.0	287	4.42
		1997	8.4	7.5	1.9	22.0	313	4.98
Rajasthan	(ii) Up Stream intake Barrage, Kota	1993	8.2	6.2	1.5	17.6	186	-
		1994	7.9	6.8	2.3	20.8	185	6.93
		1996	7.8	5.0	1.9	36.3	195	6.61
		1997	8.3	5.0	0.9	44.5	192	6.95
Rajasthan	(iii) 2 KM Down Stream, Kota	1993	8.2	6.3	1.8	59.4	304	-
		1994	7.8	6.8	2.5	29.4	277	6.13
		1996	7.9	5.0	2.2	41.4	216	7.11
		1997	8.2	5.3	1.5	57.8	205	7.53
Rajasthan	(iv) Rameshwar Ghat, Sawai Madhopur	1993	8.4	5.9	2.2	29.5	304	-
		1994	8.0	6.4	2.3	23.2	276	7.24
		1996	7.7	5.3	1.6	43.6	188	6.69
		1997	8.0	4.5	1.3	59.7	203	6.68
Madhya Pradesh	<b>(2) River Mahi</b> (i) Badanwar, Madhya Pradesh	1993	-	-	-	-	-	-
		1994	7.5	6.7	2.3	30.3	254	4.91
		1996	-	-	-	-	-	-
		1997	-	-	-	-	-	-
Rajasthan	(ii) Down Stream R/chap Rajasthan	1993	8.0	5.7	2.4	39.4	214	1.00
		1994	8.0	5.9	2.7	23.9	211	7.23
		1996	7.5	4.7	2.2	53.4	406	6.17
		1997	8.0	4.4	1.3	41.2	533	5.61
Gujarat	(iii) Down Stream CONF. River Anas	1993	8.3	8.0	1.5	10.0	223	7.00
		1994	8.1	7.7	1.8	15.3	227	7.29
		1996	8.1	7.3	2.1	11.8	197	7.14
		1997	8.2	8.2	2.1	7.7	257	7.38

**APPENDIX-XXI**

(Refer paragraph 3.2.1; page 55)

**Statement showing the demographic goals laid down in National Health Policy and various schemes/programmes introduced by GOI****(A) Demographic goals**

- (i) Crude Birth Rate (CBR): 21 per thousand
- (ii) Crude Death Rate (CDR): 9 per thousand
- (iii) Annual Natural Growth Rate: 1.2 *per cent*
- (iv) Infant Mortality Rate (IMR): Below 60 per thousand live births
- (v) Effective Couple Protection Rate (CPR): 60 *per cent*

**(B) Schemes/programmes introduced by GOI**

- (i) Minimum Needs Programme
- (ii) Sterilisation Bed Scheme
- (iii) Post Partum PAP Smear Test Facility Programme
- (iv) All India Hospital Post Partum Programme
- (v) Population Research Centre Scheme
- (vi) Child Survival and Safe Motherhood (CSSM) Programme  
(Redesigned as Reproductive and Child Health (RCH) Programme)
- (vii) Social Safety Net (SSN) Scheme



**APPENDIX -XXII**

(Refer paragraph 3.2.4 (I) (a); page 56)

**Table-I**

**Statement showing targets and achievements**

(A) Sterilisation

Year	Targets	Achievements	Percentage of shortfall
	(Number of cases in lakh)		
1995-96	2.50	1.67	33
1996-97	2.20	2.00	9
1997-98	5.82	2.24	62
1998-99	4.57	2.29	50
1999-2000	4.41	2.26	49

**Table II**

(Refer paragraph 3.2.4(I) (b); page 56)

(B) Intra Uterine Device (IUD)

Year	Targets	Achievements	Percentage of shortfall
	(Number of cases in lakh)		
1995-96	2.82	1.68	40
1996-97	3.53	2.04	42
1997-98	3.99	2.23	44
1998-99	3.27	2.33	29
1999-2000	3.20	2.37	26

**Table III**

(Refer paragraph 3.2.4(I)(c); page 56)

(C) Conventional Contraceptive Users

Year	Targets	Achievements
	(Number of cases in lakh)	
1995-96	N.A.	4.91
1996-97	5.00	7.20
1997-98	3.51	4.71
1998-99	3.54	3.74
1999-2000	3.21	4.92

**Table IV**

(Refer paragraph 3.2.4(I)(d); page 56)

(D) Oral Pills Users

Year	Targets	Achievements
	(Number of cases in lakh)	
1995-96	1.50	1.64
1996-97	2.25	4.84
1997-98	3.86	4.02
1998-99	3.29	3.22
1999-2000	3.24	4.26

Table V

(Refer paragraph 3.2.4(I)(e); page 56)

Achievements of ELA of sterilisation and IUD of some districts								
Sterilisation								
District	1998-99				1999-2000			
	ELA	Achievements	Percentage of		ELA	Achievements	Percentage of	
			Achievements	Short-fall			Achievements	Short fall
Chittorgarh	16000	6747	42	58	19944	5600	28	72
Dungarpur	9200	2779	30	70	19436	3653	19	81
Jodhpur	22000	8806	40	60	31900	7610	24	76
Sirohi	7500	2475	33	67	6385	2517	39	61
Rajsamand	9692	2728	28	72	8813	2685	30	70
Udaipur	22000	6709	30	70	19668	6528	33	67

Table VI

(Refer paragraph 3.2.4(I)(e); page 56)

IUD

(Number of cases)

District	1998-99				1999-2000			
	ELA	Achievements	Percentage of		ELA	Achievements	Percentage of	
			Achievements	Short-fall			Achievements	Short fall
Bharatpur	10651	4801	45	55	12600	4405	35	65
Bikaner	14870	6161	41	59	13238	7416	56	34
Ajmer	15000	7485	50	50	13423	7597	57	43
Jodhpur	20000	9306	47	53	22798	9761	43	57

Table VII

(Refer paragraph 3.2.4(I)(f); page 56)

Position of immunisation activities									
(ELA and achievements in lakh)									
Description	1997-98			1998-99			1999-2000		
	ELA	Achievements	P	ELA	Achievements	P	ELA	Achievements	P
Tetnus Toxides pregnant women (TT PW)	17.47	14.11	81	17.70	16.94	96	18.78	16.11	86
Oral Polio Vaccine (OPV)	15.70	14.65	93	15.90	14.96	94	15.62	14.92	96
Diphtheria Pertusis Tetanus (DPT)	15.70	14.64	93	15.90	15.03	95	15.62	14.85	95
Bacillus Calmette Guerine (BCG)	15.70	14.87	95	15.90	14.88	94	15.62	15.05	96
Measles	15.70	13.67	87	15.90	15.12	95	15.62	14.10	90

P = Percentage



**Table VIII**

(Refer paragraph 3.2.4(II); page 57)

Achievements of demographic goals							
Particulars	National targets by 2000 AD	Achievements					
		1985	1995	1996	1997	1998	1999
Crude Birth Rate (CBR)	21 per thousand	39.7	33.3	32.3	32.1	31.2	NA
Crude Death Rate (CDR)	9 per thousand	13.2	9.1	9.7	8.9	8.8	NA
Infant Mortality Rate (IMR)	Below 60 per thousand live births	108	85	86	85	83	NA
Couple Protection Rate (CPR)	60 per cent	19.8	30.2	30.7	33	34	36.4
Maternal Mortality Rate (MMR)	2 per thousand live births	NA	4.56	4.31	6.77	NA	NA
Annual Natural Growth Rate	1.2 per cent	2.65	2.45	2.43	2.41	2.39	2.38
Total Fertility Rate (TFR)	2.3 per woman	NA	4.4	4.2	4.1	NA	NA

NA = Not available

**APPENDIX-XXIII**

(Refer paragraph 3.2.5; page 57)

**Statement showing year-wise position of assistance released by GOI and expenditure incurred by the State Government during 1995-2000**

(Rupees in crore)

Year	Amount released by GOI	Expenditure
1995-96	94.13	103.22
1996-97	104.28	113.88
1997-98	94.77	135.24
1998-99	111.81	146.85
1999-2000	175.46	145.24
<b>Total</b>	<b>580.45</b>	<b>644.43</b>



**APPENDIX-XXIV**

**Table I**  
(Refer paragraph 3.2.6.6(a); page 63)

<b>Statement showing construction work and installation of tubewells</b>							
<b>(In number)</b>							
<b>I. Construction work</b>							
<b>Name of work</b>		<b>I Phase</b>			<b>II Phase</b>		
		<b>Sanctioned</b>	<b>Completed (per cent)</b>	<b>Balance</b>	<b>Sanctioned</b>	<b>Completed (per cent)</b>	<b>Balance</b>
(i)	Operation theatre	115	114 (99)	1	98	91 (93)	7
(ii)	Observation ward	61	60 (98)	1	70	64 (91)	6
(iii)	Labour room	90	90 (100)	-	92	85 (92)	7
(iv)	Doctor quarter	54	54 (100)	-	52	48 (92)	4
(v)	ANM quarter	78	77 (99)	1	71	64 (90)	7
<b>II. Installation of tubewells</b>							
(i)	Tubewells	61	46 (75)	15	62	36 (58)	26

**TABLE II**  
(Refer paragraph 3.2.6.6(a)(ii); page 63)

<b>Statement showing position of buildings not handed over</b>							
<b>S.No.</b>	<b>Buildings</b>	<b>Phase I</b>			<b>Phase II</b>		
		<b>Constructed</b>	<b>Handed over</b>	<b>Not handed over</b>	<b>Constructed</b>	<b>Handed over</b>	<b>Not handed over</b>
1.	Operation theatre	114	51	63	91	36	55
2.	Observation ward	60	31	29	64	25	39
3.	Labour room	90	42	48	85	38	47
4.	Doctor quarter	54	32	22	48	20	28
5.	ANM quarter	77	41	36	64	26	38

**TABLE III**  
(Refer paragraph 3.2.6.6(b); page 64)

**Statement showing position of funds allotted and expenditure incurred for procurement of items**

<b>Item of procurement</b>	<b>(Rupees in lakh)</b>					
	<b>First phase</b>			<b>Second phase</b>		
	<b>Amount allotted</b>	<b>Expenditure incurred</b>	<b>Unspent amount</b>	<b>Amount allotted</b>	<b>Expenditure incurred</b>	<b>Unspent amount</b>
Ambulance	258.75	240.78	17.97	258.75	256.34	2.41
Generator	34.50	30.88	3.62	31.05	30.98	0.07
OT equipment	69.00	59.32	9.68	80.50	49.58	30.92
Drugs, bandage, etc.	79.63	54.25	25.38	93.15	32.37	60.78
IEC activities	-	-	-	6.07	5.00	1.07
<b>Total</b>	<b>441.88</b>	<b>385.23</b>	<b>56.65</b>	<b>469.52</b>	<b>374.27</b>	<b>95.25</b>
<b>Grand total</b>				<b>911.40</b>	<b>759.50</b>	<b>151.90</b>

## APPENDIX-XXV

(Refer paragraph 3.2.9 (c); page 66)

**Statement showing difference in assistance in kind released by Government of India (GOI) and actual receipt shown by the State Government**

(Number in lakh)

Name of item	Year	Quantity as per GOI	Quantity as per State Government	Difference Excess (+)/ Shortage (-)
Tubal rings	1995-96	2.25	2.50	(+) 0.25
	1997-98	2.30	2.60	(+) 0.30
Oral pills	1995-96	14.50	24.50	(+) 10.00
	1996-97	39.37	66.50	(+) 27.13
	1997-98	22.55	26.55	(+) 4.00
	1999-2000	38.00	44.80	(+) 6.80
IUD	1996-97	3.62	3.00	(-) 0.62
OPV	1996-97	572.00	350.71	(-) 221.29
	1997-98	226.23	226.01	(-) 0.22
	1998-99	377.50	397.52	(+) 20.02
	1999-2000	735.28	804.13	(+) 68.85
DPT	1996-97	26.52	30.38	(+) 3.86
	1997-98	29.49	50.50	(+) 21.01
	1998-99	84.85	77.95	(-) 6.90
	1999-2000	45.46	54.50	(+) 9.04
DT	1996-97	17.00	19.34	(+) 2.34
TT	1996-97	89.94	110.58	(+) 20.64
	1997-98	95.07	235.44	(+) 140.37
	1998-99	44.77	87.00	(+) 42.23
	1999-2000	00.00	20.77	(+) 20.77
BCG	1998-99	36.48	20.00	(-) 16.48
	1999-2000	46.05	41.40	(-) 4.65
Measles	1996-97	13.50	29.77	(+) 16.27
	1997-98	19.81	20.30	(+) 0.49
	1998-99	14.11	21.14	(+) 7.03



APPENDIX-XXVI

(Refer paragraph 3.3.1, page 69)

Details of various schemes in the area of Elementary Education

Sl. No.	Institutions/ components of the project	Primary/Upper Primary Schools	Primary Schools of Panchayati Raj Department	Centres of Non-Formal Education	Shiksha Karmi Project	Lok Jumbish	DPEP	Janshala	Saraswati Yojana
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
1.	Objects	To provide primary education in urban areas to 6-14 year age group of children (class I to 8) and management and direction of all upper primary schools (UPS) in the State	To provide satisfactory Primary education to 6-11 year age group children in the rural areas	To provide education deprived to 6-14 year age group children	To provide education in the remote area of the State	Universalisation of Elementary Education (Class 1 to 8)	Universalisation of primary education (Class 1 to 5)	To connect the 6-11 age group children of slum area with schools and to provide satisfactory level education with ensuring stay in schools by pleasure-fully educational modes.	To start schools in the own houses by the literate women of rural areas and to make self dependent.
2.	Year of commencement	Since beginning	Since beginning	1975-76	1987-88	1992-93	1998-99	1998-99	1994-95
3.	Targetted group	6-14 year age children	6-11 year age group	6-14 year age group	6-14 year age group	Upto the age of 14 years	6-11 year age group	6-11 year age group	6-14 year age group
4.	Scope	Urban area of the State and for UPS complete State	All rural area of the State	Whole State	Whole State	13 districts of the State(75 Development blocks)	19 districts of the State -- in first phase 10 districts	3 cities – Jaipur, Ajmer and Bharatpur (10 zones)	Whole State
5.	Opening of schools/upgradation	State Government	State Government	On the recommendation of Panchayat by Project Officer (PO)	At village level by the selected party on prescribed procedure	By the Divisional Level Management Committee (KSPS)	On the pattern of Shiksha Karmi	On the pattern of Shiksha Karmi	By DEO, Elementary Education

Sl. No.	Institutions/ Components of the project	Primary/Upper Primary schools	Primary Schools of Panchayati Raj Department	Centres of Non-Formal Education	Shiksha Karmi Project	Lok Jumbish	DPEP	Janshala	Saraswati Yojana
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
6.	Procedure of opening of schools	By the State on the scrutiny of proposals received from DEO and Director	By the State on the lines of resolution passed by the Panchayat Samiti/ Zila Parishad	By State Government on the receipt of proposals from district level – 100 centre project of merging of 1 or 2 division	On the decision of Selection Committee in Gram Sabha on the fulfilment of prescribed in the resolution passed by General Body of the P.S.	By the Divisional Level Management Committee at the places selected by school mapping and micro employment	On the pattern of Shiksha Karmi	By the State on the places selected in survey	By advertising on the lines of willing 8 <sup>th</sup> passed women and school going girls
7.	Norms for teachers	At the rate of 2 teachers per school	At the rate of 2 teachers per school	One instructor	Two Shiksha Karmi per school	2 teachers per school	2 teachers per school	2 teachers per school	1 Saraswati bahan
7.1	Selection	At district level by DEO by prescribed procedure	By District Establishment Committee	By Division Level Committee	By Gram Sabha from local youth	At district level by DEO by prescribed procedure	By Gram Sabha from local youth	At district level by DEO by prescribed procedure	By DEO, Elementary Education
7.2	Service conditions	As applicable to State employee	As applicable to State employee	Voluntary	Voluntary	As applicable to State employee	Voluntary	As applicable to State employee	Voluntary
8.1	Funding pattern State share	Cent per cent	Cent per cent	40 per cent boys 10 per cent girls	50 per cent	16.67 per cent	15 per cent	-	100 per cent
8.2	Central share	-	-	60 per cent boys 90 per cent girls	-	33.33 per cent	85 per cent	-	-
8.3	External share	-	-	-	50 per cent	50 per cent	-	100 per cent	-
9.	Total plan outlays during 1995-2000 (Rs in crore)	422.27	440.11	38.82	50.44	25.12	1.11	-	2.33



**APPENDIX -XXVII**

(Refer paragraph 3.4(iii); page 84)

**Targets and achievements of rearing of calves at Calf Rearing Centres**

S. No.	Name of farm	Number of calves to be reared					
		1998-99		1999-2000		Total	
		Targets	Achievements	Targets	Achievements	Targets	Achievements
1.	Kumher	120	93	120	14	240	107
2.	Dug	70	31	70	Nil	140	31
3.	Ramsar	100	67	100	38	200	105
4.	Nagaur	100	Nil	100	Nil	200	Nil
5.	Jaisalmer	70	Nil	70	Nil	140	Nil
6.	Jalore	70	Nil	70	Nil	140	Nil
	<b>Total</b>	<b>530</b>	<b>191</b>	<b>530</b>	<b>52</b>	<b>1060</b>	<b>243</b>
	<b>Percentage</b>		<b>36</b>		<b>10</b>		<b>23</b>

**APPENDIX-XXVIII**

(Refer paragraph 3.4(d); page 85)

**Percentage of rearing animals at the farms with reference to their capacity**

Name of the farm	Capacity	Number of the animals as on 31 March					Percentage	
		1996	1997	1998	1999	2000	Minimum	Maximum
Ramsar	200	-	63	6	60	66	3	33
Kumher	240	192	131	48	94	26	11	80
Dug	450	147	127	59	48	27	6	33
Nagaur	250	169	148	104	118	33	13	68
Alwar	200	145	102	74	91	98	37	73



**APPENDIX -XXIX**

(Refer paragraph 3.4(vii); page 85)

**Achievements of targets at Goat Development Centre, Ramsar (Ajmer)**

Name of the activity	Year*	Targets	Achievements	Shortfall	Percentage of shortfall
Buck distribution	1995-96	140	74	66	47
	1998-99	112	67	45	40
Goat Husbandry Training	1995-96	27	19	8	30
	1997-98	28	28	-	-
Castration	1995-96	13000	1834	11166	86
	1996-97	13000	11471	1529	12
	1997-98	21000	10652	10348	49
	1998-99	21000	16621	4379	21

\* No targets were fixed in the remaining years.

## APPENDIX -XXX

(Refer paragraph 3.6.2 (i); page 87)

## Cases where funds were transferred to the Personal Deposit (PD) accounts by freezing withdrawals

S. No.	To whom released	When transferred to PD account	Amount (Rupees in crore)	Remarks
1.	<b>Industries Department</b> Bhiwadi Industrial Development Authority (BIDA), Bhiwadi	1996-2000	1.50	The amount was meant for making payment of grant-in-aid to Rajasthan State Industrial Development and Investment Corporation Limited for creating BIDA fund. Against expenditure of Rs 1.51 crore during the years 1996-2000, BIDA could withdraw only Rs 0.50 crore because of non-permitting withdrawals from PD account. Excess expenditure, however, could be met out by internal source of BIDA. Rs 1 crore were lying unspent (May 2000) without any justification.
2.	<b>Tribal Area Development (TAD) Department</b> Deputy Project Officer, TAD, Pratapgarh	1996-2000	16.44	The amount was meant for execution of various works and programmes for the welfare of tribal area. Rs 8.29 crore had remained unutilised as of March 2000 due to slow progress of works.
3.	Various Local Bodies, Agencies, Institutions, etc.	March 2000	284.32	Entire amount released on account of grants-in-aid, subsidies, loans, etc. to various agencies (62 cases) was transferred to PD accounts by debiting to head of account of the schemes/programmes concerned simultaneously imposing ban on withdrawals from PD account.



**APPENDIX -XXXI**

(Refer paragraph 3.6.4; page 88)

**Details of advances given to various agencies lying unadjusted**

(Rupees in crore)

Name of PD account holder	Year of sanction	Amount sanctioned	Name of executing agency	Amount advanced	Purpose
Engineering College, Ajmer Technical Education Department, Jaipur	1998-99	0.39	RSBCC	0.53	Construction of Engineering College building
	1997-98	0.14		59-99	
Municipal Council, Sarwar	1998-99	0.90	PWD	0.64	Road works Water supply arrangement Electrification works
			PHED	0.05	
			RSEB	0.02	
Deputy Project Officer, TAD, Pratapgarh	1996-2000	NA	Executing agencies	1.15	Construction works/electrification works
District Maternity and Child Health Society, Tonk	1998-99	0.96*	PHCs/ <i>Panchayat Samitis</i>	0.21	Reproductive and Child Health (RCH) Services Scheme
Additional Director, Medical and Health Services (Family Welfare), Jaipur	1998-99	NA	<i>Panchayat Samiti/Panchayati Raj</i> Department	0.27	Village Health Scheme
Director, Small Savings, Rajasthan, Jaipur	1998-2000	NA	PWD	0.77	Construction works
<b>Total</b>				<b>3.64</b>	

NA – Not available.

\* Rs 0.96 crore paid (25 February 1999) to District Maternity and Child Health Society, Tonk for RCH (NC) and RCH (Sub project) through Demand Draft were deposited (7 April 1999) in their PD accounts after 42 days.

## APPENDIX -XXXII

(Refer paragraph 4.1.4 ; page 111)

## Year-wise and component-wise Project Outlay and expenditure on Forestry Development Project

## (a) Year-wise

(Rupees in crore)

Year	Project Outlay	Budget allotment	Expenditure	Reimbursable amount as per the agreement	Amount actually reimbursed by OECF	Amount released by Government of India
1995-96	14.77	13.82	13.67	11.30	6.17	6.17
1996-97	25.51	24.20	24.02	19.59	18.38	11.31
1997-98	32.21	31.60	31.92	25.93	32.27	32.71
1998-99	36.69	35.61	34.96	28.76	21.45	20.90
1999-2000	29.99	32.41	31.62	26.05	28.11	28.89
	<b>139.17</b>	<b>137.64</b>	<b>136.19*</b>	<b>111.63</b>	<b>106.38</b>	<b>99.98</b>

## (b) Component-wise

S. No.	Component	Project Outlay	Expenditure upto March 2000	Excess (+)/ Saving (-)	Percentage
1.	Works expenditure viz. plantation, farm forestry and habitat improvement	71.06	106.97	(+) 35.91	50
2.	Project Management	15.60	20.72	(+) 5.12	33
3.	Building	2.45	4.73	(+) 2.28	93
4.	Equipment and Vehicle	1.40	0.78	(-) 0.62	44
5.	Communication, extension and training	2.00	1.17	(-) 0.83	41
6.	Planning, Monitoring and Evaluation	1.15	0.33	(-) 0.82	71
7.	Research	0.37	0.42	(+) 0.05	14
8.	Office equipment	0.30	0.69	(+) 0.39	130
9.	Price escalation	38.21	Included in item nos. 1 to 8 above	-	-
10.	Physical contingencies	6.63	-do-	-	-
		<b>139.17</b>	<b>135.81*</b>		

\* Difference of Rs 0.38 crore due to the difference in Appropriation Accounts and departmental figures.

136.19  
135.81  
0.38



**APPENDIX-XXXIII**

(Refer paragraph 4.1.5 ; page 111)

**Position of physical and financial targets and achievements under Forestry Development Project**

(Rupees in crore)

S.No.	Activities	Physical targets	Achievements	Allocation	Expenditure
	<b>Plantation</b>				
(i)	RBH	12000 ha	11525 ha	14.00	19.97
(ii)	RDF I	18000 ha	17687 ha	15.62	22.69
(iii)	RDF II	11000 ha	12260 ha	6.51	11.09
(iv)	FWP	8000 ha	8053 ha	11.06	16.55
(v)	SPP	6000 ha	6033 ha	2.63	5.68
	<b>Others</b>				
(i)	Farm forestry	800 lakh	627.14 lakh	12.00	16.87
(ii)	Construction of anicuts/ Earthen dams	530	558	8.99	13.70
(iii)	Improved crematoria	250	252	00.25	0.42

597  
7

## APPENDIX -XXXIV

(Refer paragraph 4.4; page 122)

## Details of Miscellaneous Public Works Advances lying unadjusted

## A- Year-wise outstanding position

(Rupees in crore)

Year	Amount of outstanding advances	
	CAD, IGNP, Bikaner	CAD, Chambal, Kota
Upto 1993-94	8.39	0.63
1994-95	7.23	0.02
1995-96	5.57	0.11
1996-97	0.94	0.04
1997-98	0.64	0.05
1998-99	6.14	-
Age-wise details not available	-	0.31
<b>Total</b>	<b>28.91</b>	<b>1.16</b>

## B-Advances outstanding against whom

S. No.	Outstanding against whom	Amount	Analysis of pendency from the records of divisions
(i)	Divisions/offices of the same Project	7.53	For want of adjustment of advances paid for materials, penalty of electric and water charges, hire charges and land compensation, etc.
(ii)	State Government departments	3.86	For want of final accounts, sanction from Government and non-recovery from Irrigation Department on account of cost of coal. Non-receipt of cement and stationery.
(iii)	Central Government departments	0.60	Mainly due to non/short receipt of material, difference of credit notes, short receipt of coal and non-installation of telephone connections, etc.
(iv)	Autonomous Bodies	15.40	Due to non-adjustment/recovery of survey charges, non-receipt of coal, non-receipt of cost of machines and non-receipt of petroleum products from Indian Oil Corporation Limited.
(v)	Contractors/suppliers	1.69	Mainly due to short/non-receipt of materials, penalties, etc. decretal payments, advance payments and final bills in minus.
(vi)	Government servants	0.68	Due to stock and tools and plants not handed over at the time of transfer, excess issue of materials to works and unadjusted imprest/advances, etc.
	<b>Total</b>	<b>29.76*</b>	

\* Details in respect of advances amounting to Rs 0.31 crore were not available with the department.



**APPENDIX -XXXV**

(Refer paragraph 6.1.3; page 168)

**List of departments/offices from which information regarding financial assistance given to various institutions were awaited**

S. No.	Name of department/institution	Year from which information had not been furnished
1.	Secretary to the Government Education (Group-I) Department, Jaipur	1995-96
2.	Secretary to the Government Education (Group-III) Department, Jaipur	1996-97
3.	Secretary to the Government Education (Group-II) Department, Jaipur	1997-98
4.	Secretary to the Government Revenue (Group-II) Department, Jaipur	1998-99
5.	Secretary to the Government Energy Department, Jaipur	1998-99
6.	Secretary to the Government Industries Department, Jaipur	1998-99
7.	Secretary to the Government Devasthan, Waqf and Soldier Welfare Department, Jaipur	1999-2000
8.	Secretary to the Government Medical and Health Department, Jaipur	1999-2000
9.	Director, Women and Child Development Department, Jaipur	1999-2000
10.	Director, Medical, Health and Family Welfare Department, Jaipur	1999-2000
11.	Director, Primary Education, Bikaner	1999-2000
12.	Director, Toruism, Art and Culture, Jaipur	1999-2000
13.	Deputy Director (Elementary Education), Churu	1998-99
14.	Deputy Director (Secondary Education), Jaipur	1999-2000
15.	Deputy Director (Elementary Education), Jaipur	1999-2000

## APPENDIX-XXXVI

(Refer paragraph 6.3 (A); page 171)

**List of pending cheques of recoveries of Provident Fund (PF) subscriptions for the year 1996-97 not sent to Bank for depositing in PF accounts**

<b>Cheque No.</b>	<b>Date</b>	<b>Amount</b> (In rupees)
538808	30.04.1996	34,45,345
538866	24.06.1996	34,43,729
538908	18.06.1996	35,86,796
538951	17.07.1996	36,18,533
538990	09.08.1996	36,30,120
167007	20.08.1996	7,915
167034	23.09.1996	36,30,478
167068	09.10.1996	36,22,847
167097	16.11.1996	36,21,796
167143	12.12.1996	36,49,376
167177	16.01.1997	37,23,970
167216	25.02.1997	10,00,000
167217	25.02.1997	10,00,000
167218	25.02.1997	15,63,839
167271	26.03.1997	10,00,000
167272	26.03.1997	10,00,000
167273	26.03.1997	14,26,594
<b>Total</b>		<b>4,29,71,338</b>



APPENDIX -XXXVII

(Refer paragraph 6.9; page 195)

Details in respect of sanctioned wells under Million Wells Scheme remained incomplete

(Amount in rupees)

Name of Panchayat Samiti	Amount released in respect of incomplete wells	Number of beneficiaries	Reasons offered by Panchayat Samiti for non-completion of wells and amount							
			Due to hard rock strata		Abandoning of work by beneficiaries		Delay in payment of subsidy by DRDA		Other reasons	
			Number of beneficiaries	Blocked amount	Number of beneficiaries	Blocked amount	Number of beneficiaries	Blocked amount	Number of beneficiaries	Blocked amount
Jhadol	7,20,000	78	-	-	60	5,53,800	18	1,66,200	-	-
Khairwara	13,71,300	65	5	1,05,000	15	3,16,000	35	7,38,000	10	2,12,300
Kotda	9,99,200	79	-	-	79	9,99,200	-	-	-	-
Girwa	2,22,290	16	-	-	16	2,22,290	-	-	-	-
Biinder	10,06,980	55	10	1,35,000	28	6,10,000	8	1,15,000	9	1,46,980
Dhariawad	2,20,665	28	-	-	28	2,20,665	-	-	-	-
Sarada	19,58,000	195	160	16,65,000	35	2,93,000	-	-	-	-
Mavali	4,21,360	33	-	-	33	4,21,360	-	-	-	-
Gagunda	5,48,800	29	29	5,48,800	-	-	-	-	-	-
<b>Total</b>	<b>74,68,595</b>	<b>578</b>	<b>204</b>	<b>24,53,800</b>	<b>294</b>	<b>36,36,315</b>	<b>61</b>	<b>10,19,200</b>	<b>19</b>	<b>3,59,280</b>

## APPENDIX -XXXVIII

(Refer paragraph 6.10; page 196)

## Details of unfruitful expenditure on unsuccessful plantation works executed under Desert Development Programme of DRDA, Bikaner by the Divisional Forest Officer, Bikaner

Name of work and Site	Year	Area	Number of plants	Number of survived plants	Survival of plants in terms of percentage		Expenditure on total plantation	Proportionate expenditure on failure plantation	
					Survived	Failed			
Road side Plantation	Bikaner - Dungargarh	1993-94	50 R.Km	10000	3500	35	65	8.85	5.75
Road side Plantation	Gajner- Darbari	1994	15 R.Km	4950	1800	36	64	3.12	2.00
Water Point	Beechwal	1994-95	150 hectare	87000	30000	34	66	12.88	8.50
Rural Fuel Plantation	Beechwal(G)	1993-94	25 hectare	27500	8000	29	71	5.11	3.63
Rural Fuel Plantation	Surra (A)	1993	25 hectare	27500	8000	29	71	5.56	3.95
Rural Fuel Plantation	Surra (B)	1993	50 hectare	55000	20000	36	63	11.42	7.19
Wastelands plantation	Dholera	1995-96	80 hectare	80000	13820	17	83	4.83	4.01
Wastelands plantation	Ridmulsar	1995	75 hectare	82500	15000	18	82	8.03	6.58
Wastelands plantation	Gaadwala	1995	75 hectare	82500	18000	22	78	6.84	5.34
<b>TOTAL</b>								<b>66.64</b>	<b>46.95</b>

R.Km =Running Kilometre



## APPENDIX-XXXIX

### Glossary of Abbreviations

AC	:	Abstract Contingent
ACE	:	Additional Chief Engineer
ADC	:	Area Development Commissioner
Addl. DMHS (FW)	:	Additional Director, Medical and Health Services (Family Welfare)
ADP	:	Agricultural Development Project
AG (A&E)	:	Accountant General (Accounts and Entitlement)
AG	:	Accountant General
AGAK	:	Apna Gaon Apna Kam
ANM	:	Auxiliary Nurse Mid-wife
AVS	:	Avas Vikas Sansthan
APR	:	Annual Progress Report
BADP	:	Border Area Development Programme
BC	:	Benefit Cost
BCG	:	Bacillus Calmette Guerine
BCR	:	Balance from Current Revenues
BFC	:	Budget Finalisation Committee
BIDA	:	Bhiwadi Industrial Development Authority
BOD	:	Biochemical Oxygen Demand
BPL	:	Below Poverty Line
BSR	:	Basic Schedule of Rates
CA	:	Chartered Accountant
CAD	:	Command Area Development
CAO	:	Chief Accounts Officer
CBF	:	Cattle Breeding Farm
CBR	:	Crude Birth Rate
CCA	:	Culturable Command Area
CCF	:	Chief Conservator of Forests
CDR	:	Crude Death Rate
CE	:	Chief Engineer
CET	:	Communication, Extension and Training
CETP	:	Common Effluent Treatment Plant
CF	:	Conservator of Forests
CHC	:	Community Health Centre
CMHO	:	Chief Medical and Health Officer
CNAA	:	Community Needs Assessment Approach
CNS	:	Cohesive Non-Swelling
COD	:	Chemical Oxygen Demand
CPCB	:	Central Pollution Control Board

CPR	:	Couple Protection Rate
CRF	:	Calamity Relief Fund
CRS	:	Corrosion Resistant Steel
CSPO	:	Central Stores Purchase Organisation
CSS	:	Centrally Sponsored Scheme
CSSM	:	Child Survival and Safe Motherhood
CWPRS	:	Central Water and Power Research Station
DC	:	Detailed Contingent
DCF	:	Deputy Conservator of Forests
DCWLW	:	Deputy Chief Wild Life Warden
DDO	:	Drawing and Disbursing Officer
DEO	:	District Education Officer
DFO	:	Divisional Forest Officer
DGS&D	:	Director General of Supplies and Disposals
DIC	:	District Industries Centre
DIET	:	District Institute of Education and Training
DLB	:	Director, Local Bodies
DMHS	:	Director, Medical and Health Services
DPT	:	Diphtheria Pertusis Tetanus
DO	:	Dissolved Oxygen
DRDA	:	District Rural Development Agency
DWCRA	:	Development of Women and Children in Rural Areas
DWCUA	:	Development of Women and Child in Urban Areas
DWDA	:	District Women Development Agency
Dy. CMHO(FW)	:	Deputy Chief Medical and Health Officer (Family Welfare)
EAS	:	Employment Assurance Scheme
EE	:	Executive Engineer
EEO	:	Education Extension Officer
EL	:	Earthen Level
ELA	:	Expected Level of Achievement
EPF	:	Employees Provident Fund
FDRs	:	Fixed Deposit Receipts
FD	:	Fiscal Deficit
FDP	:	Forestry Development Project
FIR	:	First Information Report
FVC	:	Fully Vouched Contingent
FW	:	Family Welfare
FWP	:	Fuel Wood Plantation
GCA	:	Gross Command Area
GF&AR	:	General Financial and Accounts Rules
GOI	:	Government of India
GSDP	:	Gross State Domestic Product



HBA	:	House Building Advance
HFL	:	High Flood Levels
HRA	:	House Rent Allowance
HUDCO	:	Housing and Urban Development Corporation
HVAC	:	Heating, Ventilation and Air Conditioning
ICDS	:	Integrated Child Development Society
ID&R	:	Investigation, Design and Research
IEC	:	Information, Education and Communication
IGNP	:	Indira Gandhi Nahar Pariyojana
IMEC	:	Inter Ministerial Empowered Committee
IMR	:	Infant Mortality Rate
IRs	:	Inspection Reports
IUD	:	Intra Uterine Device
JRY	:	Jawahar Rojgar Yojana
KSPS	:	Khand Stariya Prabandhan Samiti
LHV	:	Lady Health Visitors
LJP	:	Lok Jumbish Parishad
LMC	:	Left Main Canal
LS	:	Lateral Sewer
LTC	:	Leave Travel Concession
M	:	Metre
Mg/l	:	Milligram per litre
MLA	:	Member of Legislative Assembly
MMR	:	Maternal Mortality Rate
MP	:	Member of Parliament
MT	:	Metric Tonne
NABARD	:	National Bank for Agriculture and Rural Development
NEERI	:	National Environment Engineering Research Institute
NGO	:	Non-Government Organisation
NHP	:	National Health Policy
NIC	:	National Informatics Centre
NPE	:	National Policy on Education
NRCD	:	National River Conservation Directorate
NRCP	:	National River Conservation Project
NRR	:	Net Reproductive Rate of unity
NRY	:	Nehru Rojgar Yojana
OBB	:	Operation Black Board
OBC	:	Other Backward Classes
OECF	:	Overseas Economic Cooperation Fund
OPV	:	Oral Polio Vaccine

P&M	:	Plant and Machinery
PCCF	:	Principal Chief Conservator of Forests
PD	:	Personal Deposit
PDR	:	Public Demand Recovery
PF	:	Provident Fund
PG	:	Performance Guarantee
PHC	:	Primary Health Centre
PHED	:	Public Health Engineering Department
PMIUPEP	:	Prime Minister's Integrated Urban Poverty Eradication Programme
PMRY	:	Prime Minister's Rojgar Yojana
PO	:	Project Officer
POL	:	Petrol, Oil and Lubricant
PPCs	:	Post Partum Centres
PPM	:	Parts Per Million
PSL	:	Priced Store Ledger
PWD	:	Public Works Department
PWF&AR	:	Public Works Financial and Accounts Rules
RBH	:	Reforestation of Barren Hills
RBI	:	Reserve Bank of India
RCC	:	Re-inforced Cement Concrete
RCH	:	Reproductive and Child Health
RCHO	:	Reproduction and Child Health Officer
RCV	:	Resident Community Volunteer
RD	:	Revenue Deficit
RDF	:	Rehabilitation of Degraded Forest
RFWC	:	Rural Family Welfare Centre
RIICO	:	Rajasthan State Industrial Development and Investment Corporation Limited
RINL	:	Rashtriya Ispat Nigam Limited
RMC	:	Right Main Canal
RPL	:	Reserve Pasture Land
RREIS	:	Rajasthan Residential Educational Institutions Society
RSBCC	:	Rajasthan State Bridge and Construction Corporation Limited
RSEB	:	Rajasthan State Electricity Board
RSL	:	Reserve Stock Limit
RTI	:	Reproductive Tract Infection
RWSSMB	:	Rajasthan Water Supply and Sewerage Management Board
SAIL	:	Steel Authority of India Limited
SBF	:	Sheep Breeding Farm
SC	:	Scheduled Caste
SD	:	Security Deposit
SE	:	Superintending Engineer



SHC	:	Sub-Health Centre
SIDA	:	Swedish International Development Agency
SIERT	:	State Institute of Educational Research and Training
SJSRY	:	Swarn Jayanti Shahari Rojgar Yojana
SLAC	:	State Level Advisory Committee
SPP	:	Silvi Pastoral Plantation
SS	:	Saraswati Shala
SSN	:	Social Safety Net
SSP	:	Sahaj Shiksha Programme
ST	:	Scheduled Tribe
STD	:	Sexually Transmitted Diseases
SUME	:	Scheme of Urban Micro Enterprises
TAC	:	Technical Advisory Committee
TAD	:	Tribal Area Development
TC	:	Total Coliforms
TDS	:	Total Dissolved Solids
TFC	:	Tenth Finance Commission
TFR	:	Total Fertility Rate
TISCO	:	Tata Iron and Steel Company Limited
TO	:	Treasury Officer
TTPW	:	Tetanus Toxides Pregnant Women
UC	:	Utilisation Certificates
UFWC	:	United Family Welfare Centre
UK	:	United Kingdom
ULB	:	Urban Local Bodies
UPS	:	Upper Primary School
USIC	:	University Science Instrumentation Centre
UWSS	:	Urban Water Supply Scheme
VFPMC	:	Village Forest Protection and Management Committee
VIHAAN	:	Society for Child Development and Education in Rajasthan
WAPCOS	:	Water and Power Consultancy Services (India) Limited
WMA	:	Ways and Means Advances