

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

FOR THE YEAR ENDED 31 MARCH 1991

NO. 3

(CIVIL)

GOVERNMENT OF WEST BENGAL

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PREFATORY REMARKS

This Report of the Comptroller and Auditor General of India for the year ended 31st March 1991—Government of West Bengal (Civil) has been prepared for submission to the Governor under Article 151 of the Constitution. It relates mainly to matters arising from the Appropriation Accounts of the Government of West Bengal for 1990-91 together with other points arising from audit of financial transactions of the Departments of the Government of West Bengal.

2. Certain points of interest arising from the Finance Accounts for the year 1990-91 are included in Chapter I of this Report.

3. The Report relating to points arising from audit of autonomous bodies and authorities is presented separately.

4. The Report containing the observations of Audit on statutory corporations including the West Bengal State Electricity Board and Government Companies and the Report containing the observations of Audit on Revenue Receipts are also presented separately.

5. The cases mentioned in this Report are among those which came to notice of Audit in the course of test audit of the Accounts during the year 1990-91 as well as those which came to notice in the earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 1990-91 have also been included wherever considered necessary.

OVERVIEW

OVERVIEW

This Report includes two chapters on the state of finances and the Appropriation Accounts of the Government of West Bengal for the year 1990-91 and four other chapters, comprising 6 reviews and 67 paragraphs, dealing with the results of audit of certain selected programmes and schemes, and of the financial transactions of Government and its commercial and trading activities. A synopsis of the findings contained in the audit reviews and the more important paragraphs is presented in this Overview.

1. Review of the State's finances

The revenue receipts of the State Government had increased in absolute terms from Rs 2,510 crores in 1986-87 to Rs 4,109 crores (64 *per cent*) in 1990-91. While the annual growth in receipts during this period ranged from 5 *per cent* during 1989-90 to 18 *per cent* in 1990-91.

Receipts from tax revenues raised by the State Government had increased progressively during 1986-91 from Rs 1,219 crores to Rs 2,134 crores, the annual growth in relation to 1989-90 being 10 *per cent*. While realisations from tax revenue conformed, more or less, to the expectations in the budget, the growth rates during 1989-91 were, however, significantly lower than in the preceding two years.

On the other hand, though non-tax revenues registered a negative growth (11 *per cent*) during 1986-87 in relation to 1985-86, the growth thereafter was not very high, ranging from 3 *per cent* to 12 *per cent*; the growth rate of 3 *per cent* during 1990-91 was also the lowest during the five-year period from 1986-87 to 1990-91. Realisations from non-tax revenues during 1990-91 was also less than the budgetary projections to the extent of about Rs 25 crores, the shortfall being due mainly to lower realisations under Medical and Public Health (Rs 9.98 crores), Dairy Development (Rs 8.40 crores), and Forestry and wild life (Rs 5.47 crores).

The State also had to depend, to a large extent, on grants-in-aid from the Central Government and its share of Union Taxes and Duties. These constituted 17 *per cent* (Rs 712 crores) and 26 *per cent* (Rs 1,044 crores) respectively of the revenue receipts during 1990-91, while tax and non-tax revenues were 52 *per cent* and 5 *per cent*

The abbreviations used in this Report have been listed in the Glossary in Appendix 19 (Page 255).

respectively. The State's share of Union Taxes and Duties had been progressively on the increase from Rs 678 crores in 1986-87 to Rs 1,044 crores in 1990-91. Grants-in-aid from the Central Government had also increased from Rs 447 crores in 1986-87 to Rs 712 crores in 1990-91, the increase over the preceding year (1989-90) being of the order of 87 *per cent*.

Notwithstanding the growth in revenue receipts, both from internal and external sources, the resource gap had widened from year to year, and the accounts of the State closed with a revenue deficit in all the five years during 1986-91; the deficit on Revenue Account increased from Rs 187 crores in 1986-87 to Rs 1,019 crores in 1990-91. This was attributable to the fact that, whereas the revenue receipts had grown by 64 *per cent* during 1986-91, the revenue expenditure had, however, increased by as much as 90 *per cent* from Rs 2,697 crores (Plan: Rs 417 crores; Non-Plan: Rs 2,280 crores) in 1986-87 to Rs 5,128 crores (Plan: Rs 552 crores; Non-Plan: Rs 4,576 crores) in 1990-91. Consequently, the revenue deficit had grown by 445 *per cent* at the end of 1990-91 in relation to 1986-87.

The revenue deficit during 1990-91 was, however, lower than the budgeted deficit of Rs 1,439 crores (receipts: Rs 4,177 crores; expenditure: Rs 5,616 crores).

Notwithstanding the substantial growth in revenue expenditure during the five-year period, the plan component thereof had remained stagnant around 16 *per cent* during 1986-90 and had, in fact, dropped to only 11 *per cent* in 1990-91. Whereas the total revenue expenditure had increased by 29 *per cent* during 1990-91 in relation to 1989-90, non-plan revenue expenditure, however, increased to the extent of 37 *per cent*, the overall growth during 1990-91 in relation to 1986-87 being of the order of 101 *per cent*. The higher growth of non-plan expenditure was due mainly to the increased interest burden on a growing debt (Rs 97 crores), larger expenditure on education (Rs 420.16 crores), and increase in pensionary liabilities (Rs 17.21 crores). The growth in non-plan expenditure also registered a sharp increase in the Land Revenue (165 *per cent*), Rural Employment (100 *per cent*), Urban Development (75 *per cent*), Education (48 *per cent*), and Police (43 *per cent*) sectors.

The State Government had been resorting increasingly to borrowings in order to meet the growing demands of expenditure and to bridge the resource gap. By the end of 1990-91, the internal debt had increased by Rs 611 crores (107 *per cent*) to Rs 1,182 crores from Rs 571 crores at the end of 1986-87. After taking into account the increase of Rs 2,111 crores (54 *per cent*) in Loans and Advances from

the Central Government, and of Rs 391 crores (139 *per cent*) in other liabilities, the total liabilities of the State Government (Rs 7,893 crores) had increased by 65 *per cent* in relation to 1986-87 (Rs 4,780 crores). While the assets of the State Government had grown by 47 *per cent* during the period, the liabilities had grown by 71 *per cent*.

The debt burden had resulted in an increase in the interest liability of the State Government as well, and the outflow of funds on this account had increased by 88 *per cent* from Rs 333 crores in 1986-87 to Rs 627 crores in 1990-91. The repayments of principal and interest totalling Rs 682 crores during 1990-91 represented 61 *per cent* of the loans and advances received by the State Government during the year.

Government's investments in Statutory Corporations, Government Companies and Joint Stock Companies increased from Rs 231 crores at the end of 1986-87 to Rs 706 crores at the end of 1990-91. Dividend of Rs 0.28 crore only was, however, received during 1990-91, the return on the investments (0.04 *per cent*) being substantially lower than the rate of interest payable by Government on its borrowings.

Guarantees outstanding in 1991 aggregated to Rs 1,854 crores, representing an increase of 65 *per cent* in relation to 1987. Up to the year 1990-91, the guarantee was invoked only in one case in 1987-88, the sum involved being Rs 1.35 lakhs.

Of the 57 Government Companies (including 13 subsidiaries) in the State as on March 31, 1991, only 10 Companies (including 4 subsidiaries) had finalised their annual accounts for the year 1990-91. Of these, 5 Companies earned profits of Rs 3.34 crores during 1990-91, while the losses incurred by the remaining 5 Companies aggregated to Rs 21.09 crores. The accounts of 47 Companies (including 9 subsidiaries) being in arrears for periods ranging from one to eight years, the productivity of the investment of Rs 2,303 crores by the State Government and others could not be vouchsafed. On the basis of the latest available accounts, the accumulated losses of 38 Companies totalled Rs 434 crores, while the remaining 9 Companies earned profits aggregating to Rs 33 crores. The cumulative loss (Rs 320 crores) sustained by 18 Companies had far exceeded their paid-up capital of Rs 52 crores.

The net loans and advances disbursed by the State Government during the five-year period from 1986-87 to 1990-91 ranged between 27 *per cent* and 87 *per cent* of the net receipts of the State Government from longterm borrowings. During 1990-91, interest of Rs 13.83 crores was received in respect of such loans and advances.

The total amount overdue for recovery against loans, the detailed accounts of which are maintained by the Principal Accountant General (A & E), West Bengal, was Rs 320.14 crores (principal: Rs 179.46 crores; interest: Rs 140.68 crores). Information in regard to recoveries of loans in arrears, the detailed accounts of which are maintained by Departmental officers, was not furnished as of January 1992.

Ways and Means Advances of Rs 202.70 crores and Overdrafts of Rs 5.33 crores were availed of by the State Government during 1990-91, on which interest totalling Rs 0.24 crore was paid.

[Paragraphs 1.1 to 1.15]

2. Appropriation Audit and control over expenditure

The supplementary provision of Rs 420.54 crores obtained during the year 1990-91 constituted 5.7 *per cent* of the original budget provision of Rs 7,374.06 crores, as against 7.3 *per cent* in 1989-90. The net saving of Rs 1,333.48 crores was the result of saving of Rs 1,412.80 crores in 88 voted grants and 30 charged appropriations, partly offset by an overall excess expenditure totalling Rs 79.32 crores in 9 voted grants and 4 charged appropriations, requiring regularisation under Article 205 of the Constitution of India.

Supplementary provision of Rs 10 lakhs and above in each case aggregating to Rs 118.43 crores obtained in 25 cases during the year proved wholly unnecessary in the context of the final saving in each of these cases being more than such supplementary provision. On the other hand, the supplementary provision of Rs 19.21 crores proved insufficient in 5 other cases by more than Rs 10 lakhs in each case, leaving an aggregate uncovered expenditure of Rs 56.03 crores. In 13 cases, supplementary grants aggregating to Rs 280.66 crores were obtained when the additional requirements of funds were Rs 191.09 crores only, the saving in each case being in excess of Rs 10 lakhs. In 4 other cases, no supplementary provision was obtained though the expenditure exceeded the original provision, leaving an uncovered excess of Rs 23.22 crores.

Savings in excess of Rupees one crore in each case occurred in 55 Grants and Appropriations, such savings in relation to the budget provisions ranging between 11 *per cent* and 100 *per cent*. In 4 grants, the expenditure exceeded the approved provision by more than Rs 25 lakhs and also by more than 10 *per cent* of the total provision, such excess ranging between 21 *per cent* and 59 *per cent*.

Substantial savings, of Rs 1 crore and above in each case, occurred in 59 cases on account of either non-implementation or slow

implementation of plan schemes. Persistent savings, ranging from 13 *per cent* to 84 *per cent*, occurred in 12 grants and appropriations, while persistent excess, ranging from 47 *per cent* to 59 *per cent*, was observed in one grant during 1988-91.

As against recoveries totalling Rs 283.52 crores (Revenue: Rs 70.93 crores; Capital: Rs 212.59 crores) anticipated during the year, actual recoveries were Rs 225.03 crores (Revenue: Rs 95.78 crores; Capital: Rs 129.25 crores).

Adequate steps were not taken to ensure the reconciliation of, in all respects, of the departmental expenditure with that booked by the Accountant General before the closure of the year's accounts. Of the 170 Controlling Officers, 60 Officers had not taken up the reconciliation at all for 1990-91, while it was not done for varying periods of less than 12 months by 45 Controlling Officers.

[Paragraph 2]

3. Teesta Barrage Project

With a view to harnessing the Teesta River for Irrigation and Power Generation in a phased manner, the State Government prepared a project report in 1964 for the irrigation of 9.22 lakh hectares in the first phase, construction of a dam for hydel generation in the second and linking the Brahmaputra and Ganga rivers in the third phase. The first phase of the Project was divided into three stages, each stage consisting of different sub-stages. An estimate (Rs 69.72 crores) prepared in November 1973 in respect of the first of the three sub-stages of Stage-1, involving the construction of three barrages across the Teesta, Mahananda and Dauk rivers, three main canals and a link canal along with the related distributaries, minors, water courses, etc. to irrigate 3.03 lakh hectares (revised subsequently to 3.42 lakh hectares) of land, was approved by the Planning Commission in May 1975, and implementation of the first sub-stage commenced in 1976. Though it was to be completed by the year 1987, the first sub-stage was still under implementation as of January 1991.

The Project Authorities had reported that expenditure aggregating to Rs 320.14 crores was incurred as of March 1990, whereas expenditure of Rs 232.88 crores only had been booked in accounts. The discrepancy, attributed to the non-adjustment of suspense accounts, had not been reconciled.

The overall physical progress as of December 1990 was 48 *per cent* only. Delays in preparation of plans and designs, non-acquisition of forest land, etc., resulted in the non-completion of the distributaries, minors and water courses. Consequently, apart from a

token release of water through an incomplete distributary to irrigate 0.07 lakh hectares, no part of the command area of 3.42 lakh hectares to be covered in the first sub-stage was brought under irrigation as of March 1991. Works, involving expenditure of Rs 79.16 crores, were also executed in non-priority zones in distant parts of the command area. Had these been executed instead in the priority zones, more immediate benefits might have occurred and the investment been more productive.

The cost estimates (Rs 69.72 crores) prepared in November 1973 were revised four times in 1980 (Rs 213.72 crores), 1985 (Rs 425.54 crores), 1987 (Rs 510 crores) and September 1990 (Rs 695 crores), the cost overrun in relation to the original estimates being of the order of 897 *per cent*. This was attributable, among other reasons, to the combined effect of escalation in prices during the intervening period (431 *per cent*), omissions (156 *per cent*), changes in scope and design (144 *per cent*) and underestimation (56 *per cent*). That omissions and underestimation accounted for an overrun of 228 *per cent* and that the scope of the Project had to be changed periodically appeared to indicate that the original estimates were not prepared carefully. Following the substantial increase in the Project Cost, the cost-benefit ratio also decreased from 1:3.3 originally estimated to 1:2.47.

Test-check of the records by Audit also revealed, among others, the following:

****Failure to enforce a specific clause in 3 contracts in regard to restriction of payments for dewatering and to include a similar condition uniformly in 4 other contracts necessitated additional payments aggregating to Rs 4.07 crores.** Following the consideration of one of these cases by an advisory committee, an amount of Rs 49.57 lakhs only was determined as payable to the contractor as against the actual payment of Rs 166.12 lakhs. Government had, therefore, ordered the recovery of the excess payments on this account from all the 7 contractors. While the overpayment of Rs 1.17 crores in the particular case referred to the committee was not recovered as of February 1991, the remaining 6 cases were also not referred to the committee to enable the determination of the overpayments involved and their recovery.

****Incorrect estimation of the quantities involved in earthwork in the foundation of the Teesta Barrage and of the requirements of steel works resulted in an avoidable additional liability of Rs 89.21 lakhs.**

****Failure to scrutinise carefully the drawings and designs submitted by a contractor for the construction of the Mahananda**

Aqueduct led to the execution of the work on the basis of a defective design, necessitating the construction of additional structures. This involved an avoidable additional liability of Rs 80.26 lakhs.

****More expensive mechanical compaction of the earthen embankment was resorted to in certain reaches of the Teesta-Mahananda Link Canal, when natural compaction would have sufficed, involving an avoidable expenditure of Rs 43.58 lakhs on such compaction.**

[Paragraph 4.5]

4. Greater Calcutta Milk Supply Scheme

The Greater Calcutta Milk Supply Scheme, a departmentally-managed commercial enterprise, comprises two dairies (Central Dairy at Belgachia in North Calcutta and Haringhata Dairy in Nadia District), which function also as centres for the collection of raw milk, and 9 milk collection-cum-chilling centres in the rural areas around Greater Calcutta. The Central Dairy also received raw milk from the Ganganagar Cattle Re-settlement Centre, North 24-Parganas, and the Government Milk Supply Scheme at Nagpur (Maharashtra).

The annual accounts of the scheme had been finalised only up to the year 1985-86, and its accumulated losses till then were Rs 120.16 crores, as against Rs 79.78 crores at the beginning of 1984-85. According to provisional estimates, the accumulated loss at the end of 1989-90 was expected to be of the order of Rs 195.49 crores, representing 90 *per cent* of the cumulative capital outlay of Rs 217.22 crores till then.

The adverse financial results were attributable mainly to the progressive decline in the collection of raw milk, resulting in the underutilisation of the capacity of the chilling and processing plants leading to increased cost of production. Procurement of raw milk by the collection centres of the Central Dairy and the Haringhata Dairy declined from 231.22 lakh kg. in 1984-85 to only 74.88 lakh kg. in 1989-90. This was primarily due to (a) discontinuance of supplies by the Government Milk Scheme, Nagpur, from June 1987 following disputes over settlement of claims, (b) decline in the cattle population and milk yield in the Haringhata Milk Colony, and (c) unremunerative prices of raw milk resulting in its diversion to the open market where prices were higher.

The decline in procurement had an inevitable adverse impact on the utilisation of the chilling plants; capacity utilisation ranged from only 5 to 28 *per cent* in the Central Dairy Zone and from 8 to

19 *per cent* in the Haringhata Dairy Zone. The low utilisation of the installed capacity resulted in uneconomic expenditure on the maintenance of common facilities and on establishment.

The non-availability of raw milk in sufficient quantities also led to the processing capacity of the dairies not being utilised fully, the plants being operated only for one shift. This also led to increased dependence on reconstituted milk, the use of which increased from 69 *per cent* of the total milk processed in 1984-85 to as high as 89 *per cent* in 1989-90. The capacity of the sachet packing plants was also underutilised during 1987-90 to the extent of 47 to 67 *per cent* of the installed capacity.

In the circumstances, against the daily demand of 10.5 lakh litres of milk in the Greater Calcutta area estimated by Government in 1984, the Scheme was able to supply only 1.81 lakh litres on an average, representing 17 *per cent* of the effective demand.

Following the progressive decline in the functioning and performance of the captive Milk Colony established in the Haringhata Dairy, the investments aggregating to Rs 1.53 crores in the Milk Colony failed to yield the desired results.

On account of break-down of the processing machinery at the final stage and improper homogenisation, the fat and solid not fat contents in the processed milk supplied to consumers during 1987-90 were lower than the norms to the extent of 2.19 lakh kilograms and 6.88 lakh kilograms respectively totally valued at Rs. 3.03 crores.

During 1984-90, 99.78 lakh litres of milk valued at Rs 3.65 crores were returned from which milk and cream valued at Rs 1.67 crores only could be retrieved, the balance milk valued at Rs 1.98 crores being rejected. The value of 9.01 lakh litres of standard milk lost during 1985-90 due to breakage of bottles and leakage of polypack pouches was Rs 27.41 lakhs.

[Paragraph 6.3]

5. Command Area Development Programme

The Command Area Development Programme (CADP) was launched as a Centrally sponsored scheme from 1974-75 to ensure better and more efficient utilisation of the irrigation potential for optimising agricultural production. The command areas of the Damodar Valley, Kangshabati, Mayurakshi and Teesta Barrage Projects, covering 12 of the 16 districts in the State, were selected in West Bengal for implementing the Programme. The Programme was, however, yet to commence in the command area of the Teesta Barrage Project spread over 5 of the 12 Districts.

The Programme envisaged the construction of field channels and drains, levelling and shaping of land, selection and introduction of cropping patterns and implementation of *warabandi* for rotational supply of water to the beneficiaries. Provision of agricultural extension services, construction of markets and godowns, and development of ground water for conjunctive use were also envisaged under the programme.

The expenditure of Rs 13.55 crores incurred on the Programme during 1985-91 constituted 68 *per cent* of the provision of Rs 19.88 crores. Expenditure at the end of 1989-90 on four of the components of the Programme was more than the Central assistance to the extent of Rs 26.61 lakhs, while the assistance exceeded the expenditure on four other components by Rs 35.41 lakhs. Expenditure incurred by the three Command Area Development Authorities (DVCADA, KCADA and MCADA) on establishment exceeded the prescribed norms to the extent of Rs 83.58 lakhs.

The results of aerial surveys undertaken during 1985-91 were not utilised in planning development of the command areas from the designated outlets. Though soil surveys were conducted by the three CADAs during this period at a cost of Rs 77.59 lakhs, their results could not be transferred to the field for the adoption of appropriate measures.

Between 1985 and 1991, 68 of the 418 sanctioned schemes for the construction of field channels were not taken up at all. Review of 341 schemes revealed that 175 of these schemes were not completed as of March 1991, of which 44 schemes were abandoned after partial execution; the delay in the completion of the remaining 131 schemes ranged from one year to six years. On account of the non-completion of the field channels, only 14.33 thousand hectares could be covered by irrigation against the targeted coverage of 26.97 thousand hectares. At the current rate of progress, about 90 years would be required to saturate these command areas with field channels. The extent to which the gap between the irrigation potential created and that utilised was bridged was not substantial.

[Paragraph 3.4]

6. Technology Mission on Oilseeds

The Technology Mission on Oilseeds (TMO) was launched by the Government of India in May 1986 with the objective of increasing production of oilseeds and reducing thereby imports of edible oils to the extent of 50 *per cent* at the end of the Seventh Plan and achieving self-reliance ultimately during the 8th Plan period. While crop

production technologies were to be evolved under the All India Coordinated Research Project on Oilseeds (AICORPO), production of oilseeds and edible oils were sought to be increased under the Centrally sponsored National Oilseeds Development Project (NODP) and the Oilseeds Production Thrust Project (OPTP) and under the Development of Oilseeds Production (DOSP) Scheme implemented in the State sector. Other schemes implemented under the Technology Mission for the development of oilseeds were Assistance to Small and Marginal Farmers through Minikits (ASMFM), Diversification of rainfed/low irrigated area with wheat and rape-mustard (DWRM), Popularisation of Summer groundnut in non-traditional areas (PGNT).

Central assistance for the NODP during 1986-89 exceeded the amount admissible by Rs 49.02 lakhs, while the assistance for the OPTP was less to the extent of Rs 9.30 lakhs. Actual expenditure on the two Projects was Rs 160.38 lakhs against the approved outlay of Rs 198.78 lakhs. While utilisation certificates in respect of assistance of Rs 28.58 lakhs were not submitted to the National Oilseeds and Vegetable Oils Development Board, certificates for a sum of Rs 21.50 lakhs were not accompanied by details of expenditure.

The West Bengal State Seeds Corporation could meet only 11 *per cent* of the requirements of rapeseed-mustard, 9 *per cent* of sesamum and 34 *per cent* of groundnut seeds.

Results obtained from the use of 3,866 input kits in farmers' plots in the four districts test-checked revealed that the yields were lower than the expected levels to the extent of 6 *per cent* to as high as 89 *per cent*. Demonstrations of improved technologies of cultivation were organised under the NODP in the four districts test-checked at a total cost of Rs 48.03 lakhs in 6,290 hectares of rapeseed-mustard, sesamum and groundnut. The per hectare yield of oilseeds from these plots were, however, substantially lower than the expected yields due to paucity of quality seeds, late sowing, non-adherence to recommended norms and practices, etc.

The area covered by demonstrations under the OPTP were lower than the target to the extent of 61 *per cent* (4,000 hectares) due to delay in sanction of funds, non-availability of quality seeds, and inadequacy of the assistance. Because of delayed sowing of seeds, the average production of rapeseed-mustard and groundnut in 640 hectares of demonstration plots in the four districts test-checked was lower than the expected yields by 15 *per cent* to 60 *per cent*.

In the four districts test-checked, 17,726 demonstrations were organised under the DOSP at a cost of Rs 34 lakhs. While the results of 6,796 demonstrations were not assessed, crops in 752 plots were

reported to have been damaged. Productivity of oilseeds in 3,711 demonstrations undertaken at a cost of Rs 6.02 lakhs was less than the levels expected.

Notwithstanding the allotment of Rs 12.43 lakhs for the purpose, stocking and prepositioning of seeds and chemicals, opening of retail outlets for seeds and creation of mobile squads for surveillance of pest attacks were not taken up in the four districts. Research activities undertaken under an existing scheme at a cost of Rs 14.63 lakhs did not fully result in achieving the targeted increase in yields, reduction in crop duration and increase in oil content.

[Paragraph 3.1]

7. Technology Mission on Immunization

The Universal Immunization Programme (UIP) was launched in the State in 1985-86 for the universal immunization of children and pregnant women and to bring about improvements in the quality of services already being provided since 1978 under the Expanded Programme on Immunization. This was declared a Technology Mission in 1986 to provide a sense of urgency and commitment to the achievement of the goals by 1990.

The objective of the Programme was to reduce morbidity and infant mortality through universal immunization against six vaccine preventable diseases (Diphtheria, Pertussis, Tetanus, Measles, Tuberculosis, and Poliomyelitis). It aimed at the reduction in neonatal tetanus mortality rate to less than one per 1,000 live births and reduction in the incidence of poliomyelitis to less than 0.33 per 1,000 children up to the age of 4 years.

As against allocations totalling Rs. 2.65 crores during 1985-91, Central assistance released by the Government of India was Rs 1.42 crores only; reasons for the release of a lower quantum of assistance was not ascertainable. The total expenditure on the Programme during the period, as reflected in the accounts, was Rs. 2.09 crores.

The prescribed Annual Action Plans for the implementation of various activities were not prepared at the State level during 1985-90; these plans at the district level were prepared after a delay of one to two months in the 6 districts test-checked.

The targets of immunization against the six vaccine preventable diseases were not achieved fully during 1985-89, while the achievements in respect of four vaccines (DPT, Polio, BCG and DT) conformed to the prescribed norms from 1989-90.

The shortfall in ensuring full immunization varied between 27 and 74 *per cent* in the case of infants and between 25 and 44 *per cent*

in the case of pregnant women. Drop-outs from vaccination sessions ranged between 16 and 51 *per cent*, and the expenditure of Rs 39.08 lakhs incurred on their vaccination failed to serve the intended purpose.

In order to ensure the quality and potency of vaccines, five samples of Oral Polio Vaccine (OPV) were to be tested monthly. However, potency tests were not conducted regularly and the prescribed periodicity was not adhered to. The test was conducted during 1989-90 in respect of 195 samples; of these, the potency of 75 samples was not found to be satisfactory. Similarly, of the 265 samples tested during 1990-91, 139 samples were found to be unsatisfactory.

Of the cold chain equipment supplied to the UIP districts, 452 sets valued at Rs 28.72 lakhs were not installed as of July 1991. During 1988-91, 484 voltage stabilisers (cost: Rs 8.23 lakhs) were supplied in excess of requirements.

The vaccination coverage evaluation surveys conducted during 1985-91 were inadequate in as much as only 4 surveys were conducted, 2 each in 1986-87 and 1990-91.

On account of the non-availability of full-time District Immunization Officers and Technical Assistants, control over the implementation of the Programme would not appear to have been effective.

[Paragraph 3.12]

8. Project Tiger

In order to save the species from extinction, the Project Tiger was launched in 1973, initially in the Sunderban Tiger Reserve, with the objective of increasing the tiger population in the Reserve through the protection and preservation of the habitat. The Project was approved by the Government of India in February 1977 as a Centrally sponsored Plan scheme at an estimated cost of Rs 47.45 lakhs. The Project was extended to the Buxa Tiger Reserve in Jalpaiguri Reserve subsequently during 1982-83 at an estimated cost of Rs 133.95 lakhs. The estimates for the implementation of the Project during 1986-95 in the Sundarban Reserve and during 1986-90 in the Buxa Reserve prepared in 1987 and 1989 respectively envisaged outlays of Rs 4.78 crores and Rs 3.16 crores in the two Reserves during the relevant periods. Expenditure totalling Rs 4.89 crores had been incurred in the two Reserves (Sundarban: Rs 3.20 crores; Buxa: Rs. 1.69 crores) up to March 1991.

Funds not having been provided by the State Government for the implementation of the Project in the Buxa Reserve in the initial stages based on the approved pattern of assistance, expenditure up to the year 1985-86 in the Reserve was restricted only to the Central assistance of Rs 27.45 lakhs. Funds provided for the Project in the Sundarban Reserve were also not fully utilised because of poor response from contractors and consequential delays in the selection of agencies for execution of works. Though the pattern of financing was revised from 1986-87, the availability of resources did not improve significantly because the budget allocations were not correspondingly increased.

In the context of a large number of forest offences in the two Reserves, which continued unabated, and of the failure to provide suitable vehicles for the patrolling of the Buxa Reserve, such protective measures as were taken to eliminate human interference in the Reserves would not appear to have been very effective.

Biotic interference in the Buxa Reserve was not entirely eliminated in the Buxa Reserve as of January 1991. The conservation effort was also diluted because of the dual control exercised over the core and buffer zones of the Reserve by the Field Director, Alipurduar, and two Territorial Divisions respectively, whose objectives were in conflict with each other. The core zone was also not buffered adequately on all sides.

No physical or quantitative targets were prescribed for the development of the fringe areas of the Reserves to prevent the exploitation of forest resources by people living in these areas.

Necessary steps to create mass awareness about the objectives of the Project having been taken only from 1986-87, the progress in this regard was not very significant. The research activities envisaged were not undertaken in the Buxa Reserve as of February 1991, such studies as were taken up in the Sundarban Reserve in October 1985 were discontinued in November 1988 in the absence of a Research Officer.

While the schedule prescribed for the census of tigers and prey animals was not adhered to, the techniques adopted for the enumeration of the tiger population in the two Reserves did not appear to be reliable.

Test-check of the records in the two Reserves also revealed instances of (i) avoidable additional expenditure of Rs 18.06 lakhs on construction of and improvements to roads in the Buxa Reserve attributable to time overruns, (ii) irregular engagement of contract labourers involving expenditure of Rs 11.14 lakhs, infructuous

expenditure of Rs 3.95 lakhs on the construction and maintenance of wooden watch towers unsuited to the prevailing climatic conditions in the Sundarban Reserve, etc. Contrary to the Project objective of captive breeding of deer and their liberation in the Reserves to augment the population of prey animals, expenditure of Rs 1.33 lakhs was incurred on the captive breeding, instead, of sea-turtles for ultimate liberation in the sea.

[Paragraph 4.3]

9. National Watershed Development Programme for Rainfed Agriculture

The National Watershed Development Programme for Rainfed Agriculture (NWDPA) was launched by the Government of India in 1986-87 to stabilise agricultural production in rainfed areas by appropriate soil and water management measures. Initially, the development of only one watershed at Radharamanpur in Bankura district undertaken in 1985 under a pilot project was merged with the NWDPA in 1986-87. The development of watersheds in all the districts of West Bengal was approved by the Government of India in 1990-91.

As against budget allocations totalling Rs 39.50 lakhs for the Programme during 1986-90, the State Government sanctioned expenditure of Rs 29.04 lakhs only, of which Rs 15.24 lakhs (52 *per cent*), inclusive of Central assistance of Rs 1.01 lakhs, remained unutilised owing to belated receipt of sanctions. Except in the year 1988-89, bulk of the expenditure, ranging from 80 *per cent* to 86 *per cent*, was incurred only in the month of March.

Whereas the Government of India had released assistance of Rs 2.71 crores for the Programme during 1990-91, an amount of Rs 68.49 lakhs only were sanctioned by the State Government in March 1991.

While 44.40 hectares of culturable waste land was converted to cultivable land during 1986-90, no records were, however, maintained indicating the area actually cultivated and the yields obtained therefrom. Because of belated receipt of funds, significant shortfalls occurred in the achievement of targets relating to the re-excavation of tanks, construction of water channels and outlets in paddy fields, etc.

The irrigation facilities actually derived from the construction of a water storage structure at a cost of Rs 5.13 lakhs in March 1990 to irrigate 32.75 hectares during Kharif and 20.50 hectares in Rabi annually were not measured, as a result of which the extent to which the targets were fulfilled could not be ascertained.

As against the target of demonstrating the capability/potential of the entire watershed by the end of the 7th Plan period, only 49 *per cent* (68.51 hectares) of the cultivable area could be covered by demonstrations. Records containing the results of these demonstrations were also not maintained. Adaptive trials not having been conducted, location-specific technologies were not evolved and the improved cropping patterns could not be transferred to the cultivators.

[Paragraph 3.2]

10. Cash Settlement Suspense Account

In 1967-68, a revised procedure was introduced for the monetary settlement of claims relating to the services rendered or supplies made by one Public Works Division to another, which were till then being settled by book adjustment. It was envisaged that monetary settlement would prevent accumulation of unadjusted balances under the suspense head ("Public Works Remittances—Transfer between Public Works Officers") which was being operated for the accountal and adjustment of such transactions. If the prescribed accounting procedure was properly implemented and strictly adhered to, there should normally be no balance under the head "Cash Settlement Suspense Account".

Review by Audit of the extent to which the revised accounting procedure had prevented accumulation of unadjusted balances revealed, *inter alia*, the following:

******Though the revised system of accounting was introduced in 1967-68, the balances under "Public Works Remittances" were not transferred, and the bulk of the inter-divisional transactions continued to be accounted for only under this head. The balance outstanding under this head of account to the end of 1989-90 was Rs 56.56 crores.

******On account of delays in the settlement of claims, the balance under the suspense head had increased from Rs 134.09 crores at the end of 1986-87 to Rs 187.56 crores at the end of 1989-90.

******An analysis of the outstanding balances (Rs 180.99 crores) in 216 of the 337 Divisions at the end of 1989-90 (while no transactions occurred in 102 Divisions, the account of outstanding balances was awaited from 19 Divisions) revealed that the 9 Centralised Procurement (Resources) Divisions accounted for a balance of Rs 122.40 crores (65 *per cent*), the outstanding balances were in excess of Rs 50 lakhs in 23 of the other than Resources Divisions (Rs 28.41 crores).

****The outstanding balance in the Teesta Barrage Project alone amounted to Rs 53.53 crores up to 1989-90. The accumulation of balances under the suspense head was attributable to delays on the part of the originating Divisions in raising claims and on the part of the responding Divisions in verifying them, defective preparation of claims without proper documentation, reluctance of the Divisions to ensure timely settlement of claims, etc.**

****The continued outstanding balance under the Cash Settlement Account resulted not only in the expenditure not being accounted for under the final heads, but also rendered difficult verification of actual receipt of materials with passage of time, facilitating thereby misappropriations and/or unauthorised and irregular transfers.**

[Paragraph 4.40]

11. Other points of interest

(a) Of the loans aggregating to Rs 19.92 crores availed of by Government during 1981-91 from the General Insurance Corporation for the development and modernisation of the State Fire Services, a sum of Rs 7.55 crores only was utilised as of March 1991 on the purchase of fire engine chassis, fabrication of bodies and installation of fire-fighting equipment. Loans aggregating to Rs 12.37 crores (62 *per cent*) consequently remained unutilised. The interest paid on loans aggregating to Rs 6.55 crores drawn up to the year 1988-89 but remaining unutilised amounted to Rs 2.14 crores. Had the loan drawals been restricted to actual requirements based on a more realistic assessment, the interest liability could have been avoided.

[Paragraph 3.23]

(b) Non-adherence to the financial and treasury rules and procedures governing the maintenance of cash books and other subsidiary records to safeguard against fraud, defalcation, etc., non-maintenance or improper maintenance of cash books for years together and irregularities in their maintenance resulted in the non-accountal of cash aggregating to Rs 201.34 lakhs in the Kurseong Sub-divisional Hospital (Rs 114.42 lakhs), the Office of the District Inspector of Schools (Secondary Education), Darjeeling, (Rs 74.28 lakhs), and the Office of the District Social Welfare Officer, Jalpaiguri, (Rs 12.64 lakhs), and in shortages of cash amounting to Rs 5.51 lakhs in the District Social Welfare Office at Jalpaiguri and in two Sub-divisional Offices and four Block Development Offices in Darjeeling District.

[Paragraphs 3.7, 3.20 and 3.25]

(c) On account of various factors, such as (i) delays in finalising purchase formalities, issue of sanctions by Government and release of government grants, (ii) non-submission of necessary proposals, (iii) non-availability of suitable equipment locally, etc., the Higher Education Department was unable to utilise 74 *per cent* (Rs 2.42 crores) of the grants aggregating to Rs 3.29 crores released by the Government of India between December 1984 and February 1991 for the development and modernisation of laboratories, workshops, etc. in the Bengal Engineering College, Shibpur, aimed at the improvement of technical education, for varying periods ranging from 9 to 82 months.

Further, Central assistance of Rs 24.80 lakhs received by the District Inspector of Schools (Secondary Education), Malda, in June 1989 for implementation of a scheme for the improvement of science education in the secondary schools of the district remained unutilised as of October 1991 and was retained outside Government account in the form of deposit-at-call receipts due to the non-finalisation of the tenders for purchase of equipment and the establishment/strengthening of laboratories received in September 1989. Consequently, the objective of improving science education in the district was not realised.

[Paragraphs 3.10 and 3.11]

(d) Failure of the Housing Department to ensure water supply to 204 flats constructed during 1983-88 at Kanyapur under the Low Income Group Housing Scheme before these were completed—which was indicative of defective planning—resulted in the flats not being offered on rent to the detriment of Government's financial interests. Besides, even after a decision was taken in May 1988 to sell these flats and the sale fructified only after a further delay of nearly 2 years, the flats had not been taken over by the Police Department, which had purchased them.

Similarly, of the 84 Middle Income Group flats constructed in October 1985 at Durgapur for sale to the general public, only 24 flats were sold instead in August 1990 to a company engaged in the modernisation of the Durgapur Steel Plant; this was in pursuance of the decision taken by Government initially in October 1986 to offer these flats, in the first instance, to Government Departments and Undertakings, followed by another decision in March 1990 to offer these to companies engaged in the modernisation of the Steel Plant. These decisions having been arrived at even in the absence of a specific demand, the remaining 60 flats continued to remain unsold and vacant even as of February 1991.

Consequently, the investment of Rs 1.15 crores on the construction of the flats at Kanyapur and a substantial portion of the investment of Rs 62.37 lakhs at Durgapur had been rendered unfruitful; besides avoidable additional expenditure totalling Rs 11.42 lakhs was also incurred on the replacement of stolen shutters, sanitary fixtures and fittings and of doors and windows damaged by white ants, repairs and watch and ward arrangements.

[Paragraph 4.4]

(e) Execution of flood control works (construction of a boulder bed bar, the dumping of porcupine cages in the river from a 60-foot high bank, and construction of an apron by stacking boulders on erodable soil on the high bank when the river was in spate instead of at low water level during the dry season) at the up and down stream ends of the Padma river at Akherigunj in Murshidabad without ensuring the technical feasibility of these measures resulted in bed bar being washed away following erosion and in the investment of Rs 1.20 crores thereon being rendered infructuous.

[Paragraph 4.6]

(f) Failure to ensure the availability of the necessary infrastructure facilities and personnel (dark rooms, power connections, technicians, etc.) prior to the delivery of equipment resulted in the non-installation of 45 of the 54 X-Ray machines purchased by the Health and Family Welfare Department between March 1988 and February 1990 for periods ranging from one year to three years, and in the expenditure of Rs 90.75 lakhs incurred thereon remaining unfruitful. The objective of providing X-Ray facilities in the health units was also not realised.

[Paragraph 3.13]

(g) Purchase of ballot boxes for the 1989 elections to the Lok Sabha on the basis of an assessment made in May 1989 of the requirements of boxes of a lower capacity (17,500 c.c.) then in use, without realistically reassessing these in the light of a subsequent decision of the Election Commission of India to use boxes of a larger capacity (44,000 c.c.), resulted in 13,544 ballot boxes of the larger capacity being purchased in excess of requirements, involving an avoidable additional expenditure of Rs 78.31 lakhs.

[Paragraph 3.21]

(h) A hospital complex constructed at Bhatibari in Jalpaiguri district at a cost of Rs 49.14 lakhs remained largely unutilised because

the in-patient facilities envisaged could not be provided as of September 1991 on account of delays in providing electricity and water supply and in the absence of the necessary personnel. The rural population had consequently been deprived of indoor hospital services for about six years.

[Paragraph 3.14]

(i) Construction, by the Public Health Engineering Department, of quarters in Howrah and Hooghly Districts between 1980 and 1987 for the operating staff of water supply schemes without adequately establishing the demand, and failure of the Department to review the necessity therefor even when some of the quarters constructed initially in the early eighties remained unoccupied, resulted in an investment of Rs 30.20 lakhs remaining idle and unfruitful for periods ranging from four to eleven years.

[Paragraph 4.17]

(j) In the absence of key technical personnel ever since its inception in 1972, the research activities of the Water Management Research Centre, established initially at Kalyani and shifted to Ranaghat in February 1984 on creation of the necessary infrastructure at a total cost of Rs 30.52 lakhs, suffered. On account of 20 of the 24 staff quarters and a 25-bed dormitory remaining unoccupied, and the non-utilisation of a glass house due to certain inherent defects and of equipment, instruments, etc. owing to shortage of technical personnel, expenditure totalling Rs 18.18 lakhs incurred on these facilities and the purchase of equipment and instruments proved unproductive.

[Paragraph 3.3]

(k) Intensive Care Units in the District Hospitals at Jalpaiguri, Purulia and Nadia sanctioned in December 1981 did not start functioning in the absence of the necessary space in the hospitals and inadequacy of funds. Though intensive medical care was consequently not available to patients in these hospitals for over 9 years, personnel appointed against posts specifically sanctioned for these Units were deployed in the General Wards, and the expenditure of Rs 28.02 lakhs incurred on their pay and allowances during 1982-91 did not serve the intended purpose.

[Paragraph 3.15]

(l) Procurement by the Irrigation and Waterways Department of two second-hand dredgers from the Calcutta Port Trust in December 1980 without adequate justification based on a proper assessment of

their utilisation resulted in an unproductive expenditure totalling Rs 26.27 lakhs as of August 1991 on their purchase, special repairs, transportation to the proposed worksite, and their periodical maintenance and upkeep, in addition to depreciation and expenditure on their transportation from the worksite, the financial implications of which would be ascertainable only after they are finally disposed of.

[Paragraph 4.15]

(m) On account of non-availability of additional prints, attributable either to failure to initiate action for processing of the films or to delays in sending the positives to the processing centre, none of the 11 coloured and 7 black and white documentary films on a variety of subjects and themes procured between 1979 and 1990 by the Information and Cultural Affairs Department at a total cost of Rs 25.29 lakhs had been exhibited as of June 1991. Consequently, the expenditure incurred on their procurement was rendered unfruitful for periods ranging from one year to 12 years, and the objective of dissemination of the messages contained in these films—some of which might have also lost their topicality—had not been realised.

[Paragraph 3.22]

(n) Though a training-cum-production centre for mechanical toys established at Chinsura was closed in 1983 because it was not viable commercially and did not also have promotional prospects, 11 personnel on rolls at the time of its closure continued to be retained without any gainful employment, rendering the expenditure of Rs 21.53 lakhs incurred on their pay and allowances from April 1983 to March 1990 unfruitful.

[Paragraph 3.8]

(o) Non-acceptance of the lowest offers received, on invitation of tenders/bids for (i) the construction of a brick-paved road between Kankandighi and Damkal, (ii) the supply and laying of high tension cables in an industrial complex at Geonkhali, and (iii) the construction of a building for the upgradation of the Public Health Centre at Amarkan, within the period of their validity resulted in an avoidable additional liability aggregating to Rs 16.99 lakhs.

[Paragraphs 4.2, 4.18 and 4.29]

(p) Failure to ensure that the 'on account' payments, as prescribed in the Land Acquisition Act, were made immediately after possession of the lands for the Kangsabati Canal was taken between

April 1973 and December 1981, and subsequent delays ranging from 15 months to about 16 years in the finalisation of the relevant awards by the land acquisition authorities resulted in avoidable payment of interest of Rs 15.99 lakhs.

[Paragraph 4.16]

(q) Departmental delays in making available the layout and drawings to the contractors entrusted with the reconstruction of the in-patient blocks of the Jagatballavpur Primary Health Centre and the construction of a building for the Veterinary Field Assistants Training Centre at Midnapur, and in supplying the necessary departmental materials to them resulted in the stipulated execution schedules being affected, leading to avoidable litigation and additional expenditure totalling Rs 15.70 lakhs on account of arbitration and the higher cost involved in completing the balance work.

Similarly, delays in making available the site for the construction of a 120-bed Sub-divisional Hospital at Mekhiligunj, along with the working drawings and materials to a contractor resulted in an avoidable extra expenditure of Rs 5.80 lakhs, besides postponing the provision of hospital facilities in the Sub-division by nearly 5 years in the process.

[Paragraphs 4.25 and 4.31]

(r) Failure to (i) assess the infrastructure works necessary for the construction of fire stations at Balurghat, which was indicative of defective estimation of requirements and to permit the contractor to execute works left incomplete by him at his earlier quoted rates, (ii) assess correctly the quantities involved in different items of work relating to the construction of multi-storeyed buildings near Bidhan Sishu Udyan for Calcutta Police personnel based on proper drawings, and (iii) initially determine the thickness of the walls of a two-storeyed school building in Coochbehar District and defective estimation of quantities resulting in the preparation of an incorrect estimate, resulted in an avoidable additional liability of Rs 14 lakhs.

[Paragraph 4.30]

(s) Continued procurement by the Agriculture (Minor Irrigation) Department, without adequate justification, of PVC pipes and fittings from a firm which had defaulted in adhering to the stipulated delivery schedule, when these could have been obtained instead at lower prices from another firm based on a subsequent tender, resulted in an avoidable additional expenditure of Rs 11.25 lakhs.

[Paragraph 4.1]

(t) Failure to conduct physical verification, non-maintenance of the prescribed records, recording of entries in pencil, etc. in the District Reserve Stores of Medicine in Nadia District resulted in improper accountal of and control over issues, and led to shortages of medicines valued at Rs 11.18 lakhs.

[Paragraph 3.16]

(u) Construction of two RCC cart bridges across the Main Canal of the Jangal Mahal Gravity Irrigation Scheme without adequate justification and establishing their necessity in the context of the fact that no roads or paths led to them resulted in an infructuous expenditure of Rs 10.33 lakhs.

[Paragraph 4.7]

CHAPTER I

REVIEW OF STATE'S FINANCES

1.1 Summarised Financial Position

The financial position of the Government of West Bengal as on March 31, 1991 emerging from the Appropriation Accounts and Finance Accounts for the year ended 31st March 1991, the abstract of Receipts and Disbursements and details of sources and application of funds for the year is indicated in the following statements:

Summarised Financial Position of the Government of West Bengal as on 31st March 1991

Amount as on 31st March 1990	Liabilities	Amount as on 31st March 1991	Amount as on 31st March 1990	Assets	Amount as on 31st March 1991
				(Rupees in crores)	
1,006.76	Internal Debt including Ways and Means Advance (Market Loans, Loans from LIC and Others)	1,182.30	2,830.56	Gross Capital Outlay on fixed assets— Investments in shares of Companies, Corporations, etc. Other Capital Outlay	706.41 2,492.77 <hr/>
	Loans and Advances from Central Government—		2,287.54	Loans and Advances—	
1,888.84	Pre-1984-85 Loans	1,766.14		Loans for Power Project	849.98
2,451.04	Non-Plan Loans	3,282.43		Other Development Loans	1,617.40
761.19	Loans for State Plan Schemes	935.86		Loans to Government Servants	64.71
41.59	Loans for Centrally Sponsored Plan Schemes	49.29			<hr/>
4.43	Loans for Central Plan Schemes	3.91	6,037.63	Other Advances	27.35
				Remittance Balance	350.57
				Suspense	33.73
19.94	Contingency Fund	19.92	1,790.13	Deficit on Government Account—	
443.52	Small Savings	672.83		Accumulated deficit up to 31st March 1990	1,790.13
780.75	Deposits	1,006.54		Add: (i) Deficit of current year	1,018.88
14.74	Reserve Funds	15.74		(ii) Balance dropped proforma and taken under revenue account	1.66
				Less: Misc. Receipts	(-) 0.27
			77.61	Cash—	<hr/>
				Cash in Treasuries and Local remittances	5.94
				Departmental Cash Balance including Permanent Advance	16.38
				Deposits with Reserve Bank of India	9.50
					<hr/>
				Less: Withdrawal from Cash Balance Investment Account	(-) 53.92
					<hr/>
				Earmarked Funds Investment	(-) 22.10
					3.74
					<hr/>
7,412.80		8,934.96	7,412.80		(-)18.36
					<hr/>
					8,934.96

Explanatory notes:

1. The summarised financial statements are based on the statements of Finance Accounts and Appropriation Accounts of the State Government rendered by the Principal Accountant General (Accounts & Entitlement), West Bengal, and are subject to notes and explanations contained therein.

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

3. Prior to March 1974, certain minor items of expenditure of a capital nature were also met out of revenue. Such minor capital expenditure was not reflected in these statements.

4. Though a part of the revenue expenditure met from grants and loans is used for capital formation by the recipients, its classification in Government accounts remains unaffected by end use.

5. The closing cash balance according to the Reserve Bank of India was Rs 13.95 crores (Cr) against the general cash balance of Rs 9.50 crores (Dr) reflected in the accounts. The difference was yet to be reconciled (January 1992).

SECTION A—REVENUE
(Rupees in crores)

4

Receipts		Disbursement			
		Non-Plan	Plan	Total	
I. Revenue Receipts—		I. Revenue Expenditure Sector—			
(i) Tax Revenue	2,133.69	(i) General Services—			
		(a) Interest Payments	626.93	—	626.93
(ii) Non-Tax Revenue—		(b) Others	917.41	1.79	919.20
(a) Interest Receipts, Dividends and Profits	44.93	(ii) Social Services	2,061.11	234.24	2,295.35
(b) Others	174.24	(iii) Agriculture and Allied Activities	232.80	75.99	308.79
(iii) States' share of Union Taxes and Duties	1,044.04	(iv) Rural Development	227.29	139.32	366.61
(iv) Non-Plan Grants	258.27	(v) Special Areas Programme	18.53	40.01	58.54
(v) Grants for State Plan Schemes	131.69	(vi) Irrigation and Flood Control	141.25	24.83	166.08
(vi) Grants for Central and Centrally Sponsored Plan Schemes	322.38	(vii) Energy	30.83	2.32	33.15
II. Revenue Deficit carried over to Section—B	1,018.88	(viii) Industry and Minerals	31.36	29.23	60.59
		(ix) Transport	137.94	1.39	139.33
		(x) Science, Technology and Environment	0.04	—	0.04
		(xi) General Economic Services	25.36	2.54	27.90
		(xii) Grants-in-Aid and Contributions	125.61	—	125.61
	<u>5,128.12</u>		<u>4,576.46</u>	<u>551.66</u>	<u>5,128.12</u>

SECTION B—OTHERS

Receipts	
III. Opening Cash Balance including Permanent Advance and Cash Balance Investment	73.78
IV. Recoveries of Loans and Advances—	
(i) From Government Servants	7.83
(ii) From Others	18.63
V. Public Debt Receipts—	26.46
(i) Internal Debt other than Ways and Means Advance	197.92
(ii) Ways and Means Advance <i>per contra</i>	202.70
(iii) Overdrafts <i>per contra</i>	5.33
(iv) Loans and Advances from Central Government	1,126.80
VI. Recoveries of Advances from Contingency Fund	0.05

	Disbursements			
	Non-Plan	Plan	Total	
II. Capital Outlay Sector—				
(i) General Services	2.95	7.59	10.54	
(ii) Social Services	3.69	57.99	61.68	
(iii) Economic Services—				
(a) Agriculture and Allied Activities	17.92	7.46	25.38	
(b) Rural Development	—	0.97	0.97	
(c) Special Areas Programme	—	0.47	0.47	
(d) Irrigation and Flood Control	—	99.82	99.82	
(e) Energy	—	100.31	100.31	
(f) Industry and Minerals	1.99	23.06	25.05	
(g) Transport	1.26	42.66	43.92	
(h) General Economic Services	0.38	0.10	0.48	
	28.19	340.43	368.62	368.62
III. Loans and Advances Disbursed—				
Sector				
(i) For Power Projects	1.00	53.27	54.27	
(ii) To Government Servants	26.79	—	26.79	
(iii) To Others	102.88	88.74	191.62	
	130.67	142.01	272.68	272.68

SECTION B—OTHERS

Receipts		Disbursements		
		Non-Plan	Plan	Total
VII. Public Accounts Receipts—				
(i) Small Savings and Provident Funds	287.60			1,018.88
(ii) Reserve Funds	2.16			
(iii) Suspense and Miscellaneous	3,252.74			22.38
(iv) Remittances	776.08			202.70
(v) Deposits and Advances	1,995.31			5.33
				236.26
				0.07
IV. Revenue Deficit b/f from Section A				
V. Repayment of Public Debt—				
(i) Internal Debt other than Ways and Means Advances				
(ii) Ways and Means Advances <i>per contra</i>				
(iii) Overdrafts <i>per contra</i>				
(iv) Repayment of Loans and Advances to Central Government				
VI. Advances from Contingency Fund				
VII. Public Accounts Disbursements—				
(i) Small Savings, Provident Funds, etc.				58.29
(ii) Reserve Funds				1.07
(iii) Suspense and Miscellaneous				3,245.30
(iv) Remittances				768.39
(v) Deposits and Advances				1,769.06
Cash Balance at end—				
(i) Cash in Treasuries and Local remittances		5.94		
(ii) Department Cash Balance including Permanent Advance		16.38		
(iii) General Cash Balance (Deposits with Reserve Bank of India)		9.50		
(iv) Cash Balance Investments—withdrawal from		(-) 53.92		(-) 22.10
Total:	<u>7,946.93</u>			<u>7,946.93</u>

Sources and Application of Funds for 1990-91

(Rupees in crores)

Source—

1. Revenue Receipts	..	..	4,109.24
2. Miscellaneous Receipts on Government Accounts	..	..	0.27
3. Recoveries from Loans and Advances	..	..	26.46
4. Contributions from Contingency Fund	..	..	0.05
5. Increase in Public Debt, Small Savings, Deposits and Advances	..	..	1,521.64
			<hr/>
			5,657.66

Adjustments—

1. Suspense Balance	..	(+) 7.17	
2. Increase in Reserve Fund	..	(+) 1.00	
3. Effect of Remittances	..	(+) 7.69	
4. Reduction in closing cash balance	..	(+) 95.97	(+) 111.83
		<hr/>	<hr/>
Total resources available	..	..	5,769.49

Application—

1. Revenue Expenditure	..	..	5,128.12
2. Capital Outlay	..	..	368.62
3. Lending for development and other purposes	..	..	272.68
4. Met from Contingency Fund (unrecouped)	..	..	0.07
			<hr/>
Total resources applied	..	..	5,769.49

1.2 Assets and Liabilities of the State

The assets, comprising capital investments and loans advanced, and the total liabilities of the State Government for the five years ending 1990-91 were as follows:

Year		Assets	Liabilities
		(Rupees in crores)	
1986-87	..	4,166	5,220
1987-88	..	4,555	5,731
1988-89	..	5,113	6,426
1989-90	..	5,623	7,413
1990-91	..	6,125	8,935

While the assets had grown by 47 *per cent* over a period of four years, the liabilities had grown by 71 *per cent*. The increasing gap between assets and liabilities was on account of the continuing revenue deficit in all the years.

1.3 Overall Deficit

The budget for 1990-91 presented to the Legislature projected a "zero-deficit" for the fourth year in succession. However, as the following table shows, unlike the two preceding years, when there was a wide gap between the anticipated and actual deficit, during 1990-91, there was overall surplus of Rs. 15.44 crores. This was largely due to increase of deposits with the Reserve Bank of India which rose from (-) Rs 96.73 crores to (+) Rs 9.50 crores at the year end. This increase was attributed mainly to collection of more funds under Public Debt, Small Savings and other Public Account in 1990-91 in relation to 1989-90.

Year		Overall deficit (-)/Overall surplus (+)		
		Budget Estimates	Revised Estimates	Actual
		(Rupees in crores)		
1988-89	..	Nil	Nil	(-) 10.58
1989-90	..	Nil	(+) 5.33	(-) 93.27
1990-91	..	Nil	(+) 4.20	(+) 15.44

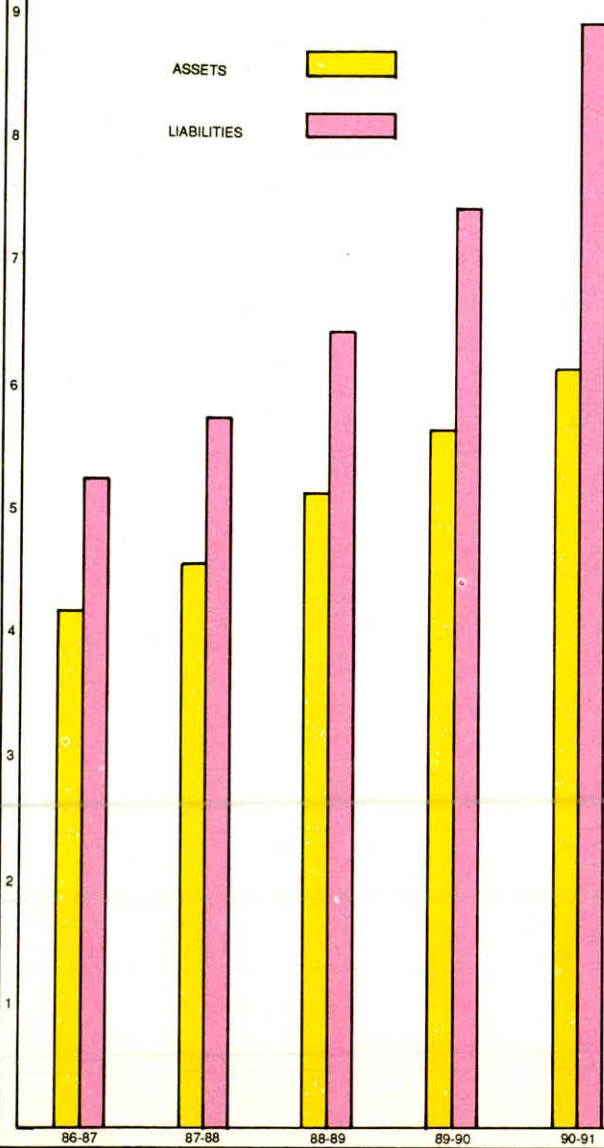
ASSETS AND LIABILITIES OF THE STATE

(PARA 1.2)

RUPEES IN THOUSAND CRORES

ASSETS

LIABILITIES



1.4 Analysis of Expenditure

1.4.1 Growth

The growth of the total expenditure of the State Government (revenue, capital and loan) over a period of five years was as follows:

Year	Plan Expendi- ture	Non-Plan Expendi- ture	Total	Percentage share in total expenditure	
				Plan Expendi- ture	Non-Plan Expendi- ture
(Rupees in crores)					
1986-87	754	2,401	3,155	24	76
1987-88	806	2,697	3,503	23	77
1988-89	934	3,026	3,960	24	76
1989-90	1,145	3,452	4,597	25	75
1990-91	1,034	4,735	5,769	18	82

Thus, in 1990-91, the plan component of the total expenditure decreased considerably in relation to the preceding years indicating that the levels attained during the preceding four years could not be maintained during 1990-91. This was due to the higher growth of non-plan expenditure (97 *per cent*) by the end of the five-year period (1990-91) than that of the plan expenditure (37 *per cent*). However, the overall plan expenditure decreased by 10 *per cent* during 1990-91 in comparison to 1989-90. Government admitted in the budget statements for 1991-92 that it was not possible to maintain the completeness in plan expenditure in 1990-91.

The Central plan assistance (Rs 454 crores), which increased by about Rs 169 crores in 1990-91, accounted for about 44 *per cent* of the total plan expenditure of Rs 1,034 crores.

1.4.2 Revenue expenditure

The revenue expenditure (Plan) of Rs 551.66 crores during 1990-91 fell short of the budget estimate of Rs 865.22 crores

(including supplementary) by Rs 313.56 crores. The Non-Plan revenue expenditure during the year was Rs 4,576.46 crores against the estimates of Rs 5,127.87 crores (including supplementary), disclosing a shortfall in expenditure of Rs 551.41 crores.

The revenue expenditure (both Plan and Non-Plan) during 1990-91 was Rs 5,128.12 crores as against Rs 3,971.25 crores during 1989-90.

1.4.3 *Trend of Revenue expenditure*

The growth of revenue expenditure during the five years ending 1990-91 was as follows:

Year	Revenue expenditure (Rupees in crores)			Percentage of increase/ decrease (–) over the previous year			Percentage of Plan component in total revenue expenditure
	Plan	Non- Plan	Total	Plan	Non- Plan	Total	
1986-87	417	2,280	2,697	13	21	19	16
1987-88	454	2,573	3,027	9	13	12	15
1988-89	561	2,913	3,474	24	13	15	16
1989-90	633	3,338	3,971	13	15	14	16
1990-91	552	4,576	5,128	(–) 13	37	29	11

Thus, while the total revenue expenditure at the end of the five year period (1990-91) had grown by 90 *per cent* over the first year's (1986-87) level, the plan component thereof had remained stagnant every year at around 16 *per cent* for the last four years and dropped to only 11 *per cent* in the year 1990-91.

Non-Plan revenue expenditure grew by 101 *per cent* by the end of 1990-91 over the first year (1986-87). The increase of such expenditure in 1990-91 over 1989-90 was 37 *per cent*, while the corresponding increase in the total revenue expenditure was 29 *per cent*. The higher growth of the non-plan component was due mainly to the following factors:

—increased interest burden on a growing debt (Rs 97 crores).

TREND OF REVENUE EXPENDITURE

(PARA 1.4.3)

RUPEES IN THOUSAND CRORES

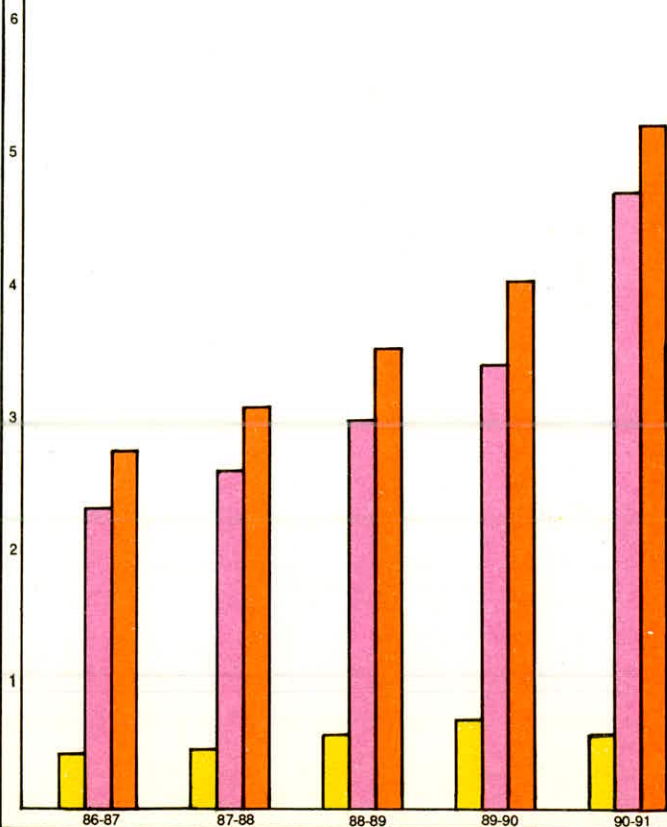
PLAN EXPENDITURE



NON PLAN EXPENDITURE



TOTAL REVENUE EXPENDITURE



- higher expenditure on education due to extension of larger assistance to Government Primary Schools, Non-Government Secondary Schools, Colleges, increase in salaries etc. (Rs 420.16 crores).
- increased pensionary liability following sanction of larger relief (Rs 17.21 crores).

Besides substantial growth in the expenditure under the following heads was also noticed:

Land Revenue (Rs 48.94 crores)—due mainly to increase in salaries, collection charges and Survey and Settlement.

Police (Rs 103.03 crores)—due mainly to more expenditure on account of administration, Investigation, State Head Quarter's Police and Welfare of Police Personnel, etc.

Medical and Public Health (Rs 98.32 crores)—due mainly to normal growth in different spheres of health administration, especially in respect of hospitals and dispensaries in urban and rural areas and increased expenditure on prevention and control of diseases and collection of health statistics and evaluation.

Urban Development (Rs 54.99 crores)—due mainly to extension of larger assistance to local bodies, corporations, Urban Development Authorities, Town Improvement Boards, for improvement of slum areas and also for development of Greater Calcutta.

Rural Employment (Rs 117.08 crores)—due mainly to larger expenditure on Jawhar Rojgar Yojna.

Other Rural Development Programme (Rs 25.67 crores)—due mainly to extension of larger financial assistance to Panchayati Raj Institutions and for Community Development Projects.

The growth in Non-Plan expenditure registered a sharp increase in the following sub-sections:

Land Revenue	: 165 <i>per cent</i>
Rural Employment	: 100 <i>per cent</i>
Urban Development	: 75 <i>per cent</i>
Education	: 48 <i>per cent</i>
Police	: 43 <i>per cent</i>

In spite of increased collection of State's own tax and non-tax revenues of Rs 201.76 crores over 1989-90, and larger availability of share of Union taxes (Rs 82.50 crores) and Non-Plan support (Rs 161.88 crores) from the Central Government, the compulsion of increasing Non-Plan expenditure left a deficit of Rs 921.29 crores during 1990-91, with the result that no funds were available to finance the plan revenue expenditure of Rs 551.66 crores. The deterioration in availability of finances was sharp considering the fact that deficit in 1990-91 was Rs 921.29 crores, as against Rs 128.79 crores in 1989-90.

The following table shows the areas where there was a significant increase in Non-Plan revenue expenditure other than interest payments (which have been discussed separately) at the end of the five-year period in relation to the first year (1986-87):

	1986-87	1987-88	1988-89	1989-90	1990-91	Percentage of growth in 1990-91	
						Over 1989-90	Over 1986-87
	(Rupees in crores)						
Police	161	200	225	239	342	43	112
Pension	69	101	144	167	184	10	167
Education, Sports, Art and Culture	626	664	781	899	1,330	48	112
Social and Community Services	1,043	1,127	1,248	1,396	2,061	48	98
Industry and Minerals, Energy and Transport	120	134	145	186	200	8	67

1.4.4 Revenue deficit

An important premise of planned development is that there should be positive and rising savings on Government account. Its importance was once again emphasised by the Ninth Finance Commission in December 1989 that revenue deficits on a large scale, year after year, implied an infraction of one of the fundamental principles of sound public finance in any economy, particularly in a developing economy. The State Finances, however, have been showing a revenue deficit every year for over a decade except in 1985-86, when there was a revenue surplus (Rs 83 crores). The position for the five years ending 1990-91 is summarised in the following table:

REVENUE DEFICIT

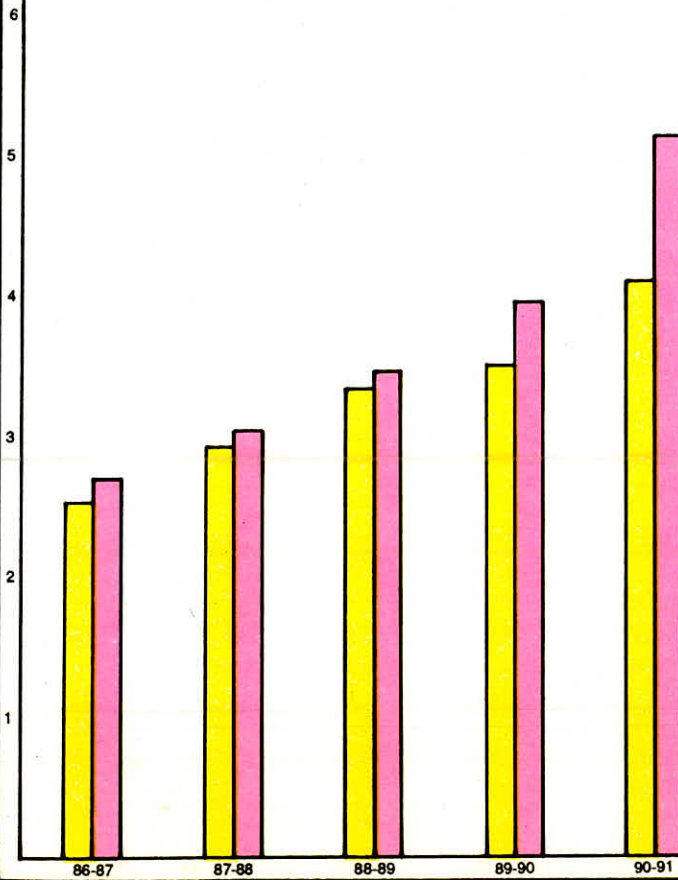
(PARA 1.4.4)

RUPEES IN THOUSAND CRORES

REVENUE RECEIPTS

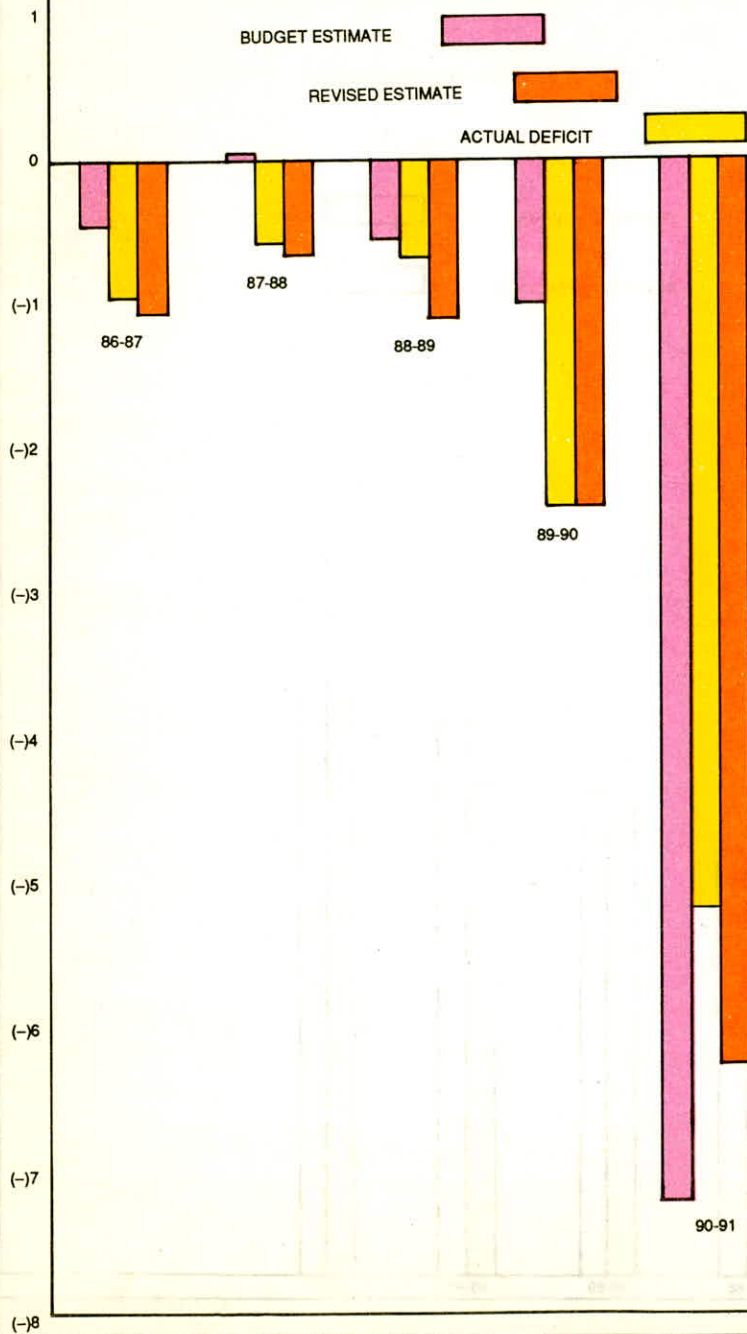


REVENUE EXPENDITURE



REVENUE DEFICIT
(PARA 1.4.4)

RUPEES IN TWO HUNDRED CRORES



Year	Revenue			Percentage increase over the previous year		Revenue deficit as a percentage of revenue expenditure
	Receipts	Expenditure	Deficit (—)	Revenue Receipts	Revenue Expenditure	
(Rupees in crores)						
1986-87	2,510	2,697	(—) 187	7	19	7
1987-88	2,912	3,027	(—) 115	16	12	4
1988-89	3,337	3,474	(—) 137	15	15	4
1989-90	3,494	3,971	(—) 477	5	14	12
1990-91	4,109	5,128	(—) 1,019	18	29	20

By the end of the five-year period (1986-91), the revenue receipts had grown by only 64 *per cent* over the first year as against the growth of 90 *per cent* in the revenue expenditure during the same period. This had resulted in the revenue deficit growing by 445 *per cent* at the end of 1990-91 over the level obtaining in 1986-87.

The revenue deficit of Rs 1,019 crores for the year 1990-91 was partly met from the surplus of Rs 923 crores generated from net additions to Public Debt as adjusted by effects of remittances and suspense balances after meeting the total capital expenditure and lending for development and other purposes and partly by drawing down the cash balance by Rs 96 crores.

The revenue deficit from 1986-87 onwards had always substantially exceeded the budget estimates except in 1990-91 as shown in the following comparative analysis:

Year	Revenue deficit (-)			Remarks (Budget estimates for 1990-91 excluding additional resources mobilisation)
	Budget estimate (excluding additional resources mobilisation)	Revised estimate	Actual	
(Rupees in crores)				
1986-87	(-) 89.89	(-) 212.44	(-) 187.31	Revenue Receipts: Rs 4,177.05 crores
1987-88	(+) 12.39	(-) 133.82	(-) 115.28	
1988-89	(-) 104.99	(-) 220.68	(-) 137.21	Revenue Expenditure: Rs 5,615.70 crores
1989-90	(-) 198.38	(-) 477.96	(-) 477.18	
1990-91	(-) 1,438.65	(-) 1,248.65	(-) 1,018.88	

1.4.5 Non-plan assistance

The quantum of assistance provided to different bodies under Non-Plan heads of major sectors in the five year period (1986-91) is given below:

	1986-87	1987-88	1988-89	1989-90	1990-91
	(Rupees in crores)				
I. Assistance to Non-Government Primary and Secondary Schools, Colleges and Institutes, Universities for Technical Education	524.24	571.02	414.31	492.74	721.12
II. Assistance to local bodies, Corporations, Urban Development Authorities, Town Improvement Bodies	70.51	33.13	36.31	37.98	65.68
III. Assistance to Co-operative Societies	—	10.90	4.85	2.91	3.52
IV. Assistance to Electricity Board	20.00	22.44	25.00	20.00	30.81
V. Assistance to Public Sector and other Undertakings	36.22	37.22	38.56	41.98	45.62
Total:	650.97	674.71	519.03	595.61	866.75
VI. Percentage of growth over the previous year	21	4	(-) 23	15	46
VII. Revenue Receipts (Tax and Non-Tax) (Rupees in Crores)	1,384.76	1,630.23	1,925.60	2,151.10	2,352.86
VIII. Percentage of Assistance to Revenue Receipts (Tax and Non-Tax)	47	41	27	28	37
IX. Non-Plan Revenue Expenditure (Rupees in crores)	2,280.12	2,573.32	2,913.48	3,337.82	4,576.46
X. Percentage of assistance to Non-Plan revenue expenditure	29	26	18	18	19

The total assistance at the end of 1990-91 had grown by 33 *per cent* over the level of 1986-87.

1.5 Capital Expenditure

The capital expenditure during 1990-91 was Rs 368.62 crores against the budget estimates of Rs 456.96 crores, disclosing a shortfall in expenditure of Rs 88.34 crores due to slow/non-implementation of the schemes. Relevant details are contained in Chapter II of this Report.

1.6 Revenue Receipts

While a detailed analysis of the various components of Revenue Receipts would be available in Volume I of the Comptroller and Auditor General's Report on Revenue Receipts in respect of the Government of West Bengal for the year 1990-91, a synopsis of the important aspects is presented in the following paragraphs.

1.6.1 Trend of growth

A comparative analysis of actual realisation of revenue against the budgeted figures during the five year period (1986-91) is given below:

TREND OF GROWTH OF REVENUE RECEIPTS

(PARA 1.6.1)

RUPEES IN THOUSAND CRORES

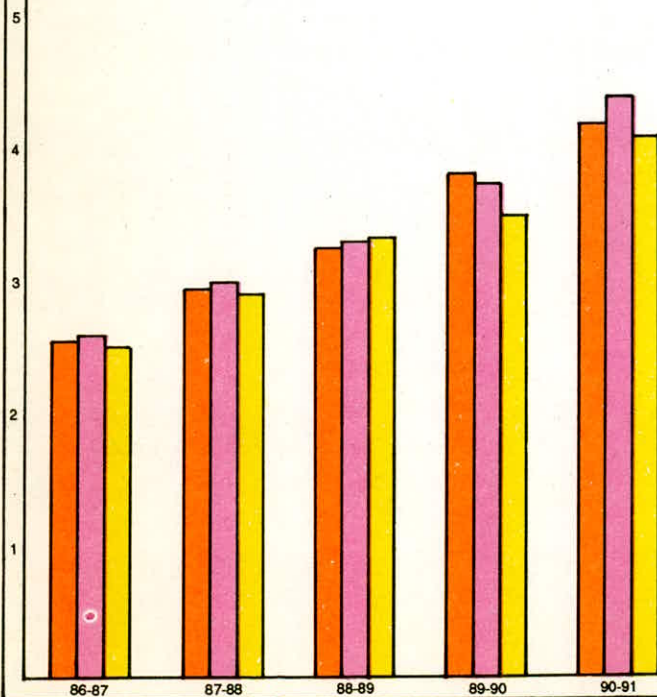
BUDGET ESTIMATES



REVISED ESTIMATES



ACTUAL



Year	Budget estimates	Revised estimates	Actual	State's own revenue	Percentage of growth of actual receipts over the previous year	Percentage of State's own revenue to total receipts
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(Rupees in crores)

1986-87	2,561	2,588	2,510	1,385	7	55
1987-88	2,955	2,985	2,912	1,630	16	56
1988-89	3,268	3,307	3,337	1,926	15	58
1989-90	3,813	3,750	3,494	2,151	5	62
1990-91	4,203	4,399	4,109	2,353	18	57

1.6.2 Tax revenue

The following table presents the growth of tax revenue during the five year period (1986-91):

Year	Budget estimates	Revised estimates	Actual	Percentage of growth of actual revenue over the previous year
------	------------------	-------------------	--------	---

(Rupees in crores)

1986-87	1,280	1,257	1,219	8
1987-88	1,521	1,455	1,449	19
1988-89	1,684	1,693	1,735	20
1989-90	2,102	2,038	1,938	12
1990-91	2,344	2,225	2,134	10

Thus, while the realisation of tax revenue more or less conformed to the budgetary expectations, the growth rates during 1989-90 and 1990-91 was substantially lower than in the preceding two years.

The position regarding collection of tax revenue from some of the major sources during recent years was as follows:

Year	Tax Revenue	Of the Tax Revenue			
		Sales Tax	Land Revenue	State Excise	Stamps and Registration Fee

(Rupees in crores)

1986-87	1,219	696	150	71	64
1987-88	1,449	832	187	96	74
1988-89	1,735	959	280	119	101
1989-90	1,938	1,068	287	144	120
1990-91	2,134	1,227	218	164	145

Sales Tax was the major revenue earner for the State contributing over 57 *per cent* of the total tax revenue.

1.6.3 Non-Tax Revenue

The growth of non-tax revenue during the five year period (1986-91) is shown below:

Year	Budget estimate	Revised estimate	Actual	Percentage of growth over the previous year
(Rupees in crores)				
1986-87	171	185	166	(-) 11
1987-88	185	202	182	10
1988-89	200	203	191	5
1989-90	223	247	213	12
1990-91	244	249	219	3

Thus, though the non-tax revenue decreased by 11 *per cent* during 1986-87 over the realisation of 1985-86, the growth thereafter was not very high.

While the collection from non-tax revenue during 1990-91 fell short of the budgetary projections by about Rs 25 crores, it increased marginally by about Rs 6 crores over 1989-90. The shortfall in relation to budget estimates in 1990-91 was due mainly to less receipts under (i) Medical and Public Health (Rs 9.98 crores), (ii) Dairy Development (Rs. 8.40 crores) and (iii) Forestry and wild life (Rs 5.47 crores).

1.6.4 State's share of Union Taxes, Excise Duties, etc.

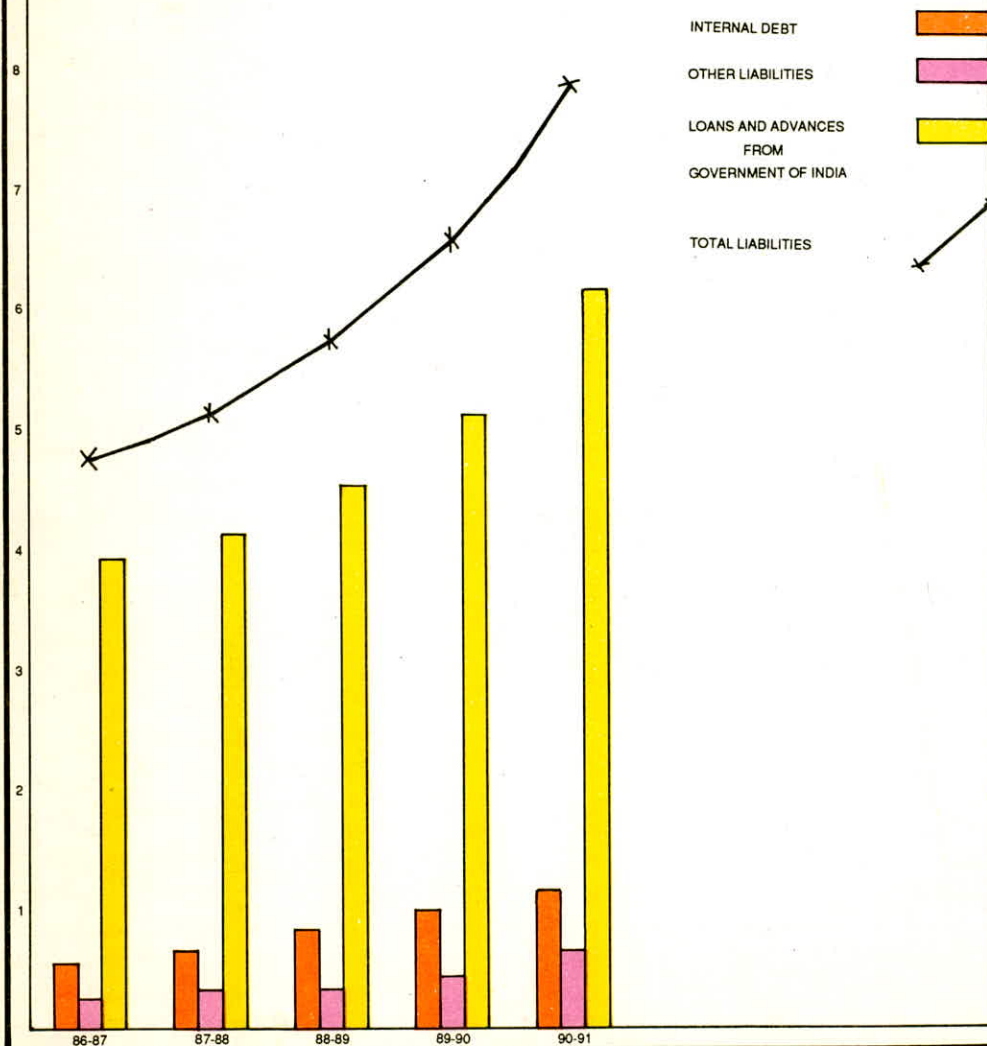
The aggregate of the State's share of Union Excise Duties and Taxes on income other than Corporation tax etc., and grants received from the Central Government during 1990-91 was Rs 1,756.38 crores, representing about 34 *per cent* of the revenue expenditure and 82 *per cent* of the Tax revenue of the State Government. The share received by the State Government during the five year period (1986-91) was as follows:

Year	States' share of Union Excise duties, etc.	Grants received from Central Government	Total	Percentage of total to	
				Revenue expenditure	Tax Revenue
(Rupees in crores)					
1986-87	678	447	1,125	42	92
1987-88	729	553	1,282	42	88
1988-89	754	658	1,412	41	81
1989-90	962	381	1,343	34	69
1990-91	1,044	712	1,756	34	82

PUBLIC DEBT

(PARA 1.7)

RUPEES IN THOUSAND CRORES



1.7 Public Debt

Under Article 293 of the Constitution, the executive power of a State extends to borrow within the territory of India upon the security of the Consolidated Fund of the State within such limits, if any, as may from time to time be fixed by the Legislature of such State by Law and to the giving of guarantees within such limits, if any, as may be so fixed. No ceiling had been prescribed by the Legislature.

The debt position of the State Government at the end of March of each of the five years is tabulated below:

Year	Internal debt	Loans and Advances from Central Government	Public debt (2+3)	Other Liabilities under Public Debt	Total Liabilities
(Rupees in crores)					
1986-87	571	3,927	4,498	282	4,780
1987-88	680	4,147	4,827	320	5,147
1988-89	820	4,547	5,367	367	5,734
1989-90	1,007	5,147	6,154	444	6,598
1990-91	1,182	6,038	7,220	673	7,893

Thus, by the end of 1990-91, Public debt had registered an increase of 61 *per cent* over the 1986-87 level. The corresponding increase in the total liabilities was 65 *per cent*.

1.8 Debt Service

The annual debt service obligations according to the schedule of repayment of principal and payment of interest was Rs 1,069.46 crores.

The actual discharge of debt service obligation (principal and interest) was Rs 1,022.41 crores in 1990-91 compared to Rs 770.15 crores in 1989-90. The State Government had not made any amortisation arrangements for repayment of market loans since 1975-76, nor was any amortisation arrangements for repayment of loans from the Government of India considered by Government.

The outflow of funds on account of interest payments (gross) had been steadily rising with the interest payment in the last year of the five year period (1990-91) being 88 *per cent* more than the outflow in the first year (1986-87). The position is summarised in the following table:

Year	Revenue Expenditure	Interest Payment	Interest payment as a percentage of revenue expenditure
------	------------------------	---------------------	--

(Rupees in crores)

1986-87	2,697	333	12
1987-88	3,027	394	13
1988-89	3,474	449	13
1989-90	3,971	530	13
1990-91	5,128	627	12

Thus, the outflow of funds for payment of interest was between 12 *per cent* and 13 *per cent* of the revenue expenditure during the five year period (1986-91).

Repayment of Government of India loans by the State Government during the five years ending 1990-91 was as follows:

Year	Receipt from Government of India	Repayments			Payment as a percentage of receipts from Government of India
		Principal	Interest	Total	

(Rupees in crores)

1986-87	628.18	332.28	261.35	593.63	95
1987-88	642.45	421.70	302.04	723.74	113
1988-89	703.33	303.26	337.26	640.52	91
1989-90	866.40	266.72	390.95	657.67	76
1990-91	1,126.80	236.26	446.20	682.46	61

The repayment of Central loans and accrued interest constituted 61 *per cent* and above of the loans received from the Central Government.

The net Central assistance to the State by way of loans during 1990-91 after repayment of principal and interest amounted to 39 *per cent* of the receipts from Government of India on this account during the year.

1.9 Investments and Returns

The total investments of Government in Statutory Corporations, Government Companies, other joint stock companies, co-operative banks and societies, etc. as on 31st March 1991 were Rs 706.41 crores as against Rs 565.68 crores on 31st March 1990.

Interest and dividend received during the year on such investments was Rs 0.28 crore, representing a return of only 0.04 *per cent*.

The following table shows the dividend received against investments at the end of each year for the five years ending 1990-91:

	1986-87	1987-88	1988-89	1989-90	1990-91
	(Rupees in crores)				
Dividend received	0.55	0.54	0.80	0.67	0.28
Investments at the end of the year	230.74	307.63	384.97	565.68	706.41
Percentage	0.24	0.18	0.21	0.12	0.04

Information about the profit earned or the loss incurred by the organisations in which investments were made was not available.

1.10 Guarantees

The maximum amount of guarantees for which Government have entered into agreements, sums guaranteed outstanding, guarantee fee realised (levied at half *per cent per annum* on outstanding sums guaranteed) and guarantee fee outstanding in recent years are given below:

As on 31st March	Maximum Amount (Principal only)	Outstanding (Principal and interest)	Guarantee fee realised	Guarantee fee outstanding
(Rupees in crores)				
1987	1,644.03	1,122.78	0.86	1.33
1988	1,933.59	1,276.48	0.21	30.59
1989	2,394.05	1,467.48	1.20	33.93
1990	2,570.82	1,178.33	1.36	25.40
1991	3,014.18	1,853.70	1.45	1.96

There had been an increase of 65 *per cent* in the amount of guarantees outstanding during the last four years.

During the period up to 1990-91, the guarantee was invoked in one case in 1987-88 in respect of guarantees given by the Fisheries Department, the sum involved being Rs 1.35 lakhs. No amount had been recovered as of March 1991 in settlement of the guarantee invoked.

1.11 Loans and Advances

The State Government had been advancing loans to different bodies, Government Companies/Corporations, Public Sector enterprises, non-government institutions, local funds, etc. for developmental and non-developmental activities. The details in this regard during the last five years were as follows:

	1986-87	1987-88	1988-89	1989-90	1990-91
	(Rupees in crores)				
Opening balance	1,570.79	1,763.04	1,955.11	2,124.00	2,287.54
Amount advanced during the year	250.99	231.66	214.07	211.81	272.68
Total:	1,821.78	1,994.70	2,169.18	2,335.81	2,560.22
Amounts repaid during the year	58.74	39.59	45.18	48.27	26.46
Balance:	1,763.04	1,955.11	2,124.00	2,287.54	2,533.76
Balance dropped proforma:	—	—	—	—	(-) 1.66
					2,532.10
Net loans disbursed during the year	192.25	192.07	168.89	163.54	246.22
Interest received and credited to revenue	22.85	6.66	9.33	18.67	13.83

The net loans and advances disbursed to different bodies during 1986-87, 1987-88, 1988-89, 1989-90 and 1990-91 were Rs 192.25 crores, Rs 192.07 crores, Rs 168.89 crores, Rs 163.54 crores and Rs 246.22 crores, constituting more than 64 *per cent*, 87 *per cent*, 42 *per cent*, 27 *per cent* and 27 *per cent* of the net receipts of the State Government on account of borrowings from the Government of India.

The terms and conditions of loans aggregating to Rs 1,047.42 crores, advanced to different bodies, etc. had not yet been settled.

In respect of loans, the accounts of which are maintained by the Principal Accountant General (A & E), West Bengal, the recovery of principal (Rs 179.46 crores) and of interest (Rs 140.68 crores) totalling Rs 320.14 crores remained in arrears at the end of 1990-91. Information about recoveries in arrears had not been furnished as of January 1992 in respect of loans, detailed accounts of which are maintained by departmental officers.

1.12 Aid Materials

Aid materials received from the Government of India during the years 1987-88, 1988-89, 1989-90 and 1990-91 were Rs 17.45 crores, Rs 12.11 crores, Rs 7.45 crores and Rs 7.91 crores respectively.

The accounting procedures prescribe that the valuation of assistance to the States, in kind, received from the Central Government and their account as receipts of Grants-in-aid from the Central Government with *per contra* debit as expenditure to the programme for which the assistance was received and used. Such adjustment of the aid materials could not be made in the accounts of the respective years, in the absence of required sanction from the State Government. To this extent, there was an under-accountal of receipts and payment.

1.13 Government Companies

There were 57 Government Companies (including 13 subsidiaries) as on 31st March 1991 in the State. Of these, only 10 Companies (including 4 subsidiaries) finalised their accounts for the year 1990-91. The accounts of 47 Companies (including 9 subsidiaries) were in arrears for periods ranging from one to eight years. Consequently, the productivity of the investment of Rs 2,302.93 crores (Capital: Rs 686.64 crores and loans: Rs 1,616.29 crores) by the State Government and others in these Companies could not be conclusively vouchsafed.

Only 5 of the 10 Companies, which had finalised their Accounts for 1990-91, earned profits totalling Rs 3.34 crores during 1990-91, while the remaining five Companies incurred losses aggregating to Rs 21.09 crores.

On the basis of the latest available accounts, which varied from Company to Company, the cumulative losses of 38 Companies amounted to Rs 433.78 crores, while nine Companies earned profits aggregating Rs 32.51 crores. The cumulative loss of Rs 320.04 crores sustained by 18 Companies had far exceeded their paid up capital of Rs 52.34 crores.

1.14 Ways and Means Advance and Overdraft

Under an agreement with the Reserve Bank of India, the State Government have to maintain, with the Bank, daily a minimum balance of Rs 1 crore. If the balance falls below the agreed minimum on any day, the deficiency is made good by taking Ways and Means Advance/Overdraft from the bank.

The extent to which Government maintained the minimum balance with the Bank during the period from 1986-87 to 1990-91 is indicated below:

	1986-87	1987-88	1988-89	1989-90	1990-91
1. Number of days on which minimum balance was maintained without obtaining any advance	293	295	291	365	316
2. Number of days on which the minimum balance was maintained by obtaining Ways and Means Advance	63	69	74	Nil	48
3. Number of days on which Overdraft was taken	9	2	Nil	Nil	1

The position of Ways and Means Advance and Overdraft taken by the State Government and interest paid thereon during 1986-87 to 1990-91 is detailed below:

	1986-87	1987-88	1988-89	1989-90	1990-91
	(Rupees in crores)				
1. Ways and Means					
(a) Advances taken during the year	257.39	259.36	280.99	Nil	202.70
(b) Overdraft taken during the year	47.04	5.69	Nil	Nil	5.33
2. Ways and Means					
(a) Advances outstanding at the end of the year	Nil	Nil	Nil	Nil	Nil
(b) Overdraft outstanding at the end of the year	Nil	Nil	Nil	Nil	Nil
3. Interest charges					
(a) Ways and Means Advances	0.60	0.46	0.32	Nil	0.24
(b) Overdraft	0.06	0.0015	Nil	Nil	0.0015

1.15 Delay in Rendition of Accounts

The table below indicates the extent of delays in the rendition of accounts by various offices of the State Government responsible for submission of accounts to the Principal Accountant General (Accounts & Entitlement), West Bengal.

Particulars of Offices	Total Number of Offices	Number of accounts to be rendered during the year	Number of accounts submitted within the due date with percentage in brackets	Number of accounts not submitted within the due dates with percentage in brackets	Extent of delay in rendition of accounts mentioned in column 5
(1)	(2)	(3)	(4)	(5)	(6)
Treasuries	72	864	53 (6)	811 (94)	1 to 257 days
Forest Divisions	57	683	7 (1)	676 (99)	1 to 174 days
Public Works, Irrigation and other Works Divisions	338	4,056	132 (3)	3,924 (97)	1 to 204 days

Delayed rendition of accounts caused delays in finalisation of accounts of the State Government and their certification by Audit.

CHAPTER II

APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

2.1 General

The summarised position of actual expenditure during 1990-91 against grants/appropriations was as follows:

	Original grant/ Appropriation	Supple- mentary	Total	Actual expendi- ture	Net Savings
	(1)	(2)	(3)	(4)	(5)
(Rupees in crores)					
I. Revenue—					
Voted	4,978.16	376.43	5,354.59	4,585.32	769.27
Charged	708.47	0.97	709.44	638.57	70.87
II. Capital—					
Voted	669.51	16.23	685.74	497.59	188.15
Charged	0.04	1.56	1.60	0.29	1.31
III. Public Debt—					
Charged	745.28	..	745.28	466.67	278.61
IV. Loans and Advances—					
Voted	272.60	25.35	297.95	272.68	25.27
Total—					
Voted	5,920.27	418.01	6,338.28	5,355.59	982.69
Charged	1,453.79	2.53	1,456.32	1,105.53	350.79
Grand Total—	7,374.06	420.54	7,794.60	6,461.12	1,333.48

2.2 Important results emerging from Appropriation Audit

2.2.1 Supplementary provision obtained during the year constituted 5.7 per cent of the original budget provision as against 7.3 per cent in the preceding year.

2.2.2 (a) The overall saving of Rs 1,333.48 crores was the result of saving of Rs 1,412.80 crores in 88 voted grants (Rs 1,061.70 crores) and 30 charged appropriations (Rs 351.10 crores) partly offset by overall excess of Rs 79.32 crores in 9 voted grants (Rs 79.01 crores) and 4 charged appropriations (Rs 0.31 crore). The excess

expenditure of Rs 79.32 crores, details of which are contained in Appendix 1 requires regularisation under Article 205 of the Constitution of India.

(b) Besides the above excess expenditure during the year 1990-91, sums aggregating to Rs 904.44 crores, representing the excess expenditure incurred in 176 grants and appropriations during the period from 1982-83 to 1989-90 were awaiting regularisation as mentioned in paragraph 2.2.3 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1990—No 3 (Civil)—Government of West Bengal.

2.2.3 Supplementary provision of Rs 119.10 crores obtained in 46 cases during the year proved unnecessary. In 13 other cases, as against the additional requirements of funds totalling Rs 191.09 crores, supplementary grants of Rs 280.66 crores were obtained resulting in savings in excess of Rs 10 lakhs in each case. Details of these cases have been furnished in Appendices 2 and 3 respectively. In 5 cases, supplementary provision of Rs 19.21 crores proved insufficient by more than Rs 10 lakhs in each case, leaving an aggregate uncovered expenditure of Rs 56.03 crores, details of which have been furnished in Appendix 4.

In 4 other cases, details of which are contained in Appendix 5, no supplementary provision was obtained though the expenditure exceeded the original provision, leaving an uncovered excess of Rs 23.22 crores.

2.2.4 In each of the following grants/appropriations, the saving was more than Rs 1 crore and was also in excess of 10 *per cent* of the total provision:

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
<u>Revenue—Voted</u>		
4—Administration of Justice	4.85 (15)	Not intimated (June 1992).
7—Land Revenue	28.32 (26)	Not intimated (June 1992).
8—Stamps and Registration	2.92 (19)	Not intimated (June 1992).
10—State Excise	1.90 (14)	Not intimated (June 1992).

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
13—Other Taxes and Duties on commodities and services	1.50 (17)	Not intimated (June 1992).
18—Secretariat General Services	4.51 (18)	Not intimated (June 1992).
19—District Administration	2.92 (13)	Not intimated (June 1992).
24—Stationery and Printing	1.38 (12)	Not intimated (June 1992).
26—Other Administrative Services (fire protection and control)	3.12 (19)	Due mainly to non-materialisation of purchase of (i) fire fighting equipment for development of fire services (Rs 2.50 crores) and (ii) sophisticated fire fighting appliances, equipment and accessories under Japanese aid (Rs 0.25 crore).
29—Miscellaneous General Services	1.31 (22)	Not intimated (June 1992).
30—Education, Art and Culture	230.30 (15)	Not intimated (June 1992).
31—Sports and Youth Services	2.54 (14)	Due mainly to non-release of grants by the competent authority for: (i) Campus works, stadium, playground, etc. (Rs 0.31 crore); (ii) Stadium complex at Bidhan Nagar (Rs 0.97 crore); and (iii) District Sports Council (Rs 0.18 crore). Reasons for the remaining savings were not intimated (June 1992).

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
33—Medical and Public Health (Public Health)	10.85 (16)	Not intimated (June 1992).
35—Water Supply and Sanitation (Excluding Prevention of Air and Water Pollution)	19.45 (22)	Not intimated (June 1992).
36—Housing	3.90 (21)	Not intimated (June 1992).
37—Urban Development	72.09 (30)	Savings aggregating to Rs 43.84 crores were attributable to non-receipt of proposals indicating requirements of funds for payment of dearness concession to the employees of Howrah Municipal Corporation, 80 <i>per cent</i> of which is reimbursed by Government (Rs 0.74 crore), non-release of funds by the Finance Department (Rs 2.50 crores), and non-receipt of proposals in regard to requirements of funds from local bodies through the district Magistrates (Rs 40.60 crores). Reasons for savings in other significant cases were not intimated (June 1992).
38—Information and Publicity	3.07 (21)	Not intimated (June 1992).
39—Labour and Employment	7.55 (20)	Not intimated (June 1992).
40—Social Security and Welfare (Rehabilitation)	17.99 (48)	Not intimated (June 1992).

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
41—Social Security and Welfare (Welfare of Scheduled Castes, Scheduled Tribes and other backward classes)	26.00 (24)	Not intimated (June 1992).
42—Social Security and Welfare (Social Welfare)	27.31 (30)	Not intimated (June 1992).
43—Nutrition	3.41 (57)	Not intimated (June 1992).
44—Relief on account of Natural Calamities	38.37 (71)	Not intimated (June 1992).
45—Secretariat Social Services	1.41 (16)	Not intimated (June 1992).
47—Crop Husbandry	24.48 (28)	Not intimated (June 1992).
48—Soil and Water Conservation	2.87 (28)	Of the savings of Rs 2.87 crores, a saving of Rs 1.10 crores was attributable to (i) the transfer of schemes for protective afforestation implemented in 3 of the 4 Sub-divisions to Darjeeling Gorkha Hill Council (Rs 0.15 crore) and (ii) winding up of the scheme for "Integrated Soil and Water Conservation in the Himalayan Region" by the Government of India (Rs 0.95 crore). Reasons for savings in other significant cases were not intimated (June 1992).
49—Animal Husbandry	5.84 (13)	Not intimated (June 1992).

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
51—Fisheries	5.09 (23)	Not intimated (June 1992).
52—Forestry and Wild Life (Excluding Zoological Park and Lloyd Botanic Garden, Darjeeling)	6.78 (12)	Due mainly to reduced requirement of funds for (i) Forest protection (Rs 0.60 crore), (ii) Timber operation and forest utilisation by mechanised logging, etc. (Rs 0.35 crore), (iii) Decentralised people's Nurseries (Rs 1.93 crores) and (iv) Establishment of Sunderbans Biosphere Reserve in West Bengal (Rs 1.06 crores). Reasons for final savings in other cases had not been intimated (June 1992).
54—Food, Storage and Warehousing	3.81 (13)	Not intimated (June 1992).
55—Agricultural Research and Education	5.15 (25)	Not intimated (June 1992).
57—Co-operation	6.68 (32)	Savings aggregating to Rs 2.71 crores were due to non-creation of posts for which budget provision was made (Rs 0.37 crore), non-receipt of acceptable proposals (Rs 1.50 crores), non-implementation of the Integrated Co-operative Development Project in Hooghly (Rs 0.31 crore) and non-sanction of grants-in-aid or subsidies by the Government of India under the Centrally sponsored Agricultural Credit Stabilisation Fund (Rs 0.53 crore).

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
58—Other Agricultural Programme	66.36 (93)	Not intimated (June 1992).
60—Rural Employment	36.60 (15)	Not intimated (June 1992).
62—Other Rural Development Programmes (Panchayati Raj)	35.05 (36)	<p>Due mainly to non-introduction of Provident Fund scheme for the Panchayat employees as envisaged (Rs 11.40 crores), non-utilisation of Budget provision owing to "unavoidable circumstances" (Rs 2.20 crores) and non-receipt of proposals (Rs 0.34 crore).</p> <p>Reasons for savings in other cases had not been intimated (June 1992).</p>
63—Community Development— Other Rural Development Programmes	8.64 (19)	<p>Saving of Rs 2.60 crores was due to non-release of funds for "Sanitation facilities" in the rural areas through construction of rural sanitary latrines for individual households.</p> <p>Reasons for the remaining savings aggregating to Rs 6.04 crores had not been intimated (June 1992).</p>
65—Other Special Areas Programmes	4.23 (21)	<p>Due mainly to non-implementation of development programmes by the Comprehensive Area Development Corporation owing to shortage of seeds, non-commissioning of new projects, etc. (Rs 1.18 crores).</p> <p>Reasons for savings in other cases had not been intimated (June 1992).</p>

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
67—Minor Irrigation and Command Area Development	10.22 (11)	Not intimated (June 1992).
73—Village and Small Industries (Excluding public undertakings)	23.81 (33)	Not intimated (June 1992).
75—Industries (Excluding Public undertakings and closed and sick industries)	13.18 (55)	Due to adoption of economy measures (Rs 5.90 crores) and transfer of Oriental Gas to the Greater Calcutta Gas Supply Corporation Limited (Rs 1.23 crores). Reasons for savings in other major cases had not been intimated (June 1992).
83—Secretariat Economic Services	4.66 (27)	Not intimated (June 1992).
84—Tourism	1.02 (26)	Not intimated (June 1992).
85—Census, surveys and Statistics	1.42 (14)	Not intimated (June 1992).
<u>Revenue—Charged</u>		
40—Social Security and Welfare (Rehabilitation)	1.29 (65)	Not intimated (June 1992).
<u>Capital—Voted</u>		
25—Public Works	7.36 (11)	Not intimated (June 1992).
36—Housing	3.11 (24)	Not intimated (June 1992).
37—Urban Development	8.75 (26)	Due partly to non-finalisation of the scheme for further reclamation of Salt Lake Area (Rs 2.40 crores). Reasons for remaining savings were not intimated (June 1992).

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
41—Social Security and Welfare (Welfare of Scheduled Castes, Scheduled Tribes and other backward classes)	2.76 (18)	Not intimated (June 1992).
46—Other Social Service	2.02 (42)	Not intimated (June 1992).
47—Crop Husbandry	7.30 (59)	Not intimated (June 1992).
49—Animal Husbandry	1.25 (55)	Not intimated (June 1992).
57—Co-operation	12.80 (66)	Due mainly to non-receipt of any proposal for (i) investments in Multipurpose Rural Co-operatives (Rs 0.25 crore) and in Warehousing and Marketing Co-operatives (Rs 6.50 crores), (ii) the grant of loans to credit co-operatives (Rs 2.80 crores), non-approval of various proposals by the National Co-operative Development Corporation (Rs 1.65 crores), and non-implementation of Integrated Co-operative Development Project, Hooghly (Rs 0.72 crore).
66—Major and Medium Irrigation	74.41 (39)	Not intimated (June 1992).
67—Minor Irrigation and Command Area Development	5.07 (17)	Not intimated (June 1992).
68—Flood Control and Drainage	6.14 (18)	Not intimated (June 1992).
74—Industries (Closed and Sick Industries)	6.33 (19)	Not intimated (June 1992).

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
92—Capital Outlay on Crop Husbandry (Public Undertakings)	7.06 (18)	Due mainly to non-receipt of clearance from the Finance Department to the extension of loans to Durgapur Chemicals Limited (Rs 1.75 crores), less requirement of funds by the West Bengal State Seeds Corporation on account of damage of seeds in the field (Rs 4.37 crores).
93—Petro-Chemical Fertiliser and Consumer Industries (Excluding Public Undertakings)	22.15 (59)	Due mainly to non-finalisation of financial tie-up with Industrial Development Bank of India, etc. (Rs 15 crores) and adoption of economy measures by the West Bengal Industrial Development Corporation (Rs 6.63 crores).
94—Tele-communication and Electronic Industries	7.20 (58)	Due to the adoption of economy measures in regard to investments in and sanctioning of loans to West Bengal Electronic Industries Development Corporation (Rs 7.20 crores).
95—Consumer Industries (Excluding Public Undertakings and Closed and Sick Industries)	2.31 (15)	Owing to the non-settlement of liabilities following the acquisition of assets of the Mayurakshi Cotton Mills Limited (Rs 0.51 crore), adoption of economy measures by (i) the Greater Calcutta Gas Supply Corporation Limited (Rs 2 crores) and (ii) the Mayurakshi Cotton Mills (Rs 0.95 crore) and deferment of release of assistance to consumer industries due to non-receipt of interest-free loan from the Government of India (Rs 3.30 crores), partly counter-balanced by excesses of Rs 4.64 crores under other heads within the grant.

Description of the Grant/ Appropriation	Amount of savings (Rupees in crores)	Reasons for savings
96—Loans for other Industries (Excluding Public Undertakings and Closed and Sick Industries)	22.85 (82)	Due mainly to restricted release of (i) funds to the West Bengal Industrial Infrastructure Deve- lopment Corporation (Rs 4.58 crores) and (ii) Loans under Incentive Scheme for Industrial Growth in West Bengal (Rs 5.75 crores). Reasons for the remaining savings had not been intimated (June 1992).
97—Other Capital Outlay on Industries and Minerals (Excluding Public Undertakings and Closed and Sick Industries)	2.30 (100)	Owing to adoption of economy measures in the Export processing zone at Falta (Rs 2 crores) and non-finalisation of the scheme for setting up an Exhibition Complex (Rs 0.25 crore).
<u>Capital—Charged</u>		
66—Major and Medium Irrigation	1.09 (99)	Not intimated (June 1992).
98—Public Debt	278.62 (37)	Due mainly to lesser drawal of Ways and Means Advances during the year (Rs 298.99 crores) and owing to non-payment of principal of State Plan Loans (Block loans) 1984-89 according to the terms and conditions of the Ninth Finance Commission (Rs 43.73 crores), partly counter-balanced by excess payments of principal of newly consolidated loans according to the recommendation of the Ninth Finance Commission.

Note: Figures within parenthesis represent percentages.

2.2.5 In addition to the cases mentioned in paragraph 2.2.4 supra, substantial savings occurred in the following cases on account of either non-implementation or slow-implementation of Plan schemes:

Grant or Appropriation	Name of the Scheme	Amount of Savings (Rupees in crores)	Percentage of Savings
22—Jails	Modernisation of prison Administration	1.23	88
25—Public Works	Maintenance of Government non-residential Buildings	6.00	100
	Construction of General Pool Accommodation—		
	(1) Land Revenue	1.26	90
	(2) Sales Tax	1.88	93
	(3) Jails	1.82	100
	Development and expansion of Library Services	1.08	72
	Special Component Plan for Scheduled Castes—Establishment of Health Centres in Scheduled Caste areas under Minimum Needs Programme	1.85	74
	Undergraduate Medical Education—Allopathy	2.10	58
	Selected Area Programmes—Buildings	2.20	100
30—Education, Art and Culture	Improvement of Buildings of existing Primary Schools (Minimum Needs Programme)	1.60	100

Grant or Appropriation	Name of the Scheme	Amount of Savings (Rupees in crores)	Per- centage of Savings
30—Education, Art and Culture	Upgradation of Standard of administration as recommended by the Ninth Finance Com- mission—Construction of Primary School Buildings	3.00	100
	Mid-day meals for Children	8.02	67
	Special component Plan for Scheduled Castes—Mid-day meals for Children	7.00	100
	Provision for incentive to the Development of Elementary Education	1.67	84
	Experimental Project for non-formal Education for children in the age group 6-14	3.00	100
	Provision for Operation Black Board	1.00	100
	Special Component Plan for Scheduled Castes—Expansion of teaching and educational facilities for children of age group 14-16	1.73	87
	Special Component Plan for Scheduled Castes—Assistance to non-Government Higher Secondary Institutions	1.00	100
	Expansion of teaching and educational facilities for children of age group 11-14	6.31	78

Grant or Appropriation	Name of the Scheme	Amount of Savings (Rupees in crores)	Per- centage of Savings
30—Education, Art and Culture	Special Component Plan for Scheduled Castes—Expansion of teaching and educational facilities for children of age group 11-14	3.95	100
	Establishment of new Colleges including diversification of essential courses of study in existing Colleges	1.05	91
33—Medical and Public Health (Public Health)	Malaria Eradication Programme	1.17	55
34—Family Welfare	India Population Project—IV	6.61	60
35—Water Supply and Sanitation (Excluding Prevention of Air and Water Pollution)	Special Component Plan for Scheduled Castes—Urban Water Supply Schemes— Municipalities having population of 20,000 or less	1.03	94
	Rural Water Supply Schemes— Spot sources (Minimum Needs Programme) (State's Share)	3.31	88
	Rural Water Supply Schemes— (Minimum Needs Programme), Rig Bored Tube Wells (State's Share)	1.22	81
	Special Component Plan for Scheduled castes in Rural Areas (Minimum Needs Pro- gramme)—Piped Water Supply Schemes (State's Share)	1.80	75

Grant or Appropriation	Name of the Scheme	Amount of Savings (Rupees in crores)	Per- centage of Savings
36—Housing	Maintenance of Government Buildings	1.09	100
	Replacement and Renovation of existing Housing Estates	1.50	100
37—Urban Development	Integrated development of Small and Medium Towns (State's Share)	1.40	96
	Special Component Plan for Scheduled Castes—Programme for liberation of Scavengers by conversion of service privies into Sanitary Latrines in Municipal Towns		
	—State's Share	1.74	44
	—Centre's Share	3.76	94
41—Social Security and Welfare (Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes)	Midday meals for children (Minimum Needs Programme)	2.36	79
	Improvement of buildings of Secondary Schools (Minimum Needs Programme)	1.61	92
43—Nutrition	Supplementary Nutrition Programme for children and expectant nursing mothers	2.36	84
47—Crop Husbandry	Scheme for special Jute Development Programme	1.55	66
	Minor Irrigation	1.21	32

Grant or Appropriation	Name of the Scheme	Amount of Savings (Rupees in crores)	Per- centage of Savings
47—Crop Husbandry	Special Component Plan for Scheduled Castes—Minor Irrigation	1.09	66
	Minor Irrigation	3.41	94
55—Agricultural Research and Education	Development of Agricultural Education at Bidhan Chandra Krishi Viswavidyalaya and other Universities	1.50	77
65—Other Special Areas Programmes	Development of Sundarban	2.28	61
	Development of Sundarban— Special Component Plan	3.58	73
67—Minor Irrigation and Command Area Development	World Bank Project on development of Minor Irrigation—Shallow Tube Wells	2.92	87
	World Bank Project on development of Minor Irrigation—Shallow Tube Wells fitted with submersible pumps	1.50	61
	Special Component Plan for Scheduled Castes—World Bank Project on Development of Minor Irrigation— (i) Shallow Tube Wells	1.39	91
	Special Component Plan for Scheduled Castes—River Lift Irrigation—World Bank Project on Development of Minor Irrigation—River Lift Irrigation	1.87	50

Grant or Appropriation	Name of the Scheme	Amount of Savings (Rupees in crores)	Per- centage of Savings
67—Minor Irrigation and Command Area Development	Special Component Plan for Scheduled Castes—World Bank Project on Development of Minor Irrigation—Deep Tube Wells and Medium Deep Tube Wells	1.48	56
68—Flood Control and Drainage	Expenditure on slum clearance, environmental improvement of slum and provision of Basic amenities as recommended by Ninth Finance Commission— Renovation of <i>Khals</i> and <i>Nullahs</i>	1.50	100
	Anti-erosion schemes on the river Ganga down stream of Farakka Barrage Project in the District of Murshidabad	2.30	100
	Urgent Development in Sundarbans, District 24-Parganas	4.13	100
	Revised Lower Damodar Scheme in Hooghly and Howrah	1.37	100
	Ghea Kunti Basin Drainage Scheme in the District of Hooghly	1.80	100
74—Industries (Closed and Sick Industries)	Revival of Closed and Sick Industrial Units	1.15	56
	Revival of Closed and Sick Industrial Units	1.39	99
	Loans for Revival of Closed and Sick Industrial Units	2.34	90

Grant or Appropriation	Name of the Scheme	Amount of Savings (Rupees in crores)	Per- centage of Savings
79—Roads and Bridges	Development of State Roads	1.26	41
	Development of State Roads	3.43	92
	State Roads of Economic or Inter-State importance	1.70	100
96—Loans for other Industries (Excluding Public Undertakings and Closed and Sick Industries)	Loans under incentive scheme for industrial growth in West Bengal	2.75	100

2.2.6 Persistent savings were noticed in the following cases:

Description of the grant/ appropriation	Percentage of savings		
	1988-89	1989-90	1990-91
<u>Revenue—Voted</u>			
1—State Legislature	15	16	13
7—Land Revenue	13	35	26
29—Miscellaneous General Services	24	27	22
37—Urban Development	14	24	30
40—Social Security and Welfare (Rehabilitation)	36	32	48
41—Social Security and Welfare (Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes)	22	19	24
42—Social Security and Welfare (Social Welfare)	23	25	30
57—Co-operation	39	24	32
78—Civil Aviation	50	38	34
83—Secretariat Economic Services	27	27	27

Description of the grant/ appropriation	Percentage of savings		
	1988-89	1989-90	1990-91
<u>Capital—Voted</u>			
7—Land Revenue	57	75	74
40—Social Security and Welfare (Rehabilitation)	84	82	83
41—Social Security and Welfare (Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes)	33	25	18
49—Animal Husbandry	60	68	55
57—Co-operation	29	72	66
<u>Capital—Charged</u>			
98—Public Debt	28	64	37

2.2.7 In the following grants, the expenditure exceeded the approved provision by more than Rs 25 lakhs and also by more than 10 *per cent* of the total provision:

Description of the grant	Amount of excess (Rupees in crores)	Reasons for excess
<u>Revenue—Voted</u>		
25—Public Works	50.91 (52)	Not intimated (June 1992).
34—Family Welfare	6.36 (13)	Not intimated (June 1992).
61—Land Reforms	9.95 (59)	The excess was mainly attributed to the introduction of Revision of Pay and Allowances Rules, 1990.
69—Power	5.63 (21)	Not intimated (June 1992).

Note: Figures within parenthesis represent percentages.

2.2.8 Persistent excess was noticed in the following case:

Description of the Grant	Percentage of excess		
	1988-89	1989-90	1990-91
<u>Revenue—Voted</u>			
25—Public Works	47	59	52

2.2.9 In spite of repeated recommendations of the Public Accounts Committee, rush of expenditure in the month of March was noticed. Some of the major cases are mentioned below:

Description of the Major Head and Grant	Total provision	Total expenditure	Expenditure in March	Percentage of expenditure during March to	
				Total provision	Total expenditure
(Rupees in crores)					
2013—Council of Ministers—Grant No. 3	0.91	0.78	0.41	45	53
2047—Other Fiscal Services—Grant No. 14	3.50	2.96	1.15	33	39
2075—Miscellaneous General Services—Grant No. 29	5.94	4.61	2.23	38	48
2203—Technical Education—Grant No. 30	29.59	25.18	8.56	29	34
2215—Water Supply and Sanitation—Grant No. 35, 41 and 89	78.22	69.82	29.50	38	42
2225—Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes—Grant No. 41	77.78	68.37	53.65	69	78

Description of the Major Head and Grant	Total provi- sion	Total expendi- ture	Expendi- ture in March	Percentage of expenditure during March to	
				Total provi- sion	Total expendi- ture
(Rupees in crores)					
2250—Labour and Employ- ment—Grant No. 46	3.92	3.53	2.23	57	63
2401—Crop Husbandry— Grant No. 25, 41 and 47	88.07	62.96	21.63	25	34
2405—Fisheries—Grant No. 41 and 51	22.41	17.26	8.56	38	50
2505—Rural Employment— Grant No. 60	244.14	207.53	81.55	33	39
2575—Other Special Areas Programme—Grant No. 41 and 65	23.88	19.25	6.09	26	32
2701—Major and Medium Irrigation—Grant No. 66	54.60	56.98	22.67	42	40
2801—Power—Grant No. 69	27.37	32.99	12.58	46	38
2810—Non-conventional Source of Energy— Grant No. 72	0.53	0.15	0.15	28	100
2851—Village and Small Industries—Grant No. 41 and 73	72.30	47.63	19.54	27	41
3053—Civil Aviation— Grant No. 78	0.54	0.35	0.19	35	54

Description of the Major Head and Grant	Total provi- sion	Total expendi- ture	Expendi- ture in March	Percentage of expenditure during March to	
				Total provi- sion	Total expendi- ture
(Rupees in crores)					
3604—Compensation and Assistance to Local Bodies and Panchayati Raj Institutions—Grant No. 62 and 90	130.89	125.61	40.39	31	32
4216—Capital Outlay on Housing—Grant No. 25 and 36	13.50	15.75	6.54	48	42
4425—Capital Outlay on Co-operation—Grand No. 41 and 57	5.94	4.27	2.29	39	54
4515—Capital Outlay on Other Rural Development Programmes (Panchayati Raj)—Grant No. 25 and 63	1.06	0.97	0.42	40	43
4575—Capital Outlay on Other Special Areas Programme—Grant No. 65	0.67	0.27	0.22	33	81
4702—Capital Outlay on Minor Irrigation—Grant No. 41 and 67	29.38	23.82	11.26	38	47
5055—Capital Outlay on Road Transport—Grant No. 80	5.55	3.99	1.78	32	45
5056—Capital Outlay on Inland Water Transport—Grant No. 80	2.67	3.75	1.17	44	31

2.3 Irregular or inadequate re-appropriation

Important instances where provision required for expenditure under individual sub-heads within a grant or appropriation was not properly regulated during the year by re-appropriation or surrender of funds are indicated in the notes and comments below the concerned grants in the Appropriation Accounts for the year.

2.4 New Service/New Instrument of Service

The existing rules provide that expenditure on any item coming under 'New Service/New Instrument of Service' not included in the Budget should not be incurred without obtaining the specific approval of the Legislature in the form of Supplementary Demand for grant. In case of urgency, such expenditure can be met out of an advance from the Contingency Fund of the State pending authorisation by the Legislature. In the cases detailed in Appendix 6, expenditure was incurred without obtaining supplementary grant or an advance from the Contingency Fund though they satisfied the criteria for being treated as New Service/New Instrument of Service.

2.5 Contingency Fund

A Contingency Fund of Rs 20 crores is placed at the disposal of the Government to meet unforeseen expenditure not covered by the Appropriation Act. The rules provide that advances from the Fund can only be made to meet unforeseen expenditure of such emergent nature that postponement thereof till the enactment of the Supplementary Appropriation Act would be undesirable. The supplementary estimate for all expenditure met out of advances from the Contingency Fund should be presented to the State Legislature, as far as practicable within the same financial year in which the advances are sanctioned, the recoupment being thus made within that year.

The total amount of advances drawn from the Contingency Fund during 1990-91 was Rs 83,07,375, of which the amount recouped was Rs 75,61,023. Advances drawn prior to 1990-91 and remaining unrecouped at the beginning of 1990-91 were Rs 5,62,268, of which Rs 5,29,760 were also recouped during the year. Thus, the unrecouped amounts totalled Rs 7,78,860, leaving a balance of Rs 19,92,21,140.

The following table shows the cases where recoupment was yet to be made as of March 1991:

Sl. No.	Head of Account	Amount (Rupees)	Month of sanction/ withdrawal
1.	2210—Medical and Public Health	1,27,721	December 1990
2.	4210—Capital Outlay on Medical and Public Health	2,98,274	October 1990
3.	4210—Capital Outlay on Medical and Public Health	31,595	September 1990
4.	4403—Capital Outlay on Animal Husbandry	11,900	December 1989
5.	4701—Capital Outlay on Major and Medium Irrigation	2,88,762	August 1990
6.	4851—Capital Outlay on Village and Small Industries (Excluding Public Undertakings)	20,608	December 1986
Total		7,78,860	

2.6 Trend of recoveries and credits

Under the system of gross budgeting followed by the State Government, grants and charged appropriations authorised by the Legislature are for gross expenditure and exclude all credits/ recoveries which are adjusted in the accounts in reduction of expenditure. The anticipated recoveries and credits are shown separately in the budget estimates. During the year 1990-91, such recoveries were anticipated at Rs 283.52 crores (Revenue: Rs 70.93 crores and Capital: Rs 212.59 crores). Actual recoveries during the year, however, were Rs 225.03 crores (Revenue: Rs 95.78 crores and Capital: Rs 129.25 crores). Some of the major shortfalls/excesses in recoveries are detailed below reasons for which had not been intimated (June 1992):

Description of the Grant	Budget Estimates	Actuals	Substantial	
			Excess	Shortfall
(Rupees in crores)				
<u>Revenue—Voted</u>				
21—Police	2.75	—	—	2.75
25—Public Works	32.33	90.41	58.08	—
32—Medical and Public Health (Excluding Public Health)	5.00	—	—	5.00
35—Water Supply and Sanitation (Excluding prevention of Air and Water Pollution)	12.00	—	—	12.00
68—Flood Control and Drainage	0.45	2.27	1.82	—
79—Roads and Bridges	15.94	1.49	—	14.45
<u>Capital—Voted</u>				
36—Housing	5.00	3.98	—	1.02
54—Food, Storage and Warehousing	38.64	37.43	—	1.21
66—Major and Medium Irrigation	141.39	72.23	—	69.16
79—Roads and Bridges	26.63	15.02	—	11.61

2.7 Reconciliation of Departmental figures

In order to exercise effective control over expenditure, all Controlling Officers are required to reconcile monthly their respective departmental expenditure with those booked in the accounts maintained by the Accountant General (Accounts & Entitlement) before the close of the accounts for a year. This facilitates timely detection of frauds and defalcation by Controlling Officers and their eventual prevention.

The reconciliation was heavily in arrears in several departments. Of the 170 Controlling Officers, 60 Officers had not taken up the reconciliation for 1990-91, while it was not done for varying periods of less than 12 months by 45 Controlling Officers.

The position was regularly brought to the notice of the Chief Secretary for issuing necessary instructions to all the departments. The total amount remaining unreconciled up to 1990-91 was Rs 2,342.22 crores approximately.

2.8 Non-receipt of explanation for savings/excesses

The explanations for variations between grants/appropriations and corresponding expenditure were either not received at all or were received in an incomplete form as of January 1992 in respect of 1,189 of the 1,299 heads, the variations under which needed explanations. Non-submission or delay in submission of information required for the Appropriation Accounts results in the Audit Report and Accounts remaining incomplete in certain essential respects.

2.9 Non-accountal of assistance in kind

The accounting procedures prescribe the valuation of assistance to the States received, in kind, from the Central Government and their accountal as receipts of grants-in-aid from the Central Government with *per contra* debt as expenditure to the programmes for which the assistance was received and used. Such adjustments for a total value of Rs 7.91 crores could not be made in the accounts for 1990-91, in the absence of the necessary sanctions from the State Government. To this extent, receipts and payments had not been accounted for fully.

CHAPTER III

CIVIL DEPARTMENTS

AGRICULTURE DEPARTMENT

3.1 Technology Mission on Oilseeds

3.1.1 Introduction

The Technology Mission on Oilseeds (TMO) was launched by the Government of India (GOI) in May 1986. Its main objectives were to increase production of oilseeds, reducing thereby imports of edible oils to the extent of 50 *per cent* at the end of the Seventh Plan and achieving ultimately self-reliance during the Eighth Plan period.

The objectives of the programme in West Bengal were (a) to increase production of oilseeds from 2.36 lakh tonnes in 1984-85 to 4.30 lakh tonnes in 1989-90 and 9.50 lakhs tonnes by the turn of the century (b) to increase the area under oilseeds from 3.89 lakh hectares in 1984-85 to 5.40 lakh hectares in 1989-90 and 10.50 lakh hectares in 1999-2000 AD (c) raise the productivity of oilseeds from 607 Kg per hectare in 1984-85 to 796 Kg per hectare in 1989-90 and 900 Kg per hectare by 2000 AD. TMO is a consortium of all the concerned Departments of the Government of India and others to develop an integrated programme to achieve the main objectives. For this purpose, the state Government had constituted three mini-missions, as against four mini-missions at the National Level, with the following strategy:

Name of the Mini-mission	Strategy (Name of activities)	Objectives
Mini-mission-I	Crop production technology	Evolving crop production technology for various regions and crop-growing situation through implementation of All India Coordinated Research Project on Oilseeds (AICORPO).

The abbreviations used in this review have been listed in the Glossary in Appendix 19 (Page 255).

Name of the Mini-mission	Strategy (Name of activities)	Objectives
Mini-mission-II	Farmers support system	Increasing production of oilseeds and edible oils. Objectives of this mission were to be achieved through implementation of the Centrally sponsored National Oilseeds Development Project (NODP), Oilseeds Production Thrust Project (OPTP) and the Development of Oilseeds Production (DOSP) Scheme in the State Sector.
Mini-mission-III	Post-harvest technology and price support infrastructure, etc.	Upgradation of post-harvest technology concerning modern storage, processing and marketing and improvement in extraction practices.

Besides the three mini-missions mentioned above, the following schemes were also implemented for development of oilseed production:

- | | |
|--|---|
| (a) Assistance to Small and Marginal Farmers through Minikits (ASMFM) | Centrally sponsored |
| (b) Diversification of rainfed/low irrigated area with wheat and rape-mustard (DWRM) | Sponsored by the National Oilseeds and Vegetable Oils |
| (c) Popularisation of Summer groundnut in non-traditional areas (PGNT) | Development Board (NOVODB) |

Activities of NODP and OPTP included production of breeder and foundation seeds, opening of retail outlets, demonstration of a package of practices, distribution of inputs (fertilisers, plant protection chemicals and equipment, seeds, etc.), soil-testing, etc. Demonstration of improved technology of cultivation was undertaken under DOSP. The expenditure of OPTP and the foundation seed production component of NODP was to be borne entirely by the GOI. The expenditure on DOSP was to be borne entirely by the State Government. Expenditure on other components were either shared between the GOI and the State Government or borne by NOVODB.

3.1.2 Organisation

A State Level Coordination Committee, consisting of 17 members with the Secretary, Agriculture Department, as the Chairman functioned as the nodal agency for formulation of policy and monitoring the implementation of the programmes taken up under TMO. There were also three sub-committees entrusted with the implementation of the three mini-missions. The scheme was implemented by the Agriculture Department, the West Bengal State Seed Corporation (WBSSC), the West Bengal State Cooperative Marketing Federation Limited (BENFED) and West Bengal Agro Industries Corporation (WBAIC).

3.1.3 Audit Coverage

Records of the Agriculture Department, Director of Agriculture and the field offices in Bankura, Medinipur (East), Murshidabad and Nadia districts relating to implementation of the TMO for the years 1986-90 were test-checked between January 1990 and June 1990. The results of the review are mentioned in the succeeding paragraphs.

3.1.4 Highlights

Central assistance for the National Oilseed Development Project during 1986-89 exceeded the amount admissible by Rs 49.02 lakhs. Assistance for the Oilseed Production Thrust Programme fell short by Rs 9.30 lakhs. Assistance of Rs 8 lakhs, however, remained due from the Indian Council of Agricultural Research.

[Paragraph 3.1.5(a)]

Against the approved outlay of Rs 198.78 lakhs for NODP and OPTP, actual expenditure was Rs 160.38 lakhs.

[Paragraph 3.1.5(b)]

Utilisation Certificates for Rs 28.58 lakhs were not submitted to the National Oilseeds and Vegetable Oils Development Board. Certificates for Rs 21.50 lakhs were submitted without details of expenditure.

[Paragraph 3.1.5(c)]

No separate scheme on the Mini-mission Crop Production Technology was taken up. Research Activities undertaken at a cost of Rs 14.63 lakhs under an existing scheme did not fully result in achieving the targeted increase in yields, reduction in crop duration and increase in oil content.

[Paragraph 3.1.7]

During 1986-89, the West Bengal State Seed Corporation, could meet only 11 per cent of the requirements of rapeseed-mustard, 9 per cent of sesamum and 34 per cent of groundnut seeds.

[Paragraph 3.1.8]

In the four districts test-checked, results obtained from the use of 3,866 input kits in farmers' plots revealed that the yields were lower than the expected levels to the extent of 6 per cent to 89 per cent.

[Paragraph 3.1.8(f)]

9,400 sprayers (Subsidy: Rs 27.24 lakhs) were supplied to farmers in the four districts test-checked without prepositioning chemicals.

[Paragraph 3.1.8(i)]

Demonstrations of improved technologies of cultivation were organised in the four districts test-checked at a total cost of Rs 48.03 lakhs in 6,290 hectares of rapeseed-mustard, sesamum and groundnut. The per hectare yield of oilseeds from these plots were, however, substantially lower than the expected yields due to paucity of quality seeds, late sowing, non-adherence to recommended norms and practices, etc.

[Paragraph 3.1.8(j)]

The extent to which the recommended agricultural practices were actually adopted by the farmers following the availability of the results of soil tests, on which an expenditure of Rs 2.27 lakhs was incurred, was neither monitored nor evaluated.

[Paragraph 3.1.8(l)]

Stocking and prepositioning of seeds and chemicals, opening of retail outlets for seeds and creation of mobile squads for surveillance of pest attacks were not taken up, notwithstanding the allotment of funds of Rs 12.43 lakhs, of which Rs 3.84 lakhs were diverted for other purposes in the four districts test-checked.

[Paragraphs 3.1.8(a), 3.1.8(h) & 3.1.8(i)]

Rupees 12 lakhs were advanced to WBSSC for the production of 400 tonnes of certified rapeseed-mustard against a

requirement of 13 tonnes only. Neither was the quantity of seeds actually produced and distributed ascertained, nor was the advance adjusted.

[Paragraph 3.1.9(a)]

Area covered by demonstrations under the Oilseed Production Thrust Project (OPTP) was lower than the target to the extent of 4,000 hectares (61 *per cent*) due to delay in sanction of funds, non-availability of quality seeds, and inadequacy of the assistance. The instructions of the Government of India in regard to allotment of land for the demonstration of improved technologies by research institutions and Universities were also not adhered to. Average production of rapeseed-mustard and groundnut in 640 hectares of demonstration plots in the four districts test-checked was lower than the expected yield by 15 *per cent* to 60 *per cent* owing to delayed sowing of seeds.

[Paragraph 3.1.9(b)]

Plant protection chemicals were not sprayed in 5,100 hectares.

[Paragraph 3.1.9(c)]

The impact of application of Gypsum/Pyrite on increasing production was not assessed in the four districts test-checked.

[Paragraph 3.1.9(d)]

Of the 17,726 demonstrations organised in the four districts test-checked under the Development of Oilseed Programme (DOSP) at a cost of Rs 34 lakhs, results of 6,796 demonstrations (Cost: Rs 13.25 lakhs) were not assessed, while crops in 752 demonstration plots were reported to have been damaged. Of the remaining demonstration plots, productivity of oil seeds in 3,711 demonstrations (Cost: Rs 6.02 lakhs) was less than the expected levels.

[Paragraph 3.1.10(a)]

In one district test-checked, production of oilseeds in 3,671 hectares of demonstration plots (Cost: Rs 21.92 lakhs) cultivated under a scheme for the diversification of rainfed/low-irrigated wheat with rapeseed-mustard varied between 490 Kg. and 1,212 Kg. per hectare against the norm of 1,500 Kg. per hectare.

[Paragraph 3.1.11]

Groundnut seeds supplied in 6,980 minikits at a cost of Rs 12.23 lakhs in Medinipur district in 1985-86 and in Murshidabad district in 1988-89 were found to be sub-standard, resulting in failure of the crop and under-coverage.

[Paragraph 3.1.13(b)]

3.1.5 Finance

Details of funding for the various programmes during 1986-89 were as follows:

Sl. No.	Name of the Scheme	Approved outlay	Budget provision	Actual expenditure	Central assistance/ other assistance due to be received	Central assistance/ other assistance actually received
(Rupees in lakhs)						
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	National Oilseed Development Project (NODP)	137.88	146.10	122.36	61.50	110.52
2.	Oilseeds Production Thrust Project (OPTP)	60.90	27.65	38.02	38.02	28.72
3.	Distribution of Oilseeds minikits to Small and Marginal Farms (ASMFM)	Budget Provision for Oilseeds minikits not made separately		261.45	130.73	Not available separately for oilseeds minikits
4.	Project for Diversification of Rainfed wheat with Rapeseed-Mustard (DWRM)	24.45	Nil	23.79	23.79 ¹	23.99
5.	Popularisation of Summer Groundnut cultivation in non-traditional areas (PGNT)	24.60	Nil	26.29	26.29 ¹	24.60
6.	All India Coordinated Research Project on Oilseeds (AICORPO)	N.A.	8.60	10.67	8.00 ²	Nil
7.	Development of Oilseeds including Sunflower (DOSP)	Nil	89.85	88.00	Nil	Nil

¹ Assistance provided by NOVODB.

² Assistance provided by ICAR.

An analysis of the funding revealed the following:

(a) Central assistance received under NODP exceeded the amount admissible by Rs 49.02 lakhs, while that for OPTP fell short by Rs 9.30 lakhs. No assistance was also received from ICAR against an admissible amount of Rs 8 lakhs for expenditure under the All India Coordinated Project on Oilseeds.

(b) Of the total shortfall of Rs 38.40 lakhs against the approved outlay of Rs 198.78 lakhs under NODP and OPTP, shortfall of Rs 15.52 lakhs under NODP was attributed to non-availability of quality seeds and belated receipt of approval of the GOI, while reasons for shortfall of the remaining Rs 22.88 lakhs were not stated. The State Government, however, did not submit expenditure statements to the GOI, and despite administrative approval, State Government's sanctions for OPTP fell short of the outlay by Rs 13.80 lakhs.

(c) Of the total expenditure of Rs 50.08 lakhs incurred on the two schemes sponsored by the National Oilseeds and Vegetable Oils Development Board (NOVODB) during 1986-89, utilisation certificates for Rs 28.58 lakhs were not submitted, while such certificates for Rs 21.50 lakhs were submitted without obtaining details of expenditure from the implementing Principal Agricultural Officers.

(d) A programme approved in August 1989 by NOVODB for promotion of Sunflower cultivation in the Kharif season (assistance: Rs 0.40 lakh) was not accepted by the State Government, no reasons being assigned.

(e) Against the expenditure of Rs 259.05 lakhs incurred according to departmental records, Rs 241.30 lakhs were booked in accounts. No steps were taken to reconcile the difference between the departmental and accounts figures as of March 1990.

(f) In four districts test-checked, out of Rs 99.92 lakhs allotted, Rs 17.32 lakhs remained unutilised owing to non-availability of quality seeds, inadequate extension service and absence of demand for oilseed crop.

3.1.6 Targets and achievements

The table below contains details of the targets and achievements in respect of important oilseeds produced in the State at the end of 1989-90:

Crop	Targets			Achievements		
	Area (000 hectares)	Production (000 tonnes)	Productivity (Kg/ hectare)	Area (000 hectares)	Production (000 tonnes)	Productivity (Kg/ hectare)
Rape-mustard	365.00	290.25	795	363.10	324.74	894
Sesamum	124.00	98.00	787	87.10	59.60	684
Groundnut	22.00	28.00	1,300	19.00	24.04	1,265
Sunflower/ safflower	2.50	1.50	600	2.00	1.10	550

Though achievements in respect of rape-mustard, the major crop in the State, exceeded the target, yields of other three crops were lower. Year-wise details of physical achievements as detailed in Appendix 7 revealed that area under cultivation of rape-mustard and sesamum reached the peak at 3.80 lakh hectares and 1.66 lakh hectares respectively in 1987-88 increasing gradually from 1.89 lakh hectares and 0.95 lakh hectares in 1983-84. It, however, came down to 3.63 lakh hectares and 0.87 lakh hectares respectively in 1989-90. Similarly, production of these two oilseeds increased to 3.34 lakh tonnes and 1.39 lakh tonnes in 1987-88 but it decreased to 3.25 lakh tonnes and 0.60 lakh tonnes in 1989-90. Fall in production in 1988-89 was attributed (December 1990) by the Director of Agriculture to draught conditions prevailing during the sowing season.

Total production of the above crops fell short of the target marginally at the end of 1989-90. The productivity of rape-mustard remained almost static at 800 plus Kg per hectare during the last three years of the Mission period, while that of sesamum and sunflower registered a decline from 839 Kg and 688 Kg respectively in 1987-88 to 684 Kg and 550 Kg in 1989-90.

3.1.7 Crop Production Technology

For evolving profitable crop production technology for various regions and crop growing situations, the TMO fixed targets of increasing yield potential by 20 per cent to 50 per cent, by reducing crop duration (5 to 25 days), increasing oil content of the seeds by 6 per cent to 25 per cent as well as by producing nucleus and breeder seeds for subsequent large scale multiplication. To achieve objective, research on oilseeds was undertaken under the All India Coordinated Research Project on Oilseeds (AICORPO) re-oriented to the objectives of the TMO at the Pulses and Oilseeds Research Station

(PORS), Berhampore. No other special research schemes on oilseeds were taken up under the TMO nor were any additional manpower and funds made available for the purpose.

The achievements of the research activities in respect of 4 types of oilseeds undertaken by PORS, Berhampore, during 1986-90 at a total cost of Rs 14.63 lakhs are indicated in the following tables:

TABLE I

Name of the crop	Increase in yield potential	Increase in oil content	Reduction in crop duration
Toria	33 <i>per cent</i> (RF)	2 <i>per cent</i>	5-10 days
Yellow Sarson	28 <i>per cent</i> (IR)	No programme was taken up	5-10 days
Mustard	N.A.	5 <i>per cent</i>	5-10 days
Sesamum	12 <i>per cent</i> (RF)	5 <i>per cent</i>	No programmes were taken up
	20 <i>per cent</i> (IR)		

IR = Irrigated
RF = Rainfed

TABLE II

Production of Breeder Seeds from Nucleus Seeds

Type of Crop	1986-87			1987-88			1988-89			1989-90		
	Nucleus seeds	Breeder seeds as per the approved norms*	Breeder seeds actually obtained	Nucleus seeds	Breeder seeds as per the approved norms*	Breeder seeds actually obtained	Nucleus seeds	Breeder seeds as per the approved norms*	Breeder seeds actually obtained	Nucleus seeds	Breeder seeds as per the approved norms*	Breeder seeds actually obtained
(In Quintals)												
Rapeseed-Mustard	0.62	31.00	6.25	0.68	34.00	6.10	0.68	34.00	6.84	N.A.	N.A.	N.A.
Linseed	0.02	0.60	1.22	0.01	0.30	1.30	0.01	0.30	0.60	N.A.	N.A.	N.A.
Sesamum	0.03	1.50	0.80	0.40	20.00	2.50	0.40	20.00	3.68	0.04	2.00	4.00
Groundnut	0.42	2.10	1.80	0.12	0.60	3.70	0.50	2.50	1.09	0.60	3.00	4.45

*The approved norm of production from nucleus to breeder seeds was 1:50 for rapeseed-mustard and sesamum, 1:30 for linseed and 1:5 for groundnut.

The following points emerged in Audit scrutiny:

(i) Though the increased potential of toria seeds in rainfed areas were notified in 1989, such seeds were not released. Yellow sarson seeds in irrigated areas and sesamum seeds both in irrigated and rainfed areas were notified only in 1990.

(ii) The crop duration of three types of seeds was reported to have been reduced by 5-10 days against the target of 5 to 25 days. These seeds were, however, stated to be under testing as of May 1990.

(iii) Against the targeted increase in oil content of seeds by 6-25 per cent, the increase achieved was between 2 per cent (toria) and 5 per cent (mustard and sesamum).

(iv) Shortfalls in production of rape-mustard and sesamum in 1986-89 and of groundnut in 1986-87 and 1988-89 did not contribute to the subsequent large scale multiplication to the extent desired in the relevant years.

(v) The following new varieties of oil seeds were recommended since they required a lesser germination period and had higher oil content:

Name of the oilseed	Name of the old variety	Name of the new variety recommended
Yellow	B-9	YSB-19-7(c) Subinay
Mustard	B-85	RW-4C-6-3/11
Sesamum	B-67	S (Rana)
Groundnut	AK-12-24/JL-24	IC g V-36/SPS-52

The availability of the new variety of seeds was, however, not ensured and these were not popularised among the farmers. Results of research undertaken in the institutions of other States did not also trickle down to the State.

3.1.8. *Farmers' support and extension services*

For increasing the production of oilseeds from 2.36 lakh tonnes in 1984-85 to 4.3 lakh tonnes in 1989-90 and 9.50 lakh tonnes in the year 2000 AD, measures to be taken were improved system of extension, streamlined system of input supply, arrangement of credit and crop insurance.

Non-availability of improved seeds was a major impediment for increasing oilseeds production. Production of seeds by WBSSC fell short of requirement as would be evident from the following table:

Sl. No.	Name of the oilseed	Quantity of improved seeds required (in tonnes)	Quantity produced by WBSSC (in tonnes)	Percentage of production against requirement
1.	Rape/Mustard	7,811	890	11
2.	Sesamum	2,015	173	9
3.	Groundnut	5,165	1,753	34

While the groundnut seeds certified by the Corporation during 1986-90 were truthfully labelled not having passed the certification standards, the State Government did not initiate any separate programme for popularisation and large scale production of certified seeds under NODP and OPTP.

Physical and financial progress under the National Oilseed Development Project (NODP) during 1986-89 were as follows:

Name of the component	Financial progress			Physical progress		
	Target	Achievement	Excess (+) Shortfall (-)	Target	Achievement	Excess (+) Shortfall (-)
	(Rupees in lakhs)					
(i) Production of foundation and breeder seeds	1.08	0.65	(-) 0.43	108 hectares	65 hectares	(-) 43 hectares
(ii) Stocking and prepositioning of seeds	0.94	0.26	(-) 0.68	200 tonnes	55 tonnes	(-) 145 tonnes
(iii) Distribution of input kits	10.38	10.46	(+) 0.08	12,800	19,400	(+) 6,600
(iv) Opening of additional outlets for seeds	0.70	0.10	(-) 0.60	14	2	(-) 12
(v) Supply of plant protection equipment	27.33	27.24	(-) 0.09	9,100	9,400	(+) 300
(vi) Prepositioning of plant protection chemicals	3.71	Nil	(-) 3.71	Nil	Nil	—
(vii) Plant protection squads	6.93	3.51	(-) 3.42	Nil	Nil	—
(viii) Demonstration of improved technology of cultivation	73.83	71.59	(-) 2.24	12,500 hectares	12,000 hectares	(-) 500 hectares
(ix) Supply of farm implements	6.70	3.10	(-) 3.60	1,440	1,071	(-) 369
(x) Soil testing (Samples)	2.63	2.27	(-) 0.36	1,05,200	90,800	(-) 14,400

Component-wise performance is mentioned below:

(a) As against the target of 200 tonnes, 55 tonnes of quality seeds were stocked and prepositioned during 1986-89. Stocking and prepositioning of the remaining 145 tonnes could not be done owing to non-availability of surplus quality seeds with WBSSC. In four districts test-checked, out of Rs 1.09 lakhs allotted, Rs 0.08 lakh were diverted to purchase plant protection equipment and Rs 1.01 lakhs remained unutilised. In the absence of stocking and prepositioning of seeds, supply of seeds ahead of the season and timely sowing could not be ensured.

(b) Free supply of input kits, containing certified seeds of varieties not commercially released, seed-treating chemicals and rhizobium culture, to the marginal farmers was envisaged. Test-check in audit revealed that against the target of 12,800 kits to be so distributed, 19,400 kits were distributed. These kits, however contained only seeds of available varieties instead of the pre-release variety. Reasons for excess release of 6,600 kits (value: Rs 3.56 lakhs) were not furnished (May 1990). Seed-treating chemicals were not supplied due to non-availability of chemicals in the market.

(c) Though it was envisaged by the GOI that each minikit should be utilised over an area of 0.2 hectare, the State Government modified the norm of coverage to 0.13 hectare for minikits. As a result, as against 3,480 hectares that should have been covered by the supply of 19,400 minikits, only 2,522 hectares could be covered and 958 hectares had been left uncovered due to the revision of the norm.

(d) In the four districts test-checked, 1,787 rapeseed-mustard kits, 450 sesamum kits and 759 groundnut kits were distributed beyond the sowing season. The delay was attributed mainly to delay in selection of beneficiaries and non-release of land from other crops. The money value of the kits so released later was Rs 1.95 lakhs.

(e) In two districts (Medinipur and Nadia), 640 groundnut minikits (cost: Rs 1.32 lakhs) were found to contain sub-standard seeds.

(f) Of the 13,126 kits used in the farmers' plots, yields obtained from 1,365 kits attained the desired level, while those from the plots where 7,895 kits were used were not ascertained. Yields from the remaining 3,866 kits of rapeseed-mustard, sesamum and groundnut were substantially lower than the expected yields per hectare as indicated below:

Crop	Number of kits	Expected yield (Kg per hectare)	Actual yield (Kg per hectare)	Percentage of shortfall
Rapeseed-Mustard	2,334	1,400	488 to 1,100	65 to 21
Sesamum	528	800	299 to 750	63 to 6
Groundnut	1,004	2,000	22 to 1,500	89 to 25

Note: Expected yield has been computed based on the norms evolved by the PORS, Berhampore.

(g) The impact of supply of untreated seeds valued at Rs 10.46 lakhs on production of oilseeds was not assessed either by the Department/Directorate or by the field officers.

(h) None of the 14 outlets for seeds targeted could be opened due to non-availability of suitable agencies capable of executing the programme. Out of Rs 0.70 lakh available for this component, Rs 0.15 lakh were diverted (1986-87) to purchase of plant protection equipment in Murshidabad and Nadia districts, leaving Rs 0.55 lakh (79 per cent) unutilised.

(i) For avoiding loss of crop production due to disease and pest-attacks, mobile plant protection squads were to be set up for surveillance of incidence of disease and pest-attacks. A subsidy was to be provided to small and marginal farmers for prepositioning of chemicals (10 per cent) and purchase of plant protection equipment (50 per cent). No surveillance work on pest-attacks was undertaken in any of the districts covered by the review as the mobile squads were not set up. Of Rs 6.93 lakhs available, Rs 3.61 lakhs were diverted for other purposes and Rs 3.32 lakhs remained unutilised.

As the crops were reported to have generally escaped disease of aphids, plant protection chemicals were not prepositioned leaving the entire funds of Rs 3.71 lakhs unutilised. But 9,400 sprayers, involving subsidy of Rs 27.24 lakhs, were supplied. In the absence of any data on the area affected by pests and the area actually sprayed, the extent to which the sprayers were utilised for oilseed crops could not be verified. The number of small and marginal farmers who actually benefitted from the scheme was also not on record.

In the four districts test-checked, 2,850 sprayers involving a subsidy of Rs 8.48 lakhs, were delivered to rapeseed-mustard cultivators long after the harvest of crops.

(j) According to the GOI guidelines, demonstrations of improved technology of cultivation in plots of 50 hectares each were to be undertaken with supply of seeds, fertilisers and pesticides at

subsidised prices to enable transfer of technology from research laboratories to the fields and to highlight that yields of demonstration plots would be higher than those of the farmers' plots. Government, however, decided to organise demonstrations in plots of 10 hectares in view of the relatively small land holdings in the State. Of the estimated cost of Rs 2,645, Rs 2,308 and Rs 4,913 per hectare for demonstration of rapeseed-mustard, sesamum and groundnut crops respectively, subsidy of Rs 600, Rs 300 and Rs 1,200 was to be borne by Government and the remaining cost was to be borne by the beneficiary farmers.

Of the 12,500 hectares of land on which demonstrations were to be organised, only 12,000 hectares were covered. Reasons for not covering the remaining 500 hectares were not stated.

In the 4 districts test-checked, performance under the programme was as follows:

Crop	Area targeted to be covered (hectares)	Area actually covered (hectares)	Expected yield (Kg/hectare)	Expenditure (Rs in lakhs)	Actual yield (Kg/hectare)
Rape-mustard	2,553	2,553	1,400	13.72	725 to 1,056 (2,334)
Sesamum	3,410	2,553	800	3.98	522 to 726 (1,394)
Groundnut	2,645	2,562	2,000	30.33	563 to 1,507 (2,562)

Note: (1) Figures within parentheses represent area in hectares where the yield was below the expected labels.

(2) Expected yield computed based on the norms evolved by PORS, Berhampore.

It was also seen in audit that:

(i) Shortfall of 857 hectares in sesamum in all the districts and 83 hectares in Birbhum and Medinipur (East) districts due to non-availability of seeds or late receipt of sanction from the Director of Agriculture led to a loss of production of about 724 tonnes of oilseeds.

(ii) Demonstration plots were fragmented varying in size from 0.13 hectare in Murshidabad district to 5 hectares in Birbhum district instead of being carried out in plots of 10 hectares as decided by the State Government. Selection of plots and beneficiaries was delayed and selected beneficiaries were not trained in production technology to ensure adoption of uniform practices in all the plots.

(iii) Against 135 Kg per hectare of groundnut seeds to be used in the demonstration plots, seeds actually supplied by Government varied between 105 Kg in 1986-87 and 85 Kg in 1989-90. Shortfall in supply of seeds was due to the ceiling on subsidy of Rs 1,200 per hectare. Fertilisers were also not supplied. According to Deputy Director of Agriculture, oilseeds demonstrations of groundnut production in 400 hectares of land at a cost of Rs 4.89 lakhs in 1988-89 in Purulia, Murshidabad and Medinipur (East) districts resulted in poor plant population and poor yield as the farmers did not sow the seeds according to the prescribed norms by purchasing the quantum supplied short. The Directorate did not also conduct any survey to ascertain the quantum of seeds and fertilisers actually utilised by the farmers in 2,562 hectares covered in four districts at a cost of Rs 30.33 lakhs.

(iv) Productivity of all oilseeds per hectare fell below the expected yield over large areas in the districts selected for test-check. Production (600 Kg per hectare) in 200 hectares in which demonstration of rapeseed-mustard was undertaken in West Dinajpur district during 1986-87 at a cost of Rs 1.20 lakhs was lower than the yield of 700 Kg per hectare obtained in neighbouring plots where no improved technology of production was applied. Poor performance in these cases was attributable to paucity of quality seeds, late sowing, inadequacies in application of recommended practices, etc.

(v) Details of improved technology in land preparation, sowing of seeds, application of fertilisers, chemicals, etc. adopted by the farmers at progressive stages of cultivation were not recorded at the field level; nor were there any records in support of the extent of supervision.

(vi) According to the guidelines, results of the demonstrations were to be jointly recorded by the ADOs and the village level workers (krishi prajukti sahayaks). Data on such yields were actually recorded on the basis of enquiries from the farmers without any sample survey or verification.

(k) Of the 1,440 farm implements like decorticators, seed cum-fertiliser drills, etc. targeted to be distributed among the beneficiaries, 1,071 implements were actually distributed at a cost of Rs 3.10 lakhs. The shortfall was attributed to non-procurement of drills from Gujarat despite issue of instructions by the DA in May 1987. In five districts test-checked, 471 decorticators and MB ploughs were purchased at a cost of Rs 1.21 lakhs, and Rs 0.52 lakh were diverted for the purchase of paddy threshers and water pumps, which

was beyond the ambit of the scheme. But no steps were taken to procure 632 farm implements, notwithstanding the availability of Rs 2.85 lakhs.

Rupees 0.75 lakh made available to four districts for purchase of sprinklers were not utilised.

(1) Though Rs 2.27 lakhs were spent on testing 90,800 samples of soil to enable the farmers to apply the correct doses of inputs, no watch was kept on the practices actually adopted by the farmers, subsequent to the results of testing made available to them. Nor were any efforts made by the concerned district-level officers to evaluate the impact of the adoption of the recommended practices by the farmers.

3.1.9 *Oilseed Production Thrust Project (OPTP)*

In terms of the GOI's decision, OPTP was to be introduced in 1987-88 in nine districts. The State Government implemented the scheme in Medinipur (East) district during 1987-89 and in Coochbehar, Medinipur (East and West), Purulia and 24-Parganas (South) districts during 1989-90 though these districts were not selected by the Government of India. Necessary approval of the State Level Coordination Committee for inter-district adjustment was also not obtained. The components of the scheme were restricted to seed-production, demonstrations, plant protection measures and application of sulphur in the soil. Test-check of the records revealed the following:

(a) In 1987-88, the DA advanced Rs 12 lakhs to WBSSC for production of 400 tonnes of certified seeds of rapeseed-mustard, against the requirement of 13 tonnes for covering 1,700 hectares. Total quantity of seeds actually produced and distributed was not ascertained by the Department/Directorate. The advance was also not adjusted in full. The authority for granting the advance for production of seeds in excess of approved limits was also not ascertainable.

Despite availability of funds, a proposal of DA for production of 200 tonnes of sunflower seeds and 90 tonnes of groundnut seeds was not accepted by WBSSC.

(b) Demonstrations (as under NODP) were also to be conducted in this programme. Of the 6,600 hectares of land to be brought under demonstrations, 2,600 hectares were actually covered. Shortfall of 4,000 hectares was attributed to late receipt of sanction from the GOI, non-availability of quality seeds and inadequate scale of assistance. The GOI, however, observed in December 1987 that the State

Government should have made arrangements for rapeseed-mustard seeds so as to ensure demonstration and dissemination of improved technology.

Further, despite the GOI's instruction in March 1988 to allot 50 *per cent* of the area to be covered by demonstrations to the ICAR and SAU to enable transfer of the latest technology to the farmers, the State Government allotted only 87 hectares for this purpose against the target of 1,300 hectares (50 *per cent* of 2,600 hectares).

In none of the four districts test-checked were there any records indicating details of improved technology adopted by the farmers, extent of supervision of each plot and results of the demonstrations. The area of demonstration plots varied between 2 hectares and 25 hectares, against 10 hectares decided by the State Government. In the four districts, average production of rapeseed-mustard and groundnut in 640 hectares, in which demonstrations were conducted at a cost of Rs 4.22 lakhs was found to be lower than the expected yield by 15 *per cent* to 56 *per cent* and 50 *per cent* to 60 *per cent* respectively as indicated below:

Name of the crop	Area of demonstration	Total expenditure (Rupees in lakhs)	Expected yield (In Kg per hectare)	Average yield
Rapeseed-mustard	545 hectares	3.10	1,400	613 to 1,186
Groundnut	95 hectares	1.12	2,000	800 to 1,009

Low yield in each district was attributed to belated sowing of seeds, non-application of required dose of inputs by the farmers, poor plant population (groundnut) etc.

Ground demonstrations conducted in 217 hectares in Murshidabad (157 hectares) and Burdwan (60 hectares) districts in 1988-89 at a cost of Rs 2.60 lakhs resulted in poor yield as the cultivators did not procure the seeds required to be arranged from their own resources.

(c) Of the targeted area of 8,800 hectares to be sprayed with plant protection chemicals during 1987-89, 3,700 hectares were actually sprayed, resulting in a shortfall of 5,100 hectares.

Of the 1,530 items of plant protection equipment targeted to be procured during 1987-89, 619 items involving subsidy of Rs 1.83 lakhs only were procured and distributed among the farmers.

In the four districts test-checked, against the target of 6,180 hectares during 1988-89, 1,192 hectares were sprayed with plant protection chemicals, although reports of pest attacks were received from the concerned ADOs and SAOs in the districts.

In two districts (Birbhum and Murshidabad), 198 items of equipment (cost: Rs 0.59 lakh) were supplied to the farmers growing rapeseed-mustard during 1989-90 after the harvest of the crop.

(d) For increasing the productivity of different oilseed crops, application of Calcium Sulphate in 3,000 hectares in 1987-88 and Gypsum/Pyrite in 8,000 hectares was envisaged in the programme. While the programme of application of Calcium Sulphate in 1987-88 was not taken up at all, 2,000 hectares were covered with Gypsum/Pyrite. Information on achievements in 1989-90 was not available.

Out of 403 tonnes (value: Rs 3.40 lakhs) of Gypsum and Pyrite purchased by PAO, Birbhum (72 tonnes: value: Rs 0.59 lakh); PAO, Murshidabad (51 tonnes: value: Rs 0.47 lakh); PAO, Medinipur (150 tonnes: value Rs 0.78 lakh) and PAO, Nadia (130 tonnes: value: Rs 1.20 lakhs) during 1989-90, 64 tonnes of Pyrite (value: Rs 1.16 lakhs) were not utilised in Nadia district.

Further, an order for the purchase of 51 tonnes of Pyrite (value: Rs 0.47 lakh) was placed with a firm in November 1989 after the sowing season was over. The impact of application of Gypsum/Pyrite valued at Rs 3.04 lakhs on increasing production was not assessed.

(e) During 1988-89, groundnut demonstrations were organised in Medinipur district in an area of 325 hectares (cost: Rs 3.88 lakhs) with substandard seeds supplied by WBAIC, resulting in low yield of the crop.

3.1.10 *Development of Oilseeds Programme (DOSP)*

The State Government implemented schemes for development of oilseeds, including sunflower, by conducting demonstrations with free inputs, viz., seeds, fertilisers, plant protection chemicals, etc. Each demonstration was to cover 0.13 hectare of land. During 1986-89, 63,723 demonstrations covering different oilseeds were conducted at a total cost of Rs 88 lakhs. The Department/Directorate did not obtain reports/returns from the field offices to ascertain the yield increase in demonstration plots compared to the neighbouring plots where no improved practices were adopted.

(a) In the four districts test-checked, out of 20,639 demonstrations expected to be conducted during 1986-90 only 17,726 were organised, at a total cost of Rs 34 lakhs. Shortfall of 2,913

demonstrations (14 *per cent*) was attributed to non-supply of quality seeds by the WBSSC and WBAIC. Further, of the 17,726 demonstrations conducted, yields of 6,467 (36 *per cent*) demonstrations achieved the expected level, and results of 6,796 demonstrations (38 *per cent*) conducted at a cost of Rs 13.25 lakhs were not assessed in the absence of yield figures. Crops of 752 demonstrations (cost: Rs 1.80 lakhs) were reported to have been damaged either due to heavy rains or draught. In the remaining 3,711 demonstrations (21 *per cent*) conducted on 482 hectares of land at a cost of Rs 6.02 lakhs, productivity of oilseeds per hectare fell below the expected level as indicated below:

Name of crop	Name of the district	Expected yield in Kg/Hectare	Total number of demonstrations	Total number of demonstrations where actual yield per hectare was		
				Below 500 Kg	500 to 1,000 Kg	1,000 to 1,200 Kg
Rapeseed-Mustard	Medinipur (East)	1,500	691	80	367	244
	Murshidabad		578	14	289	275
	Birbhum		115	51	64	—
	Nadia		68	10	58	—
Groundnut	Medinipur (East)	2,200	1,203	244	460	499
	Murshidabad		345	61	78	206
	Birbhum		553	392	148	13
	Nadia		51	11	40	—
Sunflower	Medinipur (East)	1,200	107	36	69	2
			3,711	899	1,573	1,239

In demonstrations conducted in 3,066 plots, delays ranging from 15 days to 2 months also occurred in sowing seeds.

(b) Government sanctioned Rs 10 lakhs in October 1989 to subsidise the prices of rapeseed-mustard (Rs 3 lakhs) and groundnut seeds (Rs 7 lakhs) in 13 districts. The PAOs of all the districts declined to organise sale of seeds because of high prices quoted by the seed agencies of the State. However, in January 1990, Government reappropriated Rs 7 lakhs for opening 2,800 demonstration centres.

Further, groundnut seeds for demonstration were made available only in two districts and that too after the middle of February 1990 when the sowing season was already over. Results of these demonstrations where sowing was delayed were not obtained, as of May 1990. For want of proper planning, Rs 3 lakhs could not be utilised at all, and demonstration of groundnut seeds at a cost of Rs 7 lakhs was conducted after the appropriate period of sowing.

(c) WBSSC procured 8,963 Kg of mustard seeds from the State Agricultural Farms in Murshidabad district during 1987-89 at Rs 11 per Kg and sold seeds back to the Agriculture Department for implementation of DOSP at Rs 20 per Kg. Reasons for routing the seeds through WBSSC, leading to an extra expenditure of Rs 0.81 lakh were not stated.

3.1.11 *Diversification of rainfed/low irrigated wheat with rapeseed-mustard (DWRM)*

This scheme was implemented in Bankura and Medinipur (West) districts by diversification of wheat areas with the assistance provided by the National Oilseeds and Vegetable Oils Development Board (NOVODB). Besides demonstrations, distribution of minikits and observance of farmers' field days were also to be taken up under the scheme. Test-check of records in Bankura district revealed the following:

Out of 3,750 hectares to be covered by demonstrations in 150 plots of 25 hectares each in five blocks, 3,671 hectares were actually covered at a cost of Rs 21.92 lakhs in fragmented plots varying in area between 0.5 hectare to 5 hectares. The productivity of these plots was reported to have varied between 490 Kg and 1,212 Kg per hectare, which was much lower than the targeted 1,500 Kg per hectare. No register indicating dates of supply of inputs, sowing, supervision, harvesting, etc. was maintained in four of the five blocks. As a result, the basis of yield was not susceptible of verification. Lower yields were attributed by the concerned SAOs to selection of fragmented plots, selection of farmers at random by the concerned ADOs in the absence of any prescribed procedure, issue of inputs through the Gram Panchayets without any vigil on actual dates of distribution, delays of 1 month to 2 months in supply of seeds, increase in the incidence of pest attacks from year to year, premature harvesting, lack of supervision, etc.

Actual dates of distribution of 5,000 minikits of seeds valued at Rs 1.06 lakhs during 1988-89 through Gram Panchayets, were not recorded in the muster rolls nor were the areas covered and yields derived ascertained. Thus, the impact of distribution of minikits valued at Rs 1.06 lakhs on production of oilseeds was not assessed.

3.1.12 *Popularisation of summer-groundnut cultivation in non-traditional areas (PGNT)*

In view of the high potentiality of groundnut in rabi/summer, the scheme for the popularisation of summer groundnut cultivation in

non-traditional areas was implemented since 1986-87 in Birbhum district and during 1989-90 in 24-Parganas (North) district with financial assistance from the NOVODB for augmenting area coverage, production and productivity of groundnut by utilising the lands with limited irrigational facilities, usually remaining fallow. The components of the scheme were demonstration of improved cultivation, training and field days and study tours of farmers. Test-check of the records revealed the following:

(a) The programme was executed from the summer season of 1987 in five blocks (Khayrasole, Suri-I, Sainthia, Mohammed Bazar and Illambazar). As against the targeted coverage of 1,000 hectares, for which an assistance of Rs 12 lakhs was admissible (Rs 1,200 per hectare), demonstrations were conducted only in 859 hectares at a total cost of Rs 12.10 lakhs, computed with reference to the assistance of Rs 10.31 lakhs for the area actually covered, this involved an excess expenditure of Rs 1.79 lakhs. Actual yield obtained in these blocks varied from 725 Kg to 1,100 Kg per hectare against the expected yield of 2,000 Kg. The low yield was attributed mainly to late and irregular supply of inputs, including seeds, leading to late and irregular sowing. Supply of seeds at the rate of 100 Kg per hectare against the requirement of 135 Kg, failure to ensure farmers' contribution, supply of substandard seeds resulting in poor germination, forcible selection of reluctant farmers, non-cooperation by the Panchayet Bodies, etc. were the other reasons.

(b) Other activities, viz. organisation of training, field days and study tours of farmers, were not taken up due to non-availability of funds for the purpose.

3.1.13 *Free distribution of minikits*

6.39 lakhs minikits (target: 6.78 lakhs) of rapeseed-mustard, sesamum, groundnut and sunflower seeds were supplied at a total cost of Rs 261.45 lakhs. During 1989-90, 0.46 lakh sesamum and sunflower minikits (cost: Rs 9.74 lakhs) were not supplied by the seed-supplying agencies. Due to reduction of the GOI's norm (0.2 hectare per kit) to 0.13 hectare, against 1.28 lakh hectares to be covered, 0.83 lakh hectares were actually covered, resulting in a shortfall of 0.45 lakh hectares.

Though only the certified seeds were to be used for the programme except in the case of pre-release variety, 14,300 groundnut minikits (cost: Rs 25.53 lakhs) containing "truthfully

labelled seeds"*, not of pre-release variety, were used due to non-availability of certified seeds. Test-check of records in the four districts also revealed that:

(a) During 1988-90, non-certified seeds were supplied in 0.35 lakh groundnut minikits (cost: Rs 76.40 lakhs) without assigning any reasons.

(b) Although latest varieties of seeds were to be distributed, 0.52 lakh minikits of rapeseed-mustard (cost: Rs 9.38 lakhs) and 0.47 lakh minikits of groundnut (cost: Rs 96.25 lakhs) were supplied during 1986-90 containing varieties which were beyond seven years of notification. Further, as against 3.50 lakh oilseed kits targeted to be distributed in four districts of Burdwan, Malda, Medinipur and Nadia, only 3.32 lakh kits were actually distributed. Shortfall of 0.18 lakh kits was due to non-supply by WBAIC. Groundnut seeds in the entire lots of 6,000 kits (cost: Rs 10.14 lakhs) and 980 minikits (cost: Rs 2.09 lakhs) supplied by the WBAIC in Medinipur district in 1985-86 and by WBSSC in Murshidabad district in 1988-89 respectively were found to be substandard, resulting in failure of the crop in 780 hectares and undercoverage of 31.36 hectares. No action was initiated by the Department/Directorate against the errant suppliers (June 1990).

(c) No muster rolls were obtained by the ADOs against 0.60 lakh minikits distributed to the farmers through State Panchayets. In paragraph 3.1.18 of the Report of the Comptroller and Auditor General of India for the year 1985-86 and in paragraphs 3.1.16 to 3.1.17 of the Report for the year ended 31st March 1988 mention was made of the absence of a time-bound programme for distribution of seeds, minikits, selection of beneficiaries and adequate supervision by the Departmental Officers at field level. During 1986-90, 0.97 lakh minikits (cost: Rs 72.50 lakhs) were distributed after the sowing season. PAO, Murshidabad admitted (June 1990) that supervision of the programme was not possible due to inadequacy of staff as well as the demands of other schemes and the normal work to be attended by the supervisory officers.

3.1.14 *Other points of interest*

(a) Ten television sets (Rs 1.75 lakhs), one television projection set (Rs 0.83 lakh) and eleven video cassette recorders (Rs 1.63 lakhs) purchased by the GOI under NODP and distributed to the PAOs

*Truthfully Labelled seeds are those seeds, which, conform to the variety, as stated, but are not passed through certification standard.

(10 sets) and the Department (1 set) between December 1988 and December 1989 for audio-visual aid in extension support were not pressed into service due to non-supply of video films by the GOI and non-availability of proper type of cassettes as well as guidelines for operation.

(b) Against a programme of extension of credit of Rs 1,495 lakhs to farmers by the Cooperation Department under NODP, loans totalling Rs 55.53 lakhs only (4 *per cent*) were actually disbursed during 1986-89. Reasons for non-disbursement of loans were not furnished by Government (November 1990).

(c) According to the results of the All India Coordinated Research Project, inoculation of Rhizobium* in groundnut seeds (known as Rhizobium culture) leads to increase in pod yield by 9 *per cent* to 18 *per cent*. Test-check of the records of four districts, however, revealed that quantity of Rhizobium culture to be applied to groundnut seeds was not specified resulting in application of this culture at varying rates, viz. from 50 gm to 350 gm per 15 Kg of groundnut seeds. Neither any records on the quality test of the Rhizobium culture were maintained, nor were efforts made to ascertain the results of application of Rhizobium culture vis-a-vis increase in pod yield under the groundnut programmes of the districts taken up at a cost of Rs 125.23 lakhs.

(d) In Rampurhat Sub-Division, 17.895 tonnes of groundnut seeds (cost: Rs 2.50 lakhs) were supplied by WBSSC in October 1989 for conducting demonstrations under DOSP, NODP and ASMFM. As reported by an ADO in November 1989, the seeds supplied were not suitable for cultivation, and each bag contained only 14 to 15 Kg of seeds instead of 18 Kg, while one of the bags contained only bricks instead of seeds. The sowing of poor quality seeds resulted in yields of 300 to 540 Kg per hectare, representing less than 50 *per cent* of the average yield expected from the demonstration plots. No action was taken by the SAO to ascertain the nature, quality and quantity of seeds supplied to other blocks and the yields obtained from such seeds. As a result, impact of supply of seeds valued at Rs 2.50 lakhs on production of oilseeds was not ascertainable.

3.1.15 *Monitoring and Evaluation*

A Coordination Committee at the State Level and Mini-mission Sub-Committees to review the progress of implementation of the

*Rhizobium is a kind of Symbiotic bacteria which helps fixation of element-'N' from atmosphere to soil and thereby maintains the soil productivity.

schemes were constituted only in August 1988. While the Mini-mission Sub-Committees remained virtually non-functional, the District Level Coordination Committees were not constituted in the four districts test-checked. In the circumstances, monitoring of the activities of the TM with the objective of remedying deficiencies in implementation would not appear to have been adequate.

3.1.16 These points were brought to the notice of Government in August 1990; their reply had not been received (June 1992).

3.2 National Watershed Development Programme for Rainfed Agriculture

The National Watershed Development Programme for Rainfed Agriculture (NWDPR) was launched by the Government of India in 1986-87 to stabilise agricultural production in rainfed areas. The basic objectives of the Programme included soil and water management measures with a view to checking run-off and conserve/harvest rain water either in situ or in ponds for optimising crop production.

In West Bengal, the development of a watershed at Radharamanpur in Bankura district, undertaken in 1985 under an on-going "Pilot Project for propagation of water conservation/harvesting technology for dry farming areas" was merged with NWDPR in 1986-87. From 1990-91, the development of watersheds in all the districts was approved by the Government of India under the Programme.

Test-check by Audit during January to April 1991 of the records maintained by the Department, Directorate of Agriculture as well as the executing field offices revealed the following deficiencies in implementation of the Programme:

(a) During 1986-90, against the budget provisions totalling Rs 39.50 lakhs, the State Government sanctioned Rs 29.04 lakhs, of which Rs 13.80 lakhs alone, including Rs 1.04 lakhs incurred under the Programme but classified under other heads of accounts, were spent. Owing to late receipt of sanctions, Rs 15.24 lakhs (52 per cent) of the sanctioned amount could not be utilised by the implementing agencies.

(b) A sum of Rs 4.37 lakhs, representing the unspent balance of central assistance received under the Pilot Project, was carried over to the Programme in 1986-87 and further central assistance of Rs 4.18 lakhs was received during 1986-87 to 1989-90. The total expenditure of Rs 13.80 lakhs included Rs 7.54 lakhs met from the available central assistance of Rs 8.55 lakhs leaving a balance of Rs 1.01 lakhs unspent. Further, whereas the Government of India had released Rs 271.49 lakhs during 1990-91 for implementation of the Programme

in all the districts, the State Government sanctioned an amount of Rs 68.49 lakhs only for the purpose in March 1991. Details of the expenditure incurred thereagainst were also not furnished.

(c) Except in the year 1988-89, bulk of the expenditure, ranging from 80 *per cent* to 86 *per cent*, was incurred only in the month of March. Further, expenditure in the last quarter of each of the four financial years (1986-87 to 1989-90) ranged from 78 *per cent* (1988-89) to as high as 97 *per cent* (1989-90).

(d) According to the project report, 194 hectares of land were proposed to be brought under cultivation against the existing 138.96 hectares. It was noticed that during 1986-90, 44.40 hectares of culturable waste land were converted to cultivable area through bench terracing, land levelling and contour bunding measures at a cost of Rs 1.40 lakhs, thereby raising the cultivable area to 183.36 hectares. No records were, however, maintained indicating the area actually used for cultivation and the yield derived therefrom. Thus, the benefit accrued was not susceptible of verification in audit.

(e) The physical targets, achievements and the expenditure incurred in respect of other engineering works were as follows:

Name of work	1986-87		1987-88		1988-89		1989-90		1986-90
	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Expenditure
	(In hectares)								(Rupees in lakhs)
1. Re-excavation of tanks	20	12	1	Nil	1	Nil	21	0.97	2.19
2. Construction of water conveyance channel	60	25	45	10	30	26.25	Nil	Nil	1.88
3. Outlets in paddy fields	NA	8	20	2	18	12	4	4	0.45
4. Gully control	Nil	Nil	NA	3	NA	6	10	3	0.34
5. Miscellaneous land development works	Nil	Nil	Nil	Nil	NA	17.20	NA	4	0.26
							Total:		5.12

It would be seen from above that there was considerable shortfall in achieving the targets each year. Late receipt of funds was the reason advanced by the field officers for not achieving the target.

(f) Under the Programme, a dam with spillway for providing irrigation facilities over 32.75 hectares during Kharif and 20.50 hectares in Rabi every year was taken up at an estimated cost of Rs 5.08 lakhs by the Deputy Director of Agriculture (Soil and Water Management), Bankura, in March 1988. The dam was completed in March 1990 at a total cost of Rs 5.13 lakhs. For providing better irrigation facilities and re-charging the underground water, some additional items of work pertaining to the dam (estimated cost: Rs 0.50 lakh) remained to be executed as of June 1991 because funds for these additional items of work were not made available. The irrigation facilities derived from the water storage structure constructed at a cost of Rs 5.13 lakhs were not measured and as such the extent of fulfilment of the desired target could not be ascertained in audit.

(g) For transfer of technology to the cultivators, demonstration is an important tool. At least 33.3 *per cent* of the area of the watershed was to be covered each year so that the capability/potential of the entire watershed was demonstrated by the end of the Seventh Five-Year Plan period. During 1986-90, only 68.51 hectares of the 138.96 hectares (49 *per cent*) could be covered under demonstrations, involving an expenditure of Rs 0.49 lakh. No records showing the results of demonstrations vis-a-vis the production in non-demonstration plots were maintained.

The Deputy Director of Agriculture (Soil and Water Management), Bankura, stated that the cropping data were not recorded in the absence of field staff. Besides, adaptive trials were also not found to have been conducted. Thus, location-specific technologies were not evolved and the improved cropping system could not be transferred to the cultivators.

(h) Of 119 tonnes of cement procured for the Programme, 75.20 tonnes of cement valued at Rs 0.78 lakh were utilised for purposes not covered by the Programme.

These points were brought to the notice of Government in July 1991; their reply had not been received (June 1992).

3.3 Unproductive expenditure on water management research

With a view to preventing misuse of water in excessive irrigation, wild flooding and transmission and seepage losses, the Department felt the need to generate information on the optimum

moisture regime from important crops in different agro-climatic region, scheduling of irrigation to different crops under varying weather conditions, drought tolerance of rice varieties, etc. Keeping these objectives in view the Department, established a Water Management Research Centre in a hired building at Kalyani in 1972. The Centre was subsequently shifted to Ranaghat in February 1984 after construction of the office building, laboratory, staff quarters and other ancilliary buildings at a total cost of Rs 30.52 lakhs.

Test-check in audit of the records of the Centre revealed the following:

(a) The key technical posts of three Assistant Agronomists, ten Research Officers and two Laboratory Assistants essential for the research activities of the Centre were lying vacant ever since its inception in 1972. Consequently, only 10 to 16 experiments were conducted annually at the Centre between 1985-86 and 1990-91 by the available technical staff.

The Project Officer stated (July 1990) that the research activities suffered and could not be taken up as envisaged because of the non-filling up of the vacant technical posts.

(b) Twenty of the 24 staff quarters, constructed at a cost of Rs 13.27 lakhs, were unoccupied since August 1984. Apart from an expenditure of Rs 3.77 lakhs incurred on the payment of house rent allowance to the concerned personnel from August 1985 to March 1991, the investment of Rs 11.06 lakhs on the construction of these 20 quarters did not also serve the intended purpose.

The Project Officer stated (July 1990) that the quarters were not occupied by the staff on allotment because of the non-availability of health services, educational and marketing facilities etc. in the vicinity.

(c) A 25-bed dormitory, constructed in February 1984 at a cost of Rs 4.62 lakhs, also remained largely unutilised and was occupied for a few days only on one occasion when three officials were on tour.

(d) A glass house, constructed in October 1984 at a cost of Rs 1.16 lakhs to provide facilities for controlling temperature and humidity artificially, could not also be utilised because of certain inherent defects. Consequently, research activities involving a controlled environment could not be undertaken in the glass house.

(e) Equipment, Instruments, etc. purchased between 1972 and 1986 at a cost of Rs 1.34 lakhs for research work remained unutilised owing to shortage of technical personnel.

In the circumstances, the expenditure totalling Rs 18.18 lakhs incurred on the construction of 20 staff quarters, dormitory, glass

house and on procurement of equipment proved unproductive, besides the extra expenditure of Rs 3.77 lakhs incurred on the payment of house rent allowances to the personnel who did not occupy the quarters on allotment.

The matter was reported to Government in April 1991; their reply had not been received (June 1992).

AGRICULTURE (MINOR IRRIGATION) DEPARTMENT

3.4 Command Area Development Programme

3.4.1 Introduction

In order to ensure better and more efficient utilisation of the irrigation potential created for optimising agricultural production, the Command Area Development Programme (CADP) was introduced as a Centrally sponsored scheme from 1974-75.

In West Bengal, the command areas of the Damodar Valley, Kangshabati, Mayurakshi and Teesta Barrage Projects covering 12 of the 16 districts were selected for the purpose. The Programme was yet to be implemented in Teesta Barrage Project having commands in 5 districts and the remaining three projects were included in the Programme to cover 7 districts.

The Programme envisaged the construction of field channels and drains, levelling and shaping of land, selection and introduction of cropping patterns and implementation of *warabandi*¹ for rotational supply of water. It also included provision of agricultural extension services, construction of markets and godowns and development of ground water for conjunctive use.

In addition to the Centrally sponsored schemes, three projects were introduced by the State Government in three command areas with a view to studying the effects of uncontrolled water and formulating an action plan for efficient utilisation of water. The aim was also to educate farmers in the use of water and fertilisers, land drainage, etc. besides evaluating and demonstrating the effect of different cropping patterns to them.

3.4.2 Organisational set up

Command Area Development Authorities (CADAs) headed by an officer of the rank of a Superintending Engineer were set up by the

The abbreviations used in this review have been listed in the Glossary in Appendix 19 (Page 255).

1. System of rotational distribution of water on the basis of a pre-determined schedule to ensure equitable availability to beneficiaries.

State Government in July 1974, in the command areas of Damodar Valley (DVCADA), Kangshabati (KCADA) and Mayurakshi (MCADA) irrigation projects as envisaged in the CADP for ensuring an integrated development of the command area and monitoring the Programme. District Soil Conservation Officers (DSCOs) and Deputy Directors of Agriculture, Soil and Water Management in the districts of Bardhaman, Bankura and Birbhum (Suri) under the overall control of Joint Director of Agriculture, Soil and Water Management (JDASWM) were also associated with the Programme.

3.4.3 *Audit Coverage*

Mention was made in paragraph 3.1 of the Report of the Comptroller and Auditor General of India for the year 1983-84 (Civil) of certain aspects relating to the implementation of the Command Area Development Programme during 1980-84. A test-check of records relating to the implementation of the Programme from 1985 to 1991 was conducted in the offices under the Department of Minor Irrigation (CAD Branch) and Directorate of Agriculture and field offices of these Departments in the districts of Bardhaman, Bankura and Birbhum (Suri) between January 1991 and June 1991. The important points noticed are mentioned in the succeeding paragraphs.

3.4.4 *Highlights*

During the period from 1985 to 1991 the overall expenditure on the programme (Rs 1,354.58 lakhs) was 68.14 *per cent* of the provision (Rs 1,988.00 lakhs). At the end of 1989-90, central assistance received against expenditure on 4 components fell short by Rs 26.61 lakhs, while it exceeded the expenditure on another 4 components by Rs 35.41 lakhs. The three CADAs incurred expenditure of Rs 83.58 lakhs in excess of the prescribed norms on establishment. Of the central assistance of Rs 10.00 lakhs released under the Programme for *Warabandi* Rs 9.75 lakhs remained unutilised at the end of 1987-88. Funds amounting to Rs 2.50 lakhs released during 1988-89 was also not utilised (March 1991).

[Paragraph 3.4.5]

Topographical survey was not conducted during 1988-89 and results of aerial surveys undertaken during 1985-91 were not utilised while planning the development from the designated outlets. Results of the soil surveys conducted in the three CADAs at a cost Rs 77.59 lakhs during the period from 1985 to 1991 could

not be transferred to the field. Results of adaptive trials at a cost of Rs 23.46 lakhs during the period from 1985 to 1991 were not sent to the Research Station/Centre for analysis.

[Paragraph 3.4.6]

Between 1985 and 1991, 68 sanctioned schemes for construction of field channels were not taken up at all. Of the 341 schemes relating to construction of field channels, 175 schemes were not completed as of March 1991. Against the targeted coverage of 26.97 thousand hectares, only 14.33 thousand hectares could be covered by irrigation due to non-completion of field channels. At the current rate of progress, about 90 years would be required to saturate the irrigation commands with field channels.

[Paragraph 3.4.8]

Targets for bridging the gap between the irrigation potential created and irrigation potential utilised were not fixed during the Seventh Plan while the extent to which the gap was bridged was not substantial.

[Paragraph 3.4.10]

3.4.5 Financial arrangements, allocation and expenditure

The activities under the Programme were financed by (i) State outlays, (ii) Central assistance in the form of grants and loans and (iii) institutional finance. The revised financing pattern of the Central and State assistance under the programme effective from April 1986 for different activities was as follows:

Serial Number	Item/Activity	Financial pattern of assistance from April 1986	
		Central	State
		(Percentage)	
	(a) Grants		
1.	Establishment, Planning and Surveys	50	50
2.	Adaptive Trials, Demonstration and Training	50	50
3.	Evaluation Study	50	50
4.	Warabandi	50	50
5.	Crop Compensation	50 per cent of two-third value of crops	50 per cent of two-third value of crops
6.	Subsidy for Small and Marginal farmers on IRDP pattern	50 to be adjusted against loans	50 to be adjusted against loans

Serial Number	Item/Activity	Financial pattern of assistance from April 1986	
		Central	State
		(Percentage)	
7.	Construction of field channels	(i) 50 per cent of the cost of construction of channels from designated outlets to blocks 5 to 8 (ii) 25 per cent of the construction of channels within 5 to 8 hectares blocks	(i) 50 per cent of the cost of construction of channels from designated outlets to blocks 5 to 8 hectares in extent (ii) 25 per cent of the construction of channels within 5 to 8 hectares blocks
8.	Orientation training for senior level officers	100	Nil
9.	Management subsidy for farmers association	50	50
10.	Construction of field drains	25	25
	(b) Loans		
1.	Equipment and machinery	50	50
2.	Equity support to Land Development Corporation and Farmers Services Societies, etc.	50	50
3.	Special Loan Account for financing eligible farmers for execution of on-farm development works	50	50
4.	Construction of field channels	25 per cent of the cost of construction of channels within blocks 5 to 8 hectares in extent	25 per cent of the cost of construction of channels within blocks 5 to 8 hectares in extent
5.	Construction of field drains	25	25

The budget provisions made by the State Government and the expenditure incurred under the Programme during the period from 1985-86 to 1990-91 were as follows:

Year	Budget provision		Expenditure	
	Central Sector Schemes	State Plan Schemes	Central Sector Schemes	State Plan Schemes
(Rupees in lakhs)				
1985-86	167.00	188.00	62.61	78.42
1986-87	150.00	174.00	65.10	87.52
1987-88	150.00	175.50	74.15	98.48
1988-89	155.00	184.00	123.50	150.54
1989-90	155.00	189.50	155.42	177.72
1990-91	155.00	145.00	140.56	140.56
Total:	932.00	1,056.00	621.34	733.24

Certain points arising out of a scrutiny by Audit of the expenditure on the Programme are mentioned below:

(a) Utilisation of funds (Rs 1,354.58 lakhs) on the Programme during the period from 1985-86 to 1990-91 was 68.14 *per cent* of the provision (Rs 1,988.00 lakhs).

(b) Unutilised central assistance at the end of 1984-85 was Rs 35.18 lakhs. During the period from 1985 to 1990, an expenditure of Rs 480.78 lakhs was incurred on items to be financed by Central assistance, against which Rs 454.40 lakhs were released by the Government of India (GOI), and Central assistance of Rs 8.80 lakhs remained unutilised at the end of 1989-90. As at the end of 1989-90, Central assistance for 4 components of the Programme was received short to the extent of Rs 26.61 lakhs, while the unutilised Central assistance in respect of 4 other components amounted to Rs 35.41 lakhs. Scrutiny of the componentwise release of Central funds, details of which are contained in Appendix 8, further revealed the following:

(i) Against Rs 248.40 lakhs based on the norms (20 *per cent* of the total CADA expenditure) for expenditure on establishment, the CADAs incurred actual expenditure amounting to Rs 331.98 lakhs (excess: Rs 83.58 lakhs) during the period from 1985 to 1991.

(ii) Short receipt of Central assistance for survey, adaptive trials and training during the years 1985 to 1990 varied between Rs 0.11 lakh and Rs 20.18 lakhs, Rs 0.86 lakh and Rs 3.82 lakhs and Rs 0.20 lakh and Rs 0.60 lakh respectively.

(iii) Central assistance for payment of subsidy to small and marginal farmers was also received short, the shortfall ranging from Rs 0.41 lakh to Rs 23.08 lakhs during the period from 1985-86 to 1987-88. Of the funds released thereafter Rs 6.42 lakhs remained unutilised as of March 1991.

(iv) Assistance of Rs 10.00 lakhs released by the GOI prior to 1985-86 for *warabandi* remained entirely unutilised till 1986-87.

During 1987-88, expenditure of Rs 0.25 lakh only was incurred on the component. Further funds (Rs 2.50 lakhs) released in 1988-89 were also not utilised, resulting in accumulation of unutilised assistance to the extent of Rs 12.25 lakhs as of March 1991.

(v) Central assistance admissible for management subsidy for supporting farmers associations engaged in water management and water distribution at the outlet and minor levels could not be availed of because of the non-formation of such associations.

(vi) DVCADA had taken up minor irrigation schemes (including River Lift Irrigation Schemes) on behalf of the State Government to create additional water sources and to provide water up to the outlet.

No portion of expenditure on this account was to be borne by the Central Government. DVCADA, however, advanced a sum of Rs 27.95 lakhs in March 1986 to the West Bengal Minor Irrigation Corporation (WBMIC) for implementation of 22 River Lift Irrigation Schemes under the component of subsidy to small and marginal farmers for development of ground water for conjunctive use with surface water and received additional subsidy of Rs 13.98 lakhs (50 per cent of Rs 27.95 lakhs). Information regarding number of River Lift Irrigation Schemes actually completed and expenditure incurred thereon was not available either from the records of DVCADA or from those of WBMIC.

(vii) As against the expenditure of Rs 1,073.46 lakhs during the period from 1985-86 to 1989-90 on different schemes under the Programme, a sum of Rs 1,031.46 lakhs was booked in the accounts. Central assistance amounting to Rs 456.81 lakhs was credited to the accounts of the State Government although Rs 456.40 lakhs were reportedly released by the GOI. Steps were not taken for the reconciliation of accounts figures with the departmental figures.

3.4.6 *Planning and formulation of Programme/project proposals*

The guidelines issued by the Government of India in June 1977 prescribed that all the administrative, technical and financial aspects of the programme including, *inter alia*, the present status of the On-farm-development (OFD) works and economic justification for the CAD projects should be spelt out clearly. According to the instructions issued in October 1986, the State Government was required to formulate project reports for each CADA project for works to be undertaken under the CADP.

Such project reports were not formulated as of March 1991 in respect of all the three CADAs.

Scrutiny of the available records revealed the following deficiencies:

(a) *Topographical survey*

Topographical survey was necessary for obtaining reliable data for designing and planning of field channels. No target for conducting topographical survey was fixed in DVCADA during 1986-87, 1987-88 and 1989-91. As against the target of 107.00 thousand hectares to be surveyed departmentally in KCADA and MCADA between 1985 and 1991, 38.13 thousand hectares were actually surveyed at a cost of Rs 42.52 lakhs. Survey in DVCADA was not conducted at all during 1988-90 despite an expenditure of Rs 6.83 lakhs on the maintenance of the survey unit.

Government stated (February 1992) that the necessity of costly topographical survey was being gradually dispensed with because with the limited funds available, the detailed topographical survey was felt neither necessary nor feasible.

DVCADA and KCADA did not maintain any record of the details of areas surveyed and data obtained from the surveys. Extent of achievement claimed by these two CADAs could not, therefore, be verified by Audit.

(b) *Soil Survey*

In planning an on-farm-development programme, basic data on soil condition is necessary. Soil Surveys were undertaken by the Soil Conservation Officers (SCOs) for obtaining details on soil characteristics, water-logging and salt affliction in the command areas. Against the target of 173.17 thousand hectares, actual achievement was 119.82 thousand hectares for the period from April 1985 to September 1990. Shortfall (53.35 thousand hectares) was attributed to non-utilisation of the services of the survey units (Cost: Rs 9.57 lakhs) mainly because of absence of vehicles.

In MCADA, Soil survey in 60.44 thousand hectares (77.34 *per cent*) out of a total area of 78.15 thousand hectares was covered by Low Intensity Detailed (LID) survey at a cost of Rs 14.46 lakhs, though the Directorate admitted (June 1991) that High Intensity Detailed (HID) survey was recommended for the purpose in view of the availability of more detailed information. The extent to which the results of the LID survey were expected to benefit the CADA Programme was not spelt out by the Administrator.

Of 119.82 thousand hectares, reports for 42.87 thousand hectares (35.78 *per cent*) were not published as of March 1991. On-farm-Development Schemes based on the results of the survey conducted at a cost of Rs 77.59 lakhs were not taken up in the CADAs. The Administrator, MCADA, stated (June 1991) that the CADA lacked organisational infrastructure to transfer the results of the survey to the fields.

(c) *Aerial photo survey*

At the instance of the GOI (Ministry of Agriculture and Irrigation), the Survey of India approached Administrators in March 1978 to send requisitions to conduct aerial survey of the command areas so that planning of development works from the designated outlets could be speeded up. The State Planning Board and CADA implementation Committee decided in August 1978 to appoint the

Indian Institute of Technology (IIT) Kharagpur, to undertake various topographical and soil studies like delineation of drainage basin, slope study and effect of infiltration, determination of overland flow, preparation of pedagogical soil map, preparation of soil erosion map etc. in the project areas.

Aerial photo survey was not taken up as of March 1991 in DVCADA and MCADA. Government attributed (February 1992) this to paucity of funds. Based on estimated cost of Rs 22.00 lakhs intimated by the Survey of India for conducting aerial survey and supply of maps by March 1984, the Administrator, KCADA, advanced Rs 16.00 lakhs between 1980 and 1982. Final instalment of Rs 6.00 lakhs was released after 1990-91. Maps covering 20,000 hectares were received by the Administrator between 1983 and 1990 while those for the remaining 25,000 hectares were reportedly lying with the survey authorities.

Comprehensive development planning, based on the information obtainable from the maps, could not be taken up as the CADA did not have trained personnel to interpret the maps. Reasons for not entrusting the work to IIT Kharagpur as decided in August 1978 were not stated.

The Administrator stated (March 1991) that steps had been taken to prepare field channels schemes with the help of existing interested persons from the year 1991. Expenditure (Rs 22.00 lakhs) incurred on the component did not, thus, yield the intended benefit even after a lapse of seven years from the scheduled date of delivery of the maps.

(d) *Socio-economic survey*

For the purpose of providing the CADAs with sufficient socio-economic data for operation and also for preparation of integrated development plans for each micro zone, socio-economic survey was envisaged under the Programme.

Socio-economic surveys conducted in the CADAs at a cost of Rs 11.30 lakhs since the commencement of the Programme did not benefit the CADAs to the desired extent, because of the 96 blocks earmarked for survey, 53 blocks were surveyed fully, 9 blocks partially and processing of data was finalised in respect of 33 blocks only as of June 1991. Data collected following the full and partial surveys of 29 blocks were also not expected to serve any useful purpose having become outdated with the passage of time.

(e) *Adaptive Trials*

Adaptive trials deal with local problems like the extent and reaches of the field channels, which are to be lined, the degree up to

which fields should be levelled under different soil and topographical conditions, cropping pattern and crop rotations etc. which need to be tried out before OFD works are taken up on large scale. The target and achievements in respect of adaptive trials during the period from 1985-86 to 1990-91 (up to September 1990) in the three CADAs were as follows:

Name of the CADA	Target	Achievement
	(thousand hectares)	
Damodar Valley	0.30	0.19
Kangshabati	0.32	0.38
Mayurakshi	Not fixed	0.27

This would indicate that the adaptive trials in the CADAs covered only an insignificant area. The results of such trials were also not sent to the research station/centre for analysis and no recommendations were made on conclusion of the trials other than the use of precast concrete channels in lieu of brick lined channels in MCADA. The Administrator MCADA, did not accept the recommendations on considerations of field conditions.

Thus, adaptive trials conducted in the three CADAs at a total cost of Rs 23.46 lakhs during the period from 1985 to 1991 failed to provide useful information for taking up OFD works on a large scale and field channels were constructed at a cost of Rs 635.71 lakhs without the results of adaptive trials.

3.4.7 Programme implementation

Though the Programme envisaged a multi-dimensional approach, it was seen that activities in certain core areas, e.g. land levelling, rotational system of water distribution with outlet command (*warabandi*), adoption of suitable cropping patterns, strengthening of agricultural extension services and provision of an adequate drainage network did not pick up sufficiently in the State during the Seventh Plan. Administrator and Principal Agricultural Officers (PAOs) stated (May-June 1991) that absence of assured availability of irrigation water from the canal system was primarily, responsible for non-introduction of *warabandi* and suitable cropping patterns. Land levelling awaited construction of field channels in a substantial part of the command areas. Thus, an integrated approach could not be adopted during the period from 1985-86 to 1990-91.

The table below summarises the physical progress of the important components of the Programme during the period from 1985-86 to 1990-91 (up to September 1990).

Name of the activity	Damodar Valley		Kangsabati		Mayurakshi		Total cost (Rupees in lakhs)
	Target	Achievement	Target	Achievement	Target	Achievement	
			(In thousand hectares)				
1. Topographical survey	2.00	9.56	70.00	28.07	37.00	10.06	62.06
2. Soil survey	35.17	21.57	34.00	20.10	104.00	78.15	77.59
3. Planning and designing of OFD works	31.00	11.80	74.00	32.77	18.00	4.87	Not available separately
4. Construction of field channels	33.00	14.81	84.00	23.04	37.00	8.94	635.71
5. Conjunctive use of ground water							
(a) River Lift Irrigation (RLI) shallow tubewell, auto flow etc. (nos.)	NA	30	85	90	316	114	100.89
(b) Pump sets (nos.)	NA	159	1,014	1,150	1,751	1,331	
(c) Shallow tubewell with pump sets (nos.)	NA	40	166	113	727	473	23.46

No targets were fixed during the years 1986-88 and 1989-91.

3.4.8 *Construction of field channels*

Field channels are water channels with the outlet command which deliver water from the outlet to the individual fields and constitute the most important component of the programme. During the period from 1985-86 to 1990-91 Government claimed an achievement of 46.79 thousand hectares against the targeted coverage of 154.00 thousand hectares. While the DVCADA did not maintain records of achievements showing schemewise progress, records of KCADA and MCADA revealed actual achievements of 6.53 thousand hectares and 6.12 thousand hectares against the reported achievements of 23.04 thousand hectares and 8.94 thousand hectares respectively. The basis of the achievements reflected in the progress reports of the three CADAs submitted to Government could not be ascertained by Audit.

During the period from 1985 to 1991, 418 schemes for the construction of field channels at an estimated cost of Rs 1,162.94 lakhs were sanctioned by the State Government to provide coverage to 44.71 thousand hectares in the three commands. Execution of works was entrusted to the contractors in DVCADA and the agency of panchayats in KCADA and MCADA. With a view to providing financial assistance to the panchayats, Government decided to release advances at the rate of 25 *per cent* of the estimated cost of the work subject to a maximum of Rs 1.00 lakh in each case. Detailed progress of the schemes during the period from 1986 to 1991 is indicated in Appendix 9.

Audit scrutiny revealed the following:

(i) Of the 418 schemes, 68 schemes estimated to cost Rs 239.14 lakhs were not taken up at all as of March 1991. As a result, an area of 7.38 thousand hectares remained out of the coverage of the component during the period from 1985 to 1991. In KCADA, alone, 54 of 68 schemes costing Rs 204.57 lakhs were not implemented.

(ii) There were delays ranging from 1 to 2 years in taking up 167 schemes. The Executive Engineer, MCADA, stated that schemes could not be taken up in the respective years of sanction due to inadequate organisational set up at the field level.

(iii) Besides the delays in commencement, progress of works was also tardy. Review of the progress of 341 schemes as of June 1991 revealed that only 166 schemes (tendered cost: Rs 377.87 lakhs) were actually completed by then, while 44 schemes (tendered cost: Rs 120.58 lakhs) were abandoned after partial execution; 131 schemes

(tendered cost: Rs 318.03 lakhs) remained incomplete, delays in their completion ranging from one year to six years. CADA-wise analysis of the incomplete schemes at the end of June 1991 is indicated below:

	Number of schemes in			Due date of completion	Extent of delay (in years)	Tendered cost (Rupees in lakhs)
	KCADA	DVCADA	MCADA			
	3	Nil	Nil	1985-86	6	5.15
	2	Nil	6	1986-87	5	12.41
	7	4	Nil	1987-88	4	29.52
	12	1	7	1988-89	3	52.13
	26	Nil	17	1989-90	2	115.63
	18	11	17	1990-91	1	103.19
Total:	68	16	47			318.03

In KCADA and MCADA, the slow progress was attributed (May-June 1991) to non-availability of technical infrastructure at the Panchayat level, involvement of Panchayat Pradhans in other multifarious activities, inadequate staff strength, etc.

(iv) Test-check of 53 schemes in DVCADA (29) and KCADA (24) completed at a total cost of Rs 128.22 lakhs revealed that of 6.67 thousand hectares estimated to be benefited, 3.77 thousand hectares (56.52 *per cent*) were actually benefited owing to reduction in length (155.25 Km) of the field channels in the course of execution.

Government stated (February 1992) that the length of the channels had been reduced due to cost escalation.

(v) Execution of 44 schemes was discontinued by the panchayat agencies in KCADA (32 schemes), MCADA (9 schemes) and by contractors in DVCADA (3 schemes), after incurring expenditure totalling Rs 41.08 lakhs. The works, involving the construction of 207.40 kilometres of field channels, had not been awarded afresh as of March 1991 even after the lapse of one to three years, which would have an inevitable impact on the cost of these schemes.

(vi) As a result of non-completion and discontinuance of a number of scheme as well as slow progress of execution, the irrigation facilities could not be extended to 12.64 thousand hectares of land (48.87 *per cent*) as of March 1991, against the targeted utilisation of 26.97 thousand hectares as indicated below:

CADA	Number of schemes	Estimated length (Km)	Area targeted to be benefited (thousand hectares)	Actual length constructed (Km)	Area actually benefited (thousand hectares)
DVCADA	29	166.76	3.32	84.08	1.68
KCADA	95	754.76	12.82	388.26	6.53
MCADA	112	467.90	10.83	269.87	6.12
Total	236	1,389.42	26.97	742.21	14.33

(vii) Advance payments amounting to Rs 6.96 lakhs were made in February 1989 to two cement manufacturers by the Administrators of DVCADA and MCADA for supply of 680 tonnes of levy cement for construction of field channels in terms of the authorisations issued in December 1988 by the Regional Development Commissioner for Cement Industries. Following the decontrol of the sale of cement with effect from May 1989, the manufacturers failed to deliver levy cement. The advances had not been adjusted against future supplies of decontrolled cement or refunded as of June 1991.

Government stated (February 1992) that while Rs 5.10 lakhs were adjusted subsequently, efforts were being made to obtain refund of the balance amount of Rs 1.86 lakhs.

(viii) Contrary to the GOI's guidelines that field channels should be constructed with a minimum capacity of one cusec discharge considered essential for efficient irrigation, 32 field channels of a lower discharge capacity were constructed in KCADA (16 channels; cost: Rs 21.00 lakhs) and MCADA (16 channels; cost: Rs 11.15 lakhs). Non-adherence to the norms in these cases resulted in the full benefit of the Programme not accruing to the beneficiaries.

(ix) Water control structures, necessary to prevent seepage and convey water smoothly to the tail end, were not constructed in DVCADA and MCADA. Devices for regulating the flow of water were not provided, as envisaged, in 890 water control structures constructed in KCADA during the period from 1988-89 to 1989-90.

(x) The field channels were not laid along the ridges in any of the CADA's as required, because land acquisition proposals were not included in the Programme. This resulted in construction of field channels along a longer and meandering route. While the extent of seepage loss and additional expenditure involved in the process were

not ascertainable from records, a sum of Rs 75.17 lakhs was provided in the estimates of field channels in MCADA for the removal of surplus earth along the revised alignment.

(xi) As against the total culturable command area of 9.39 lakh hectares in 100 blocks in three irrigation projects, field channels were constructed covering 0.51 lakh hectares in 40 blocks up to 1989-90. The Department admitted (February 1990), that about 90 years would be required to saturate the irrigation commands with the field channels at the current rate of progress.

3.4.9 Extension Services

(a) Crop demonstrations

An expenditure of Rs 1.32 lakhs was incurred on crop demonstrations conducted in KCADA and MCADA for evolving cropping pattern and crop rotations taking into consideration availability of water through field channels. The CADA-wise physical progress of crop demonstrations during 1985 to 1991 was as follows:

	Target	Achievement
	(in hectares)	
DVCADA	84	87
KCADA	119	90
MCADA	Not fixed	115

It was, however, found that no data on the results of demonstration conducted in the CADAs were collected nor were suitable cropping pattern based on such demonstration evolved.

(b) Training

(i) Training of personnel engaged in the CAD Programme was considered necessary to refresh their knowledge and infuse latest ideas with a view to improving their efficiency. For this purpose, training courses at various institutes were funded by Central assistance.

Details of training undergone by the officers of CADA's were as follows:

Name of the CADA	Number of courses	Duration of training	Number of officers trained
DVCADA	4	40 days	2
KCADA	1	46 days	3
MCADA	2	19 days	3

Government and the CADAs did not lay down any norms as to the nature of course to be availed of by an individual during a given period. In-service training was not arranged for middle level officers and field staff.

Administrator, MCADA, admitted, (June 1991) that the training imparted under the CAD Programme was not adequate.

(ii) A farmers' training institute was not set up in the CADAs. Training of farmers in storing water, farm water management, crop water requirements, etc., though envisaged under the programme, was also not conducted.

(c) *Development of infrastructure*

Under the approved Programme, development of infrastructure like roads, processing industries, market yards, etc. was to be undertaken by the State Government from their resources.

Assessment of the infrastructure requirements for removing bottlenecks in the command areas was not made. The Administrator, MCADA, stated (June 1991) that the CADA was currently concentrating on ensuring that irrigation water reached the beneficiaries.

3.4.10 *Physical progress*

Out of the irrigation potential created for 11.39 lakh hectares (Kharif: 9.38 lakh hectares; Rabi: 2.01 lakh hectares) in the three commands of Damodar Valley (Kharif: 3.94 lakh hectares; Rabi: 1.20 lakh hectares), Kangsabati (Kharif: 3.17 lakh hectares; Rabi: 0.61 lakh hectares) and Mayurakshi (Kharif: 2.27 lakh hectares; Rabi: 0.20 lakh hectares) up to 1985-86, utilisation during the period from 1985-86 to 1989-90 ranged between 8.34 lakh hectares and 8.77 lakh hectares, as indicated below:

Year	Damodar Valley		Kangsabati		Mayurakshi		Total	
	Potential utilised		Potential utilised		Potential utilised		potential utilised	
	Kharif	Rabi	Kharif	Rabi	Kharif	Rabi	Kharif	Rabi
1985-86	3.28	0.15	2.67	0.33	2.21	0.13	8.16	0.61
1986-87	3.27	0.15	2.56	0.25	2.21	0.08	8.04	0.48
1987-88	3.26	0.18	2.68	0.27	2.18	0.07	8.04	0.52
1988-89	3.28	0.18	2.70	Nil	2.18	0.08	8.08	0.26
1989-90	3.31	0.17	2.78	0.21	2.21	0.21	8.22	0.49

Note: Information as to the utilisation of irrigation potential were supplied by the project authorities to the CADAs which did not possess any organisational set up for field level assessments based on crop-water requirements.

Though the Programme was taken up mainly to bridge the gap between the irrigation potential created and that utilised, targets for the purpose were not fixed during the Seventh Plan. The extent of actual gap ranged between 2.62 lakh hectares (1985-86) and 3.05 lakh hectares (1988-89) due mainly to the inadequate capacity of the field channels. In the context of the lack of interest on the part of the beneficiaries in sharing any portion of the expenditure, Government decided to meet the entire cost of construction of the field channels out of the Programme outlay.

3.4.11 *Monitoring, co-ordination and evaluation*

To keep a close watch on the progress of expenditure and to accelerate the pace of implementation of various CAD activities, the State Government was advised to set up a monitoring cell in each project. The CADAs set up monitoring cells to achieve the stated object. The question of constitution of an interdepartmental Committee, at the State level, as envisaged to review problems relating to the optimum utilisation of irrigation potential was reportedly under consideration.

The Command Area Development Authorities were expected to work as catalytic agents for co-ordinating the activities of agriculture irrigation, supply of inputs, marketing of outputs, etc. between the CADA, State Agriculture and Engineering authorities. An effective mechanism was, however, not evolved to secure the co-ordination envisaged.

The Administrator MCADA, admitted (June 1990) that the CAD authorities were functionally handicapped as the functionaries responsible for water release, agricultural inputs or extension services did not report to them regularly.

Special evaluation studies in various command areas by deployment of independent agencies, such as the State Planning or Evaluation Directorate, proposed by the Government of India in January 1983 had not been taken up as of June 1991.

ANIMAL RESOURCES DEVELOPMENT DEPARTMENT

3.5 Non-implementation of a subsidy scheme

During 1976-81, Government sanctioned Rs 6.20 lakhs for implementation of a Central Sector Scheme for granting subsidy at the rate of 25 *per cent* for small farmers and 33½ *per cent* for marginal farmers and agricultural labourers towards capital investment for setting up poultry and piggery production units. The funds were at the

disposal of the Chairman of District Rural Development Agency, 24-Parganas, who in turn issued a cheque in favour of the Deputy Director of Animal Husbandry (Special Animal Husbandry Programme) 24-Parganas.

Test-check during October 1990 of the records of the Deputy Director of Animal Husbandry (SAHP), 24-Parganas, revealed that, a sum of Rs 0.18 lakh only was paid as subsidy to three co-operative societies during 1978-82, leaving Rs 6.02 lakhs unspent for periods ranging from 10 to 15 years. The Deputy Director stated (May 1991) that the amount could not be utilised due to non-formation of co-operative societies and added that the Primary Poultry Producers' Co-operative Society Limited, set up previously, had ceased to exist. It was further stated that the programme failed to attract the poultry farmers to form co-operative societies as the Government assistance was meagre.

Thus, while the scheme remained practically unimplemented on the one hand and the farmers did not derive the intended benefits, on the other hand, funds to the extent of Rs 6.02 lakhs earmarked for the scheme remained unproductive for periods exceeding 10 years.

The matter was reported to Government in June 1991; their reply had not been received (June 1992).

3.6 Non-utilisation of Subsidy

Government sanctioned subsidy totalling Rs 5.40 lakhs between March 1977 and January 1981 under the Central Sector Scheme of Assistance to co-operative societies for the implementation of the Poultry and Piggery Production Scheme. The sanctioned amounts were drawn from time to time by the Chairman, Small Farmers' Development Agency, Hooghly, and transferred to the Deputy Director of Animal Husbandry, Hooghly, through the Project Officer of the District Rural Development Agency. Of the amounts so received, only a sum of Rs 0.02 lakh was paid to two co-operative societies in March 1987 for meeting their establishment expenditure and the balance of Rs 5.38 lakhs was deposited in a bank account and remained unutilised as of March 1991.

The Deputy Director of Animal Husbandry, Hooghly, stated (January 1991) that the scheme could not be implemented due to non-receipt of guidelines from the State Government. Thus, the premature sanction and release of the subsidy even in the absence of the necessary guidelines led to unnecessary retention of Rs 5.38 lakhs outside the Government Account.

The matter was reported to Government in March 1991; their reply had not been received (June 1992).

BOARD OF REVENUE AND RURAL DEVELOPMENT DEPARTMENT

3.7 Irregularities in maintenance of Cash Book

A Drawing and Disbursing Officer handling cash is required to maintain the Cash Book and other subsidiary records in the prescribed form and to observe the financial rules and procedures relating to their maintenance. Certain instances of non-adherence to the prescribed rules and procedures resulting in shortage of cash noticed in the course of test check of the records of two Sub-Divisional Officers and four Block Development Officers in Darjeeling district are mentioned below:

(a) Cash was not physically verified for periods ranging from 48 to 66 months in the offices of the Sub-Divisional Officer, Kurseong, and the Block Development Officers, Darjeeling-Pulbazar and Mirik. This was done only once in February 1984 in the office of the Sub-Divisional Officer, Kalimpong, during the period from April 1983 to November 1990, which disclosed a shortage of cash of Rs 2.99 lakhs. A further shortage of Rs 1.23 lakhs also resulted in this office due to wrong totalling of the cash book and incorrect exhibition of the opening balance.

Detailed checking of drawals, payments and verification of treasury records with reference to the Cash Book in the Sub-Divisional Office, Kurseong, for the period from May 1986 to November 1986 disclosed a shortage of cash of Rs 1.13 lakhs.

(b) The Cash Book was not written for the period from 22nd October to 28th November 1986 in the Sub-Divisional Office, Kurseong.

(c) Closing balances were not analysed billwise for periods ranging between 59 and 120 months in the Block Development Offices at Darjeeling-Pulbazar and Mirik between November 1980 and November 1990.

(d) Large cash balances ranging from Rs 0.55 lakh to Rs 30.07 lakhs were retained for periods ranging from 31 months to 68 months in the Sub-Divisional Office at Kalimpong and the Block Development Offices at Darjeeling-Pulbazar and Mirik between April 1984 and November 1990. Further, a sealed bag of the Block Development Office, Darjeeling-Pulbazar, said to contain cash of Rs 0.24 lakh, lying with the treasury without any details resulted in retention of Government money out of accounts without adequate justification.

(e) A sum of Rs 4.39 lakhs representing credit balance of BDO, Darjeeling-Pulbazar in the District Central Co-operative Bank, Bijanbari, Darjeeling, (since defunct) remained unutilised since April 1987.

(f) Detailed bills for Rs 22.10 lakhs drawn on Abstract Contingent bills by the Sub-Divisional Officer, Kalimpong (Rs 21.90 lakhs) and the Block Development Officer, Rangli-Rangliot (Rs 0.20 lakh) between May 1985 and April 1990 were not submitted to the Accountant General, though such detailed bills duly counter-signed by the controlling officer should have been submitted, under the treasury rules, within 60 days from the drawal of Abstract Bills.

(g) Payees Stamped Receipts for Rs 8.28 lakhs in the Sub-Divisional Office, Kalimpong, and bills for Rs 1.62 lakhs drawn by this office (Rs 1.27 lakhs) and the Block Development Office, Rangli-Rangliot (Rs 0.35 lakh) between 1983-84 and 1989-90 shown as having been cancelled subsequently were not produced to Audit. Further, documents in support of receipt of Rs 1.00 lakh could not also be shown to Audit by the former.

(h) Advance Registers were not maintained in the Sub-Divisional Office, Kalimpong, and the Block Development Offices at Darjeeling-Pulbazar and Mirik, for periods ranging from 27 months to 43 months. In the offices of Block Development Officers, Darjeeling-Pulbazar and Mirik, where Advance Registers were maintained for some periods, it was observed that Rs 6.85 lakhs advanced between July 1985 and November 1990 were outstanding in the absence of the related adjustment bills.

(i) In one office (BDO, Mirik) Stock Register of duplicate carbon receipt books (DCR) could not be shown to Audit and in 6 offices (SDOs Kurseong, Kalimpong, and BDOs, Darjeeling-Pulbazar, Kurseong, Rangli-Rangliot and Mirik), Bill Registers were not reviewed for periods ranging from 34 to 77 months. As a result, the correctness of the issue, utilisation and stock in hand of DCR books and movement of bills from drawal to encashment could not be verified.

The Board of Revenue stated (January 1992) that corrective measures had been taken in the Office of the SDO, Kalimpong and further observed that the irregularities in the Office of the SDO, Kurseong might be due to some political unrest in the region.

The reply from the Rural Development Department, to whom the irregularities were pointed out in November 1991, had not, however, been received (June 1992).

COTTAGE AND SMALL SCALE INDUSTRIES DEPARTMENT

3.8 Unfruitful expenditure on idle staff

A training-cum-production centre for mechanical toys was established at Chinsurah (Hooghly district) by the Directorate of Cottage and Small Scale Industries in 1959, mainly for imparting training in toy-making. The successful trainees could not, however, establish any viable toy-manufacturing units on their own. The training programme was, therefore, suspended in December 1975, and Government decided to run the centre on commercial basis. As the centre could not be made commercially viable it was closed down in 1983.

Different study teams, constituted from time to time to examine the techno-economic viability of the scheme, had observed that it had neither commercial viability nor any prospect as a promotional venture. Government, therefore, decided to wind up the training-cum-production centre and the vacant permanent posts were abolished with effect from June 1986. Eleven personnel, who were on roll at the time of closure of the centre were, however, retained by the Department without any gainful employment.

Thus, the total expenditure of Rs 21.53 lakhs representing their pay and allowances for the period from April 1983 to March 1990 proved unfruitful.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

DEVELOPMENT AND PLANNING/RURAL DEVELOPMENT DEPARTMENTS

3.9 Unauthorised diversion of funds

A test check (May 1990) of the accounts of the District Magistrate, Jalpaiguri revealed that in the following cases funds totalling Rs 7.05 lakhs were diverted between January 1989 and March 1990 and utilised for purposes other than those for which they were sanctioned:

Sl. No.	Month(s) of sanction	Amount sanctioned (Rupees in lakhs)	Purpose	Amount diverted (Rupees in lakhs)	Manner of Utilisation
1.	January to October 1989	126.23	Execution of District Plan Schemes	2.78	Construction and furnishing of Guard room for New Circuit House (Rs 1.78 lakhs) and construction of Godown for keeping materials used for election not included in the District Plan Schemes (Rs 1.00 lakh).
2.	November 1989	2.00	Jawahar Rozgar Yojana Programme	1.98	Purchase of Xerox machine, punching and binding machine, etc. for the Collectorate.
3.	November 1989	1.86	Construction of cubicles and allied accommodation for Second Treasury Building	1.38	Purchase of Type-writer, spare parts of almirah and blankets for New Circuit House.
4.	March 1990	1.95	Purchase of articles for Block Planning Committee	0.91	Purchase of Xerox machine for the Collectorate.
		<u>132.04</u>		<u>7.05</u>	

Such diversion of funds, defeated the basic principles of financial discipline. Besides, two Xerox machines were purchased in November 1989 and May 1990 although funds for the purchase of even one machine were not specifically provided for.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

EDUCATION (HIGHER) DEPARTMENT

3.10 Non-utilisation of Central Assistance

For development and modernisation of laboratories, workshops, etc. for improvement of technical education imparted by different departments of the Bengal Engineering College, Shibpur in Howrah district, the Government of India sanctioned and released grants of Rs 328.50 lakhs between December 1984 and February 1991. The Principal of the College initially credited such assistance to the accounts of the State Government and drew funds on the basis of the sanctions issued by the State Government. Although such grants were to be utilised within fifteen months from the date of sanction of the

grants by the Government of India, test-check of the records revealed that grants aggregating to Rs 241.68 lakhs (74 *per cent*) remained unutilised for considerable periods extending from 9 to 82 months as of October 1991, as tabulated below:

Sanctioned between	Purpose for which sanctioned	Amount of Central assistance			Extent of delay as on 31st October 1991	Reason for non-utilisation
		Released	Utilised	Unspent balance		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		(Rupees in lakhs)			(months)	
January 1987 and January 1989	(i) Optical communication of fibre optics in areas of emerging technology (ii) Development of orilimeter wave Laboratory and a mechanical measurement Laboratory (iii) Augmentation of electronics and digital SP Laboratory (iv) Tribology and Tera-technology (v) Modernisation of Laboratory of Power System/ME Department	80.00	22.96	57.04	33 to 58	Non-availability of suitable equipment in the local market, as well as delay in finalising tender formalities
February 1988 and March 1989	(i) Increase in intake capacity in B.E. Degree course of computer science and technology (ii) Development of Hydraulic laboratory (iii) Artificial intelligence Robot Teaching and Development of micro-processor based design laboratory	40.00	15.48	24.52	31 to 44	Delay in sanction by the State Government
December 1984 and May 1988	(i) Development of A.M. Hydra laboratory (ii) Water resources management C.E. (iii) Strengthening and expansion E.T.C. (iv) Communication system failure analysis (v) Modernisation of A.M. Department (vi) Modernisation of Laboratory C.E. & E.E.	72.50	48.38	24.12	41 to 82	Delay in sanction by the State Government, importing equipment and finalising purchase formalities

Sanctioned between	Purpose for which sanctioned	Amount of Central assistance			Extent of delay as on 31st October 1991	Reason for non-utilisation
		Released	Utilised	Unspent balance		
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		(Rupees in lakhs)			(months)	
August 1989 and December 1989	(i) Modernisation of Library, E.T.C. Department	73.00	Nil	73.00	23 to 26	Delay in release of grants by the State Government
	(ii) Grain Growth Kinetics of ZA Alloys					
	(iii) Development of Mat. Sc. Lab.					
	(iv) Development of computer aided Arch Design Lab.					
	(v) Physical Lab.					
January 1991 and February 1991	(i) Development of Bio-Engg. Laboratory Ph-II	63.00	Nil	63.00	9 to 10	Proposal not submitted by college authority
	(ii) Extension facilities in Graphics Laboratory					
	(iii) Modernisation of Lab. (CE, MIN, MATH, EE)					
Total:		328.50	86.82	241.68		

Thus, the progress in development and modernisation of the laboratories and workshop meant for improvement in technical education was delayed for periods ranging from 9 to 82 months.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

EDUCATION (SCHOOL) DEPARTMENT

3.11 Delay in improving science education

The District Inspector of Schools (Secondary Education), Malda, received Rs 24.80 lakhs in June 1989 from the Director of School Education, West Bengal, representing the central assistance for the scheme for the improvement of science education in the secondary schools of the District. The assistance was to be utilised by 31st August 1989. A District Level Committee under the chairmanship of the Sabhadhipati of the local Zilla Parishad was constituted to purchase science kits for 46 Junior High Schools (Rs 0.55 lakh), establish science laboratories in 36 High Schools (Rs 22.50 lakhs) and

to strengthen the science laboratories in 7 High Schools (Rs 1.75 lakhs). Tenders for purchase of equipment and the establishment/strengthening of science laboratories were invited by the Committee in September 1989. Though 19 tenders were received, these had not been finalised even as of October 1991, the reasons for which were not on record.

The assistance of Rs 24.80 lakhs was retained in the form of deposit-at-call receipts with the State Bank of India, Malda. Delay in the finalisation of tenders and the consequential non-implementation of the scheme resulted in the retention of the funds outside Government Account and the non-realisation of the objective of improving science education in the district.

The matter was reported to Government in March 1991; their reply had not been received (June 1992).

HEALTH AND FAMILY WELFARE DEPARTMENT

3.12 National Technology Mission on Immunization

3.12.1 *Introduction*

The Centrally Sponsored Universal Immunization Programme (UIP) was launched in 1985-86 for universal coverage of immunization of infants and pregnant women, as well as to improve the quality of services already available under the Expanded Programme on Immunization since 1978. It was declared a Technology Mission in 1986 to provide a sense of urgency and commitment to achieve the goals by 1990. The Mission was divided into two parts. Part I dealt with the implementation of the programme and consisted of two mini missions:

- Mini Mission-I : Storage, distribution of vaccines
- Mini Mission-II : Administration of vaccine, monitoring and evaluation

Part-II comprising two more mini missions (Mini Mission-III relating to vaccine research and development and Mini Mission-IV on vaccine production), was concerned with research on and development of vaccines. The programme aimed at reducing morbidity and infant mortality through universal immunization against six vaccine

The abbreviations used in this review have been listed in the Glossary in Appendix 19 (Page 255).

preventable diseases (Diphtheria, Pertusis, Tetanus, Poliomyelitis, Tuberculosis and Measles) for the country as a whole by reduction of neonatal tetanus mortality rate to less than 1 (one) per 1,000 live births and poliomyelitis rate to less than 0.33 per 1,000 children in the age group of 0-4 years.

In West Bengal, the programme was introduced in a phased manner and all the seventeen districts were brought under UIP as shown below:

Year	Name of the districts covered
1985-86	Nadia
1986-87	Burdwan
1987-88	Darjeeling, Medinipur, Murshidabad
1988-89	Calcutta, Hooghly, Howrah, Coochbehar, 24-Parganas (S), 24-Parganas (N)
1989-90	Jalpaiguri, Nadia, West Dinajpur, Bankura, Purulia, Birbhum

3.12.2 *Organisational set up*

The State Family Welfare Officer of the Department of Health and Family Welfare was in the overall charge of the programme at the State level. The Assistant Director of Health Services (Expanded Programme on Immunization) is responsible for organising the programme in consultation with the State Family Welfare Officer. The cold chain Officer looks after the supply, installation and maintenance of the cold chain and other equipment supplied under the scheme.

At the district level, the Chief Medical Officer of Health is in the overall charge of the scheme. The Deputy Chief Medical Officer of Health III and the District Immunization Officer look after the programme at the district level. At the Block level, the Block Medical Officer of Health is in-charge of the programme.

3.12.3 *Audit coverage*

The records pertaining to UIP for the years from 1985-86 to 1990-91 maintained by the Department, Directorate and the implementing authorities in the districts of Bardhaman, Darjeeling, Medinipur, Murshidabad, Nadia and South 24-Parganas were test-checked between February 1991 and July 1991.

3.12.4 *Highlights*

As against allocations totalling Rs 265.45 lakhs during 1985-91, Central assistance released by the Government of India was Rs 141.83 lakhs only. While the reasons for the release of a

lower quantum of assistance were not ascertainable, the total expenditure during the period aggregated to Rs 209.36 lakhs as reflected in the accounts.

Of Rs 11.14 lakhs sanctioned in September 1986 (Rs 5.20 lakhs) and in January 1988 (Rs 5.94 lakhs) for purchase of equipment under the UIP, Rs 4.69 lakhs alone were utilised leaving an unspent balance of Rs 6.45 lakhs.

[Paragraph 3.12.5]

Annual Action Plans as envisaged were not prepared at the State level during 1985-90, while such plans at the district level were prepared after a delay of one to two months in the 6 districts test-checked.

[Paragraph 3.12.6]

The targets of immunization against the six vaccine preventable diseases were not achieved fully during 1985-89. It was only from 1989-90 that the achievements in respect of four vaccines (DPT, Polio, BCG and DT) were in conformity with the norms prescribed for the purpose.

The shortfall in ensuring full immunization varied between 27 per cent and 74 per cent in the case of infants and between 25 per cent and 44 per cent in the case of pregnant women.

Drop-outs from immunization sessions ranged between 16 per cent and 51 per cent. Consequently, the expenditure of Rs 39.08 lakhs involved in the vaccination of the drop-outs had not served the intended purpose.

During the period from 1988-89 to 1990-91, there were 7 cases of adverse reaction and death following immunization.

[Paragraphs 3.12.7 and 3.12.8]

Of the cold chain equipment supplied to the UIP districts, 452 sets valued Rs 28.72 lakhs, were not installed as of July 1991.

During 1988-91, 484 Voltage Stabilisers costing Rs 8.23 lakhs were supplied in excess of the requirements.

Notwithstanding the fact that refrigerator mechanics were not posted in the UIP districts, 11 Refrigerator Repairing Kits valued at Rs 0.50 lakh were supplied to them.

[Paragraph 3.12.9]

Vaccines valued at Rs 26.77 lakhs could not be utilised because their period of potency had expired.

Samples of oral polio vaccines were not tested for potency regularly and the prescribed periodicity was not also adhered to. Potency test was conducted during 1989-90 in respect of 195 samples of which 75 samples were found to be unsatisfactory and of 265 samples tested in 1990-91, 139 samples were found to be unsatisfactory.

[Paragraph 3.12.10]

In the absence of full-time District Immunization Officers and Technical Assistants, control over the implementation of the Programme would not appear to have been effective.

[Paragraph 3.12.11]

Vaccination Coverage Evaluation Surveys were inadequate in as much as only 4 surveys were conducted, 2 each in 1986-87 and in 1990-91.

[Paragraph 3.12.12]

3.12.5 Financial Performance

The Technology Mission was centrally sponsored and cent *per cent* assistance was provided to the State Government for implementation of the Programme. Besides central funds, assistance for the Programme was also received in kind from UNICEF directly as well as through the Ministry of Health and Family Welfare, Government of India.

Details of expenditure during 1985-91 as reflected in accounts against funds released by the Government of India¹ are as follows:

Year	Funds allocated by Government of India	Funds released by GOI	Total	Expenditure reflected in accounts
1985-86	NA	NA	—	2.49
1986-87	14.08	10.35	10.35	7.18
1987-88	26.91	17.19	17.19	89.39
1988-89	82.35	26.16	26.16	13.22
1989-90	73.68	36.83	36.83	58.59
1990-91	68.43	51.30	51.30	38.49
Total	265.45	141.83	141.83	209.36

¹Details of the assistance received in kind from UNICEF and its value were not available.

Scrutiny by Audit revealed the following:

(a) Reasons for short release of central assistance of Rs 123.62 lakhs could not be ascertained in audit.

(b) The Central assistance was to be released on the basis of the quarterly statement of expenditure to be sent by the State Government. It was admitted by the Assistant Director of Health Services (Expanded Programme of Immunization) (ADHSEPI) that the expenditure statement under the UIP were not submitted to the Government of India by the State Government. Funds were released on the basis of the expenditure statements received from the district authorities, the correctness and reliability of which had not been verified.

(c) The expenditure of Rs 170.87 lakhs booked in the accounts could not be reconciled in the absence of compilation of consolidated statements of expenditure by the ADHSEPI.

(d) Government sanctioned Rs 11.14 lakhs in September 1986 (Rs 5.20 lakhs) and January 1988 (Rs 5.94 lakhs) under the Programme. Of this, Rs 4.69 lakhs were utilised for the purchase of BCG and Hypo syringes leaving an unspent balance of Rs 6.45 lakhs. The Deputy Director of Health Services (Equipment and Stores) stated that the funds could not be spent as because the time available for the purchase of BCG needles and vaccine carriers after obtaining the necessary approvals and observing the prescribed formalities was not adequate.

3.12.6 Formulation of Action Plan

For the implementation of various activities under the UIP, annual action plans were required to be prepared by the implementing agencies at the State, District and Primary Health Centre levels. No annual action plans were prepared at the State level during 1985-90. As such the adequacy of the plans and their implementation for the State as a whole could not be verified by Audit.

The annual action plans in the districts test-checked were prepared and circulated to the Primary Health Centres and other units, after delays of 1 to 2 months.

3.12.7 Immunization targets and achievements

Targets of immunization in urban areas were not prescribed separately and consequently separate data in this regard had not been maintained. No slum area had also been identified in the State for the implementation of the UIP.

Yearwise details of the targets and achievements under the UIP during the period from 1985-86 to 1990-91 are shown in Appendix 10.

It would be observed therefrom that during the first four years from 1985-86 to 1988-89, the targets of immunization against all the six vaccine preventable diseases could not be achieved. It was only from 1989-90 that the achievements in respect of four vaccines (DPT, Polio, BCG and DT) were in conformity with the norms prescribed for the purpose.

The reasons for the shortfall in achieving the targets were attributed by the ADHSEPI to (i) lack of staff and drivers for UIP vehicles, (ii) improper planning of the Programme, (iii) lack of motivation, (iv) inadequate follow up and (v) lack of proper coordination between the agencies and workers in the corporation and municipal areas.

The Programme aimed at reduction of the neo-natal tetanus mortality rate to less than 1 per 1,000 live births and polio-myelitis incidence rate to less than 0.33 per 1,000 children in the age group of 0 to 4 years by the end of 1990 in the State as a whole. No survey/review of the infant mortality or morbidity against vaccine preventable disease was, however, undertaken at the State level.

3.12.8 Administration of vaccines

(a) Records relating to the number of immunization sessions planned, disrupted or cancelled for various reasons were not maintained both at the Directorate and District level. Due to the non-maintenance of these records, the reasons for which immunization sessions were cancelled and how it affected the beneficiaries under the programme were not ascertainable. The State Implementing Authority admitted (July 1991) that some of the centres might be cut off for some periods of the year due to seasonal variations, which were, however, taken up in subsequent sessions.

(b) From 19th to 25th November 1988 Quami Ekta week was celebrated and 24th November was to be observed as Womens day every year. On these occasions, special immunization sessions were required to be organised by the State EPI officers. Such special sessions were, however, never organised in the State.

(c) For the purpose of immunization status, a child who had received 3 doses each of DPT and OPV and one dose of BCG and measles vaccines was to be considered as fully immunized. Similarly, a pregnant woman in receipt of 2 doses of Tetanus Toxide (TT) with a booster dose was to be considered as fully immunized. The following table indicates yearwise details in this regard:

Year	Status of beneficiaries	Target (in lakhs)	Beneficiaries fully immunized (in lakhs)	Shortfall (in lakhs)	Percentage shortfall
1985-86	Infants	7.00	1.79	5.21	74
	Pregnant women	8.50	4.75	3.75	44
1986-87	Infants	12.00	3.66	8.34	70
	Pregnant women	9.00	6.76	2.24	25
1987-88	Infants	12.13	3.74	8.39	69
	Pregnant women	11.56	8.62	2.94	25
1988-89	Infants	12.94	5.32	7.62	59
	Pregnant women	16.17	9.92	6.25	39
1989-90	Infants	13.62	7.47	6.15	45
	Pregnant women	17.63	10.59	7.04	40
1990-91	Infants	16.17	11.82	4.35	27
	Pregnant women	17.58	12.20	5.38	31

The shortfall in ensuring full immunization varied between 27 *per cent* and 74 *per cent* in the case of infants, and between 25 *per cent* and 44 *per cent* in the case of pregnant women.

(d) According to the norms prescribed, when the percentage of drop-outs from the first dose to the last dose (last dose with Booster dose in the case of TT) in respect of multidose vaccines exceeds 15 *per cent*, the Programme should be treated as having failed. The position of drop-outs in each service of immunization is contained in Appendix 11. It would be seen therefrom that the number of drop-outs was substantial in the years from 1985-86 to 1987-88. The yearwise percentage of drop-outs is analysed in the following table:

Name of vaccine	Percentage of drop-out in					
	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
DPT	40	50	38	24	18	18
TT	22	25	—	—	—	—
Polio	47	51	44	27	20	16
DT	31	35	21	19	—	17

The expenditure involved in the vaccination of the drop-outs with 59.42 lakh vials of vaccines (TT: 5.47 lakh vials, DPT: 22.80 lakh vials, Polio: 19.33 lakh vials and DT: 11.82 lakh vials) during the period from 1985-86 to 1990-91 amounted to Rs 39.08 lakhs, which had not served the intended purpose.

(e) *Adverse reaction/death following immunization*

The Programme guideline provided that records of adverse reaction/death following immunization were to be kept. The records maintained by the department indicated the following position:

Year	Number of cases of		Number of cases investigated	
	Adverse reaction	Death	Adverse reaction	Death
1988-89	4	2	4	2
1989-90	1	1	1	1
1990-91	2	2	2	2

It was stated that cases of adverse reaction/death following the immunization were investigated by the Standing Committee constituted for the purpose. However, 4 cases of adverse reaction in 1988-89 at Tamluk were investigated by Dy CMOH-IV, Midnapore prior to formation of the Standing Committee. According to his report, adverse reaction following immunization was due to latent viral infection already existing in the body of the patients.

(f) *Syringes and needles*

The Programme provided for the supply of syringes and needles at the rate of at least 1 syringe for 40 injections and 1 needle for 10 injections. Due to non-maintenance of Stock Register of equipment at the Directorate, the consumption of needles and syringes with reference to norms could not be verified in audit. The details of the injections administered, no. of syringes/needles used vis-a-vis the consumptions as per norms are shown below:

Year	1985-86 to 1990-91 (in lakhs)
No. of injections administered	597.55
No. of syringes required	14.94
No. of needles required	59.75
No. of syringes used (Supplied)	10.12
No. of needles used (Supplied)	58.76

This would indicate that the supply of syringes and needles was less than the requirement. It would be seen from the above table that the consumption with reference to the norms was lower on the overall basis.

3.12.9 *Infrastructure facilities*

Additional inputs were provided under the Programme to make it operationally feasible. The inputs include equipment for storage and transportation of vaccines, such as Walk-in-Coolers, refrigerators, cold box, vaccine carriers, etc.

(a) Details of allocation of equipment up to 1989-90 and supplies up to March 1991 are indicated in Appendix 12. It would be seen therefrom that 182 chest freezers and chest refrigerators allocated in 1989-90 for supply during the year and the entire cold Chain and other equipment allocated for supply in 1990-91 were yet to be made available.

(b) 452 sets of cold Chain equipment supplied to the UIP districts were not installed as of July 1991. Relevant details are indicated below:

Period of delay in installation	Item	Quantity	Value
			Rs
Above 12 months	1. Chest Freezer 300 Ltr.	30	5,07,000
	2. Chest Freezer 140 Ltr.	201	9,84,900
	3. Chest Refrigerator 140 Ltr.	216	12,96,000
	4. Chest Freezer 300 Ltr.	5	84,500
			<hr/> 28,72,400 <hr/>

(c) Test-check of the records revealed that during the years from 1988 to 1991, 484 voltage stabilizers costing Rs 8.23 lakhs were supplied to UIP districts in excess of the requirements. These were lying unutilised in the respective UIP districts.

(d) Refrigerator Repairing Kits were to be supplied to the UIP districts where Refrigerator Mechanics were posted. But no Refrigerator Mechanic was posted in any district and 11 Refrigerator Repairing Kits valued at Rs 0.50 lakh were supplied to 11 UIP districts, which remained unutilised.

3.12.10 *Storage and distribution of Vaccines*

(a) The total quantity of vaccines received and distributed to UIP districts during the period from 1985-86 to 1990-91 was as follows:

Name of Vaccine	Opening balance (doses in lakhs)	Receipts (doses in lakhs)	Issues (doses in lakhs)	Closing balance (doses in lakhs)
Measles	—	57.64	55.12	2.52
Polio	—	240.14	223.69	16.45
T.T.	0.77	18.48	16.25	3.00
D.P.T.	1.45	28.93	27.32	3.06
D.T.	0.08	8.54	8.62	Nil
BCG	—	80.38	80.37	0.01

The value of the vaccines worked out to Rs 824.30 lakhs, of which vaccines valued at Rs 26.77 lakhs could not be utilised because their period of potency had expired. Details of destruction of these vaccines were not available.

(b) In order to ensure that the potency of vaccines was protected by the cold chain system, samples of Oral Polio Vaccines (OPV) from different series in the district and State were to be tested every month for potency. In the State, the School of Tropical Medicine, Calcutta, was selected for potency test of OPV. It was observed that there was no system of maintaining records to indicate the periodicity of drawal of samples according to the guidelines, time taken to receive reports, action taken in case of adverse reports, quantity of vaccine adversely reported upon, etc.

Potency test was conducted during 1989-90 in respect of 195 samples of which 75 samples were found to be unsatisfactory; similarly, of the 265 samples tested in 1990-91, 139 samples were found to be unsatisfactory.

It was stated by the State Authority that in case of vaccines used before receipt of adverse reports an additional dose was given. But no record in support of the statement was available.

3.12.11 *Manpower Resources*

(a) The Programme provided for the creation of 128 posts in different categories as against which only 6 personnel were in position as of July 1991. Relevant details are tabulated below:

Name of the post	Post to be sanctioned	No. of posts sanctioned	Staff in position
Officer-in-charge, Cold Chain	1	1	1
Technical Assistant	1	—	—
District Immunization Officer	18	3	3
Statistical Investigator	18	—	—
Refrigerator Mechanic	18	9	—
Typists	18	2	2
Driver	54	—	—

The State Implementing Authority admitted (July 1991) that the programme was adversely affected due to lack of staff and drivers.

(b) The following strategy for the training of staff under UIP was required to be followed:

Sl. No.	Category of personnel	Place of training	Duration
(i)	District Immunization Officers and District Health Officer	National Institute of Health and Family Welfare, New Delhi	5 days
(ii)	Medical Officers (MOs) PHC and District Supporting Staff	At the district level by DIOs and faculty from Medical College	4 days
(iii)	Multipurpose Workers (MPWs) and Non-medical Supervisors (NMSs)	PHCs by Medical Officers	1-2 days

The records revealed the following position in regard to the training of staff:

Period	:	1985-86 to 1990-91 (up to September 1990)
No. of Districts	:	17
Total No. of personnel	:	MOs 2,209 Para medical staff 25,358

	Number of personnel not trained	Percentage
MOs	1,094	50
Para medical staff	17,406	68

The Department stated (July 1991) that the training was being arranged in batches keeping in view the availability of funds.

Refresher Training Courses or Orientation Courses for UIP personnel were not organised.

3.12.12 Surveillance

The B. C. Roy Polio Clinic and Hospital for Crippled Children and I.D. Hospital at Calcutta were identified as sentinel centres for poliomyelitis and other communicable diseases respectively. In the districts, District Hospitals were earmarked as sentinel centres. Additional staff has not been sanctioned for surveillance under UIP. The centres maintain records about Vaccine Preventable disease (VPD) showing age, sex, name, place of residence, immunization status of the patients and reports are received at the State Directorate.

Data of the two Calcutta hospitals on Diphtheria, Tetanus and Poliomyelitis for the years 1989 and 1990 indicated the following position:

Year	No. of cases admitted		Death
1989	Diphtheria	3,406	206
	Tetanus	Not available	—
	Poliomyelitis	1,276	—
1990	Diphtheria	3,188	—
	Tetanus	1,037	—
	Poliomyelitis	667	—

The State Government had not developed any system of reporting of vaccine preventable diseases by Private Practitioners to the District/State Family Welfare Authority.

As a measure of Surveillance, Vaccination Coverage Evaluation Survey (VCES) were expected to be conducted annually in the districts covered under UIP. The norms prescribed in this regard were, however, not adhered to and only 4 surveys were conducted, two each in 1986-87 and in 1990-91.

3.12.13 Information, Education and Communication (IEC)

IEC Cells/Media divisions play an important role for successful implementation of a Programme. No separate funds were released nor was any cell created exclusively dissemination of information on UIP. The Mass Media Division of the State Family Welfare Directorate shared IEC activities of UIP simultaneously with other Family Welfare Programmes.

3.12.14 *Monitoring and Supervision*

The Programme envisaged establishment of field level committees, district level review committees and a State level review committee for overseeing the implementation of UIP and coordination. The State Directorate did not maintain any record to indicate the details of formation of the committees, number of meetings to be held, number of meetings held, reasons for shortfall etc. It was only stated that instructions had been issued to the district family welfare authorities to constitute committees at the district level and PHC level. It was also admitted by the State Implementation Authority that there was lack of proper planning of the programme, motivation and follow up.

Monthly performance reports were received from the districts, but these were incomplete in many cases.

Evaluation of the UIP was not conducted by the State Government or by any other agency.

3.12.15 These points were brought to the notice of Government in October 1991; their reply had not been received (June 1992).

3.13 **Unfruitful expenditure on purchase of X-Ray Machines**

Between March 1988 and February 1990, Government sanctioned the purchase of 54 X-Ray machines at a cost of Rs 115.59 lakhs for installation at different health units. It was decided by Government that 80 *per cent* of the cost would be paid to the supplier, a State Government undertaking, in advance and the balance 20 *per cent* after installation and satisfactory demonstration of the machines. The Deputy Assistant Director of Health Services (Equipment and Stores) was directed by the Director of Health Services to take paper possession and keep the machines in the safe custody of the suppliers till such time as these could be physically delivered to the units concerned.

Accordingly, advances totalling Rs 92.47 lakhs, representing 80 *per cent* of the total cost, were paid between March 1988 and March 1990. The remaining 20 *per cent* of the cost in respect of 39 machines amounting to Rs 17.83 lakhs was also paid between March 1989 and March 1990. As of July 1990, an amount of Rs 5.29 lakhs was yet to be paid in respect of the remaining 15 machines.

Of the 54 machines, 9 machines costing Rs 19.55 lakhs were installed between April 1989 and September 1991, while 11 machines delivered to the concerned health units between May 1988 and June 1991 were yet to be installed by them. Of the remaining 34 machines, 6 machines were lying in the Central Medical Stores,

Calcutta, and 28 machines had been retained by the State Government undertaking (supplier) as of December 1991. The non-installation of 45 machines was attributed to the non-completion of the construction of X-Ray rooms, non-availability of 440 volts power connection and non-posting of X-Ray technicians.

Failure to ensure the availability of the necessary infrastructural facilities prior to the delivery of the X-Ray machines to facilitate their prompt installation thus resulted in the expenditure of Rs 90.75 lakhs remaining unfruitful for periods ranging from one year to three years. Besides, the objective of providing X-Ray facilities in the health units had also not been realised.

The matter was reported to Government in September 1991; their reply had not been received (June 1992).

3.14 Delay in utilisation of hospital complex

In April 1981, Government approved the expeditious establishment of a 20-bed State General Hospital at Bhatibari in Jalpaiguri district, (estimated cost: Rs 32.52 lakhs), which was expected to serve mainly the rural population. Construction of the hospital buildings, staff quarters (32), compound wall, sanitary and plumbing works, etc. the estimated cost of which aggregated to Rs 26.93 lakhs, was taken up in November 1982 by the Executive Engineer, Construction Division, Public Works Department, Alipurduar, and completed by January 1986 at a cost of Rs 32.40 lakhs. Reasons for the time overrun of about four years and the cost overrun of Rs 5.47 lakhs, were not ascertainable from the records made available to Audit. The Chief Medical Officer of Health took over possession of the buildings in March 1987 and only the out-patient department was opened in the Hospital with seven personnel to function in the early hours of the day without electricity.

The internal electrical installations, sanctioned in April 1981, were completed only in May 1988 at a cost of Rs 3.09 lakhs. These, however, remained unutilised in the absence of power supply. Besides, two generator sets installed at a cost of Rs 2.50 lakhs remained unused.

A separate estimate for the water supply arrangements at a cost of Rs 9.39 lakhs was sanctioned only in March 1987 after the buildings were taken over. These were stated to have been completed as of June 1990.

Though Government sanctioned the opening of 20 indoor beds and 25 additional staff and other requisite equipment, furniture etc. in June 1990, the in-patient facilities could not be provided even as of September 1991 in the absence of the necessary staff.

One X-Ray machine purchased by the Deputy Director of Health Services (Equipment and Stores) at a cost of Rs 1.76 lakhs and installed in the hospital in April 1989 could not also be commissioned in the absence of electricity, dark room facilities, etc.

Thus, the hospital complex constructed at a cost of Rs 49.14 lakhs remained largely unutilised owing to delay in providing electricity and water supply, depriving the rural population of indoor hospital services for about six years.

The matter was reported to Government (August 1990); their reply had not been received (June 1992).

3.15 Non-opening of intensive care units

Government decided in December 1981 to establish Intensive Care Units (ICUs) in six district hospitals to cater to the needs of a larger number of acutely ill patients in comatose condition or those suffering from cardiological and cerebral disorders and who could not be treated properly in the overcrowded general medical wards of the hospitals. Accordingly, it sanctioned a non-recurring grant of Rs 0.62 lakh (special equipment: Rs 0.50 lakh; appliances: Rs 0.12 lakh) for the establishment of a six-bed Intensive Care Unit in each of the six district hospitals.¹ The units in three district hospitals (Jalpaiguri, Purulia, Nadia) did not start functioning in the absence of the necessary space at the hospitals and inadequacy of funds. Non-recurring grants were not drawn by the Superintendents of hospitals at Purulia and Nadia, while the amount drawn for the unit at Jalpaiguri had been retained for over nine years.

Government also sanctioned in December 1981, 16 posts in different categories² for each of these units. Some of these posts were operated for limited periods in the General wards of three district hospitals.

Due to entertainment of such additional staff sanctioned for three Intensive Care Units during 1982-91 but actually used in General wards, the Government had to incur an expenditure of Rs 28.02 lakhs towards their pay and allowances.

The scheme for opening Intensive Care Units in three of the six districts remained un-implemented. While the patients were not provided intensive medical care for over nine years, Rs 28.02 lakhs had been spent on the pay and allowances of personnel did not serve the intended purpose because they were utilised only in the General Wards.

¹Jalpaiguri, Midnapore, Murshidabad, Nadia, Purulia and West Dinajpur.

²Medical Officer-4, Nurse-4, General Duty Attendant-4 and Sweeper-4.

The matter was reported to Government in June 1991; their reply had not been received (June 1992).

3.16 Shortage of Medicine

Test-check during December 1986 of the records of the office of the District Reserve Stores of Medicine under the Chief Medical Officer of Health, Nadia, revealed that the stock of medicines was physically verified by the Deputy Chief Medical Officer of Health-I, Nadia on 19th October 1986 and 29 items of medicines valued at Rs 11.18 lakhs were found short. An investigation into the shortages was carried out by an officer of the Directorate of Health Services, but the report thereon was not made available to Audit.

Further scrutiny of the records of the District Stores during July 1991 revealed the following:

(a) According to the provisions contained in the Health Manual, shortages of medicines were to be got examined by the Inspector of Accounts of the adjacent district (Murshidabad in this case) and the results of the examination and the causes thereof were to be reported to the Directorate of Health Services. This was not done.

(b) Annual physical verification of Stores which was mandatory, was not conducted during 1985-86. In 1984-85, the quantity found on actual counting of 25 of the 29 items was written in pencil, leaving ample scope for alteration.

(c) Bin Cards for each item of medicine, wherein every receipt entry and balance drawn after each transaction were to be recorded, were not maintained to exercise control over the issue of the medicines and their proper accountal.

(d) Index of Medicines and write-off registers were not maintained.

The matter was reported to Government in September 1991; their reply had not been received (June 1992).

3.17 Avoidable extra expenditure on electricity charges

High tension power consumers of the Calcutta Electric Supply Corporation Limited are entitled to a special rebate of Rs 0.07 per unit if the bills are paid by them within the due date specified in the bill.

Bills for power consumption by the Seth Sukhlal Karnani Memorial Hospital, raised by the Corporation for the period from December 1988 to December 1990, involving Rs 50.42 lakhs inclusive of rebate of Rs 2.97 lakhs, were received by the Hospital authorities 6 to 14 days prior to due dates of payment. Notwithstanding the availability of funds for the purpose, the rebate

could not be availed of on account of the bills having been paid only after the due dates prescribed. This resulted in avoidable extra expenditure of Rs 2.97 lakhs.

The matter was reported to Government in March 1991; their reply had not been received (June 1992).

3.18 Non-realisation of hospital charges from in-patients

A certain number of beds in all State General Hospitals are declared free beds, while patients occupying other than the free beds and cabins are required to pay the prescribed charges.

A 100-bed State General Hospital, consisting of 5 cabins, 20 paying beds and 75 free beds, started functioning in Panihati (24-Parganas District) from August 1975. To cope with the increased demand for hospitalisation, Government sanctioned the augmentation of in-patient facilities in October 1986 by the addition of 40 more free beds and 10 paying beds. The additional capacity was provided in May 1990.

During the period from January 1987 to December 1990, for which information was available, the number of in-patients admitted in the Hospital varied between 129 and 162 and the cabins and paying beds remained occupied all along during this period. The prescribed charges for the cabins and paying beds were, however, not recovered from any of the patients, resulting in an estimated loss of revenue of Rs 2.11 lakhs during this period.

The Superintendent of the Hospital stated (June 1991) that there was no provision for cabins and paying beds in the Hospital and that the prescribed charges had not been realised at any time since its inception. Orders of Government, if any, converting the paying beds and cabins into free beds could not, however, be produced to Audit. The prescribed charges were being recovered in all other State General Hospitals with reference to the number of cabins and paying beds sanctioned by Government from time to time. In the circumstances, the non-recovery of the prescribed charges contrary to the position indicated in the Government sanction relating to the establishment of the hospital and the augmentation of the in-patient capacity was irregular.

The matter was reported to Government in June 1991; their reply had not been received (June 1992).

3.19 Idle investment attributable to lack of advance planning

The construction of a 30-bed rural hospital, along with staff quarters, at Gazole in Malda district, sanctioned by Government in

March 1982, was taken up by the State Public Works Department in November 1985 on behalf of the Health and Family Welfare Department. The hospital complex was completed in March 1989 at a cost of Rs 66.49 lakhs.

Though the Department of Health and Family Welfare was requested in February 1989 to take over the complex by April 1, 1989, this could not be done because posts in all categories, including those of medical officers, had not been sanctioned by then. On the posts being sanctioned subsequently, the complex was taken over by the Department only in January 1991. In the meantime, an expenditure of Rs 1.29 lakhs was incurred by the Public Works Department on watch and ward arrangements.

The construction of the rural hospital having been sanctioned in March 1982 itself, the Department should have initiated appropriate action in advance for the sanction of the necessary posts after ascertaining the schedule for the completion of the complex from the Public Works Department, so as to ensure that the functioning of the hospital was not affected in the absence of personnel. Lack of advance planning in this regard resulted in the investment of Rs 66.49 lakhs remaining unfruitful for nearly two years and in the denial of the intended medical facilities to the rural population.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

HEALTH AND FAMILY WELFARE/ EDUCATION DEPARTMENTS

3.20 Deficiencies in the maintenance of Cash Books

Cash Book is the basic record for recording day to day cash transactions of an office. Entries of receipt and disbursement are to be attested by the Drawing and Disbursing Officer in token of his check and the Cash Book should be balanced and closed everyday. The balances are required to be physically verified at the end of each month and a certificate is to be recorded in regard to their correctness. Certain deficiencies noticed in the maintenance of Cash Books by two offices in Darjeeling district are mentioned in the following paragraphs.

(i) The Kurseong Sub-Divisional Hospital had not maintained its Cash Book from December 1983 to July 1984 and September 1986 to June 1987 properly, incorporating all the cash transactions under proper attestation of the Drawing and Disbursing Officer while the Cash Book was not maintained at all from August 1984 to August

1986 and July 1987 to August 1988 in disregard of the relevant provisions in the Treasury Rules. The Cash Book was maintained subsequently from September 1988 with an opening cash balance of Rs 115. Scrutiny by Audit of the Treasury and Sub-treasury records, however, revealed that as against Rs 32.75 lakhs drawn by the Hospital on presentation of bills between December 1983 and April 1985, receipts totalling Rs 12.25 lakhs only were accounted for in the Cash Book. Drawals totalling Rs 93.92 lakhs between May 1985 and August 1988 were not entered at all in the Cash Book.

(ii) The Office of the District Inspector of Schools (Secondary Education), Darjeeling, did not maintain its Cash Book for the period from 1st December 1985 to 31st May 1990. The Treasury records revealed that Rs 74.28 lakhs drawn during the period remained unaccounted.

Non-maintenance or improper maintenance of Cash Book for years together, in violation of the provisions of the Treasury Rules, was fraught with the risk of misappropriation, defalcation, etc.

Both these cases were reported to the concerned Departments and the Finance Department in January 1990 and July 1990 respectively. The Director of Accounts, Education Department, reported (December 1990), that, while the writing up of the Cash Book had been taken up, a report on its completion was awaited. Information in regard to the action taken by the Health and Family Welfare Department in this regard was awaited.

The matter was reported to Government in April 1991; their reply had not been received (June 1992).

HOME (CONSTITUTION AND ELECTION) DEPARTMENT

3.21 Avoidable expenditure on purchase of ballot boxes

With a view to meeting the requirement of ballot boxes for the 1989 Elections to the Lok Sabha, Government assessed and approved in July 1989 the requirement of 32,000 ballot boxes of 17,500 c.c. capacity (230 mm×265 mm×290 mm) against the requirement of 3,773 boxes assessed earlier in May 1989. In June 1989, however, the Election Commission of India approved the purchase of a new larger ballot box of 44,000 c.c. capacity (470 mm×335 mm×280 mm). While doing so, the Commission had also specifically indicated that as the capacity of the new box was more than twice that of the ballot boxes used earlier, the requirement of additional ballot boxes should be reduced accordingly.

Instead of reviewing the requirements accordingly, Government, however, accorded sanction in September 1989 to the purchase of 32,000 bigger boxes as assessed initially in May 1989. Of these, 21,844 boxes were supplied by the concerned firms before the 1989 Elections to the Lok Sabha and 10,000 boxes only after the Elections were over. Payments totalling Rs 163.18 lakhs were made to the firms between September 1989 and March 1990.

Of the 21,844 boxes received, 18,300 boxes were actually allotted in connection with these elections.

Failure to reassess realistically the requirements of ballot boxes in the light of the decisions of the Election Commission resulted in the excess purchase of 13,544 ballot boxes of larger capacity, involving an avoidable additional expenditure of Rs 78.31 lakhs.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

INFORMATION AND CULTURAL AFFAIRS DEPARTMENT

3.22 Unfruitful expenditure on purchase and production of films

Mention was made in paragraphs 3.14 and 3.15 of the Report of the Comptroller and Auditor General of India for the year 1989-90 (Civil) that due to non-receipt of additional prints and Censorship Certificate, expenditure of Rs 4.90 lakhs incurred on procurement of two films became wasteful/infructuous. Further, during the period from 1979 to 1990, eleven coloured and seven black and white documentary films, covering a variety of subjects and themes, were procured by Government at a total cost of Rs 25.29 lakhs. While nine of these films were purchased outright, the remaining nine were produced by local film makers selected by the Film Advisory Committee of the Information and Cultural Affairs Department.

On receiving the positive prints of these films, the Department was to arrange additional prints thereof for exhibition in cinema halls and by the district and sub-divisional audio-visual units. Of the 18 films, 15 were not sent at all either to the colour processing centre of the West Bengal Film Development Corporation (the only unit in the State having facilities for the processing of colour films) or to the designated private laboratory (responsible for making prints of black and white films). The remaining three colour films, procured in 1984, were sent to the processing centre in February 1988. Prints thereof had not, however, been made available as of June 1991.

In the absence of additional prints, none of the 18 films had been exhibited even as of June 1991, resulting in the expenditure of

Rs 25.29 lakhs incurred on their procurement being rendered unfruitful for periods ranging from one year to 12 years. Besides, the objective of dissemination of the messages contained in these documentaries, some of which may also have lost their topicality, had also not been realised.

The matter was reported to Government in September 1991; their reply had not been received (June 1992).

MUNICIPAL AFFIARS DEPARTMENT

3.23 Drawal of loans in excess of requirements

The Government of India approved annually package allocations to the State Government for the development and modernisation of the State Fire Services, to be financed by loan assistance from the General Insurance Corporation. The loans were recoverable in 15 equated annual instalments, the recovery commencing one year after the date of disbursement. Simple interest of 8.5 *per cent* per annum was payable on the balances outstanding up to 1983-84 and at 9.75 *per cent* per annum thereafter. Scrutiny by Audit of the records relating to the drawal of loans and their utilisation revealed the following:

(a) Between 1981-82 and 1990-91, the State Government availed of loans aggregating to Rs 1,991.95 lakhs from the General Insurance Corporation.

As of March 1991, a sum of Rs 755.04 lakhs only had been utilised by the Director of Fire Services for the purchase of 179 chassis for Fire engines (Rs 389.21 lakhs), and fabrication of bodies on 105 of these chassis and installation of various fire-fighting equipment in these vehicles (Rs 197.96 lakhs) against sanctions issued for the purpose by Government. Consequently, loans aggregating to Rs 1,236.91 lakhs (62 *per cent*), though drawn, remained unutilised.

(b) The annual package allocations were determined by the Government of India on the basis of the details of equipment, their cost, phasing of the expenditure, etc. furnished by the Director of Fire Services and the State Government from time to time. These details also formed the basis of release of loans by the General Insurance Corporation. The basis on which the requirements of equipment were assessed by the Director of Fire Services were, however, not ascertainable from the records.

(c) Orders for the purchase of fire-engine chassis were placed year after year notwithstanding the fact that unfabricated chassis were accumulating in stock. Further, delays ranging from eight months to

three years were also noticed in placing orders for the chassis after drawal of loans from the General Insurance Corporation. These were indicative of defective planning.

(d) Of the 180 chassis, orders for which were placed between October 1982 and April 1990, 149 chassis were supplied by the manufacturers between February 1983 and December 1989, and 30 chassis during 1990-91, the delays in delivery ranging from four to thirtyfive months. The remaining 1 chassis had not been received as of February 1992. The delays in delivery were mainly attributable to the increase in the prices of the chassis after placement of orders, necessitating the issue of revised sanctions.

(e) Of the 179 chassis delivered, bodies had been fabricated and the necessary fire-fighting equipment installed only on 105 chassis as of February 1992. While 9 of the remaining chassis, delivered between December 1990 and March 1991, had not been handed over to the fabricators by then, 65 chassis handed over for fabrication of bodies and installation of equipment to the fabricators were lying with them for periods ranging from three months to seven years.

(f) As of March 1991—the period up to which relevant information was available—Government had repaid to the General Insurance Corporation principal of Rs 462.50 lakhs and interest of Rs 546.68 lakhs. The interest paid included a sum of Rs 213.99 lakhs on the loans aggregating to Rs 655.29 lakhs drawn up to the year 1988-89 but remaining unutilised. The payment of interest on the unutilised loan could have been avoided had the requirements been assessed more realistically and the loan drawals restricted to the actual requirements.

The matter was reported to Government in September 1991; their reply had not been received (June 1992).

PANCHAYAT AND COMMUNITY DEVELOPMENT DEPARTMENT

3.24 Infructuous expenditure on construction of administrative building

The Administrative Building of the Nanoor Panchayat Samity in Birbhum, constructed at a cost of Rs 1.78 lakhs, was ceremonially opened in May 1986. The building could not, however, be occupied because several cracks had developed in its roof, walls and floor within months of its construction.

An expenditure of Rs 0.32 lakh was incurred by the Panchayat Samity in March 1990 on repairs to the building. An enquiry

committee constituted to examine the causes for the cracks attributed (September 1988) these to non-execution of soil exploration work for ascertaining the tune characteristics of the soil, bad workmanship, deviations from the approved drawings, use of substandard materials, inadequate and improper supervision, etc. The Committee suggested demolition of the staircase and certain other repairs to protect the building. No action in pursuance of the directions issued in this regard in October 1988 was, however, taken by the Panchayat Samity, and the condition of the building deteriorated further.

Subsequently in September 1989, the District Engineer, Birbhum Zilla Parishad, suggested that the building should be condemned. His proposal was not accepted by the District Magistrate and a new committee was constituted in December 1989. In its report submitted in February 1991, the committee held that the damages were beyond economic repairs and that the building was not fit for occupation.

In the meantime, the Executive Officer of the Panchayat Samity, with the consent of the Zilla Parishad, had also requested the District Engineer, Birbhum Zilla Parishad, in January 1990 to supply plans and estimates for the construction of a new Administrative Complex for the Panchayat Samity at an approximate cost of Rs 6 lakhs.

Inadequate supervision and control over the construction of the building and failure to ensure adherence to the approved drawings thus resulted in the expenditure of Rs 2.10 lakhs incurred on its construction and repairs being rendered infructuous.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

RELIEF AND WELFARE DEPARTMENT

3.25 Shortage of Cash and non-accountal of Government money

Treasury Rules provide that all receipts and payments should be recorded in the Cash Book under proper attestation of the Drawing and Disbursing Officer as soon as these occur. At the end of each month, the cash in chest should be verified by the Head of the office with reference to the book balance in the Cash Book and dated certificate of physical verification recorded.

Test-check (January 1991) of the records of the District Social Welfare Officer, Jalpaiguri, revealed the following irregularities:

(a) According to the treasury records, 105 bills involving Rs 9.69 lakhs were drawn by the District Social Welfare Officer-cum-District Programme Officer (DSWO/DPO) Jalpaiguri between 10th November 1981 and 30th November 1990. Neither the receipts nor

the payments of those bills were accounted for in the Cash Book. Review of the Bill Register was not conducted as required under Treasury Rules as a result of which the non-accountal of the transactions remained unnoticed. The office copies of the bills, payees' acknowledgements, sub-vouchers, etc. were not produced to Audit. The accountal of the receipts of Rs 9.69 lakhs and expenditure thereagainst could not, therefore, be vouchsafed by Audit.

(b) Due to non-production of Cash Book for the period from 18th February 1981 to 9th November 1981 (10 months), authenticity of receipts and payments in respect of 24 bills involving Rs 0.46 lakh could not be examined in audit.

(c) The DSWO/DPO maintained two cash books during the period from 8th May 1989 to 24th April 1990 to record its transactions in contravention of treasury rules.

(d) Examination of Bill Register, Cash Book, Treasury Payment schedules disclosed that amounts aggregating to Rs 2.49 lakhs drawn in advance in 39 bills between 1981-82 and 1989-90 and advanced to different officers were not entered in the Advances Register to watch adjustment thereof.

(e) Physical verification of cash balance was not conducted during the period from 10th November 1981 to 24th April 1989.

(f) After the death of the Cashier on 17th June 1989, the Cash chest was opened on 4th October 1989 and shortage of cash to the extent of Rs 0.16 lakh was detected. This included undisbursed amount of Rs 0.03 lakh retained for one to five years and unremitted amount of Rs 0.06 lakh relating to refund of undelivered pension money.

(g) Information in regard to the name of the official holding charge of the cashier during the absence of earlier cashier on leave (18th April 1989 to 16th June 1989) prior to his death; designation of the authority permitting opening of the cash chest; members present at the time of opening the chest; list of vouchers, cheques, drafts, liquid cash etc. found on opening the cash chest was not on record. The District Officer also could not furnish any reply.

Non-adherence to the financial and treasury rules framed by Government for proper maintenance of accounts to safeguard against fraud, defalcation etc. resulted in non-accountal of Rs 12.64 lakhs and shortage of Government money to the extent of Rs 0.16 lakh.

The matter was reported to Government in June 1991; their reply had not been received (June 1992).

SCHEDULED CASTES AND SCHEDULED TRIBES WELFARE DEPARTMENT

3.26 Idle investment on Ashram Hostels

Between 1979 and 1983, the Scheduled Castes and Scheduled Tribes Welfare Department sanctioned Rs 2.50 lakhs for construction of five Ashram Hostels in 24-Parganas (South) for providing hostel facilities to primary school students belonging to scheduled castes and tribes. Each Ashram Hostel was to be constructed on land measuring one bigha, contiguous, as far as possible, to the concerned primary school, and provide accommodation for 30 students with kitchen dining room, etc. On completion of the Ashram Hostels, the District Magistrate was to submit to Government the completion certificates and other prescribed details to facilitate sanction of maintenance grants.

All the five hostels were reported to have been completed and handed over to the school authorities between January 1985 and May 1987. The maintenance grants could not, however, be sanctioned because the completion certificates and other relevant details were not furnished by the District Magistrate. The Scheduled Castes and Tribes Welfare Officer, 24-Parganas (South), requested the Zilla Parishad only in December 1990 to make available the completion certificates and other information. In the absence of maintenance grants, the hostels were not functioning as of October 1991.

In the circumstances, the investment of Rs 2.50 lakhs on the construction of the five hostels had remained idle for periods ranging from four to six years and the facilities envisaged could not be provided to the students belonging to scheduled castes and tribes.

Government stated (October 1991) that necessary arrangements were being made to run the hostels.

GENERAL

3.27 Outstanding Inspection Reports

Audit observations of financial irregularities and defects in initial accounts noticed during local audit which are not settled on the spot are communicated to the Heads of Offices and to next higher departmental authorities through audit inspection reports. More important irregularities are reported to the Heads of Departments and Government. Instructions of Government provide that Heads of Offices should send their first replies to inspection reports within three weeks of their receipt to the respective heads of Department,

who, in turn, are required to forward such explanations, along with their own comments, to the Accountant General within two months of receipt of the explanations.

At the end of June 1991, 7,617 inspection reports issued up to December 1990 and containing 32,263 paragraphs had not been settled. Of these, 7,583 inspection reports containing 32,195 paragraphs related to the Civil Departments excluding those relating to works expenditure. The balance of 34 inspection reports containing 68 paragraphs related to the departmentally-managed commercial undertakings. The position of outstanding inspection reports and paragraphs (with corresponding figures for earlier two years) is given in the table below:

	As at the end of June		
	1989	1990	1991
Number of inspection reports with paragraphs not settled	8,030	7,655	7,617
Number of paragraphs	32,725	32,258	32,263

The yearwise break-up of the outstanding inspection reports is given below:

	Number of inspection reports	Number of paragraphs
Up to 1986-87	3,978	11,640
1987-88	854	3,672
1988-89	1,088	6,489
1989-90	990	6,035
1990-91	707	4,427
	<hr/> 7,617 <hr/>	<hr/> 32,263 <hr/>

For prompt settlement of inspection reports, Audit Committees, comprising the Secretary of the controlling department and

representatives of the Finance Department and the Accountant General, were formed in all the 29 Departments of the Government. As a result of the meetings of Audit Committees, it was possible to settle 174 inspection reports involving 506 paragraphs in 8 Departments. Meetings of Audit Committees were held on 20 occasions in respect of 12 Departments up to August 1991.

Detailed analysis of the position of outstanding reports relating to five Departments revealed that 895 inspection reports containing 3,640 paragraphs issued up to December 1990 had not been settled till the end of June 1991 as indicated below:

Department	Number of inspection reports	Number of paragraphs not settled	Year to which earliest outstanding paragraphs relate
1. Agriculture	585	2,183	1964-65
2. Cottage and Small Scale Industries	213	956	1966-67
3. Panchayat	39	107	1963-64
4. Local Government and Urban Development	39	142	1976-77
5. Development and Planning	19	252	1977-78
	<hr/> 895 <hr/>	<hr/> 3,640 <hr/>	

Further analysis of 3,041 paragraphs in 747 inspection reports pertaining to the period from 1963-64 to 1990-91 brought out persistent irregularities like defalcation, non-recovery of dues, excess/avoidable expenditure, etc., involving Rs 15,056.71 lakhs as detailed in Appendix 13

Failure to initiate prompt action on inspection reports could result in instances of loss of Government money, fraud, misappropriation, etc. pointed out therein remaining unattended to the detriment of Government's financial interests.

The matter was reported to Government in September 1991; their reply had not been received (June 1992).

3.28 Misappropriation, losses, etc.

Cases of misappropriation, defalcation, etc. of Government money reported up to 31st March 1991 and on which final action was pending at the end of 1990-91 were as follows:

	Number of cases	Amount (Rupees in lakhs)
Cases outstanding at the end of 1989-90	696	235.30
Cases reported during 1990-91	6	11.34
Cases disposed of during 1990-91	7	2.50
Cases outstanding at the end of 1990-91	695	244.14

Appendix 14 contains a departmentwise analysis of the outstanding cases. Of the 695 cases outstanding at the end of 1990-91, 676 cases (Amount involved: Rs 218.31 lakhs) were pending for more than two years. Fiftyone *per cent* of the cases related to the Board of Revenue.

CHAPTER IV

WORKS EXPENDITURE

AGRICULTURE (MINOR IRRIGATION) DEPARTMENT

4.1 Avoidable additional expenditure on procurement of materials

The Agriculture (Minor Irrigation) Department entered into a contract with a firm in November 1987 for the supply of PVC pipes of varying dimensions and fittings at a total cost of Rs 165.62 lakhs. These were to be delivered at different specified destinations by July 1988 for use in various minor irrigation schemes financed by the World Bank.

The stipulated delivery schedule not having been adhered to because of difficulties experienced by the firm in the transportation of the materials, this was extended initially up to November 1989, fifteen months after the expiry of the stipulated period. The schedule was further extended up to February 1990 in January 1990. Supplies continued to be effected by the firm even thereafter and these were completed only in March 1990.

While the supplies in terms of this contract were in progress, the Department entered into a separate contract with another firm in August 1989 for the supply of PVC pipes and fittings at a total cost of Rs 1,013.81 lakhs to meet their additional requirements of these materials. These were procured at substantially lower prices in relation to those accepted on the earlier occasion in November 1987. That the prices were lower was also known to the Department in January 1989 when the relevant tenders were opened. However, between January 1989 (when the schedule for the delivery of the materials by the first firm had already expired and it had not been formally extended) and March 1990, materials costing Rs 62.60 lakhs were procured from the first firm at the higher prices.

The firm having defaulted in adhering to the stipulated delivery schedule, the contract could have been terminated at its risk and cost in January 1989 instead of extending the delivery schedule initially 15 months after this had already expired and again nearly two months after the first extension had also expired. The materials procured, without adequate justification, from the firm long after the delivery schedule had expired could instead have been obtained at lower prices from the second firm. Had this course of action been resorted to, the materials supplies by the first firm between January 1989 and March

1990 could have been procured at a lower cost of Rs 51.35 lakhs. Failure to do so resulted in an avoidable additional expenditure of Rs 11.25 lakhs.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

DEVELOPMENT AND PLANNING DEPARTMENT SUNDARBAN DEVELOPMENT BOARD

4.2 Avoidable additional expenditure due to delay in finalisation of tenders

Tenders for the construction of a brick paved road from 11 Km to 15 Km of the Kankandighi-Damkal road were invited in two groups in February 1985. Offers from 5 contractors in each group, valid up to May 1985, were received in March 1985. The finalisation of the tender was, however, abnormally delayed and the work was awarded only in January 1986 to three contractors at the aggregate tendered value of Rs 12.06 lakhs for completion by May 1986. Because of the delay in awarding the work, which was attributed to the belated receipt of administrative approval, one of the three contractors did not take up the work at all, while the other two suspended execution of the work in October 1986 on the ground that prices of materials and labour costs had increased in the meantime. Work valued at Rs 1.09 lakhs only was executed by the two contractors till then.

Subsequently in August 1987, the first contract was terminated without penalty because the contractor had not executed a formal agreement on the ground that the work order was not issued to him within the stipulated period of 90 days; the other two contracts were, however, terminated after forfeiting part of the security deposit amounting to Rs 0.04 lakh. The balance work was re-tendered between September and November 1988 and was awarded to two other contractors in February 1989 at an aggregate tendered cost of Rs 16.17 lakhs. The work was in progress and expenditure of Rs 11.03 lakhs had been incurred as of September 1991.

Abnormal delay in the finalisation of the tenders initially in 1985 combined with the further delay between August 1987 and February 1989 in awarding the balance works resulted in an avoidable additional liability of Rs 5.16 lakhs.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

FOREST DEPARTMENT

4.3 Project Tiger

4.3.1 *Introduction*

Project Tiger was launched in 1973 with the creation of the Sundarban Tiger Reserve in the districts of North and South 24-Parganas, covering an area of 2,585 square kilometres. The primary object of the Project was to increase the tiger population in the Reserve through the preservation and protection of all habitats, and thereby save the species from extinction. Based on a Management Plan, incorporating the components necessary to ensure maintenance of a viable population of tigers and their prey with the related estimates for a period of six years from 1973-74 to 1978-79, the Project was approved by the Government of India in February 1977 as a Centrally Sponsored Plan Scheme at an estimated cost of Rs 47.45 lakhs.

Subsequently in 1982-83, based on another Management Plan for the maintenance of tigers and their prey from 1983-84 to 1989-90 at an estimated cost of Rs 133.95 lakhs—which had not been formally approved by the Government of India—the Project was extended to the Buxa Tiger Reserve in Jalpaiguri District.

While the Projects were continued beyond 1978-79 in the Sundarban Tiger Reserve and 1989-90 in the Buxa Tiger Reserve on the basis of annual plans of operations approved by the Government of India, a fresh Management Plan containing the work programme from 1986-87 to 1994-95 in the Sundarban Tiger Reserve (estimated cost: Rs 478.35 lakhs) was prepared in 1987. The estimates for the implementation of the Project in the Buxa Reserve from 1986-87 to 1989-90 were also revised to Rs 316.00 lakhs in 1989 and incorporated in a revised Management Plan prepared for the purpose. Both these plans were awaiting the approval of the Government of India as of March 1991. Expenditure totalling Rs 488.93 lakhs had been incurred in the two Reserves¹ up to March 1991. Though the Buxa Tiger Reserve was being continued beyond 1989-90, no Management Plan for the subsequent period was prepared.

4.3.2 *Organisational set-up*

Implementation of the Project at Sundarban and at Buxa was entrusted to the respective Field Directors at Canning and Alipurduar,

¹Sundarban Reserve: Rs 320.32 lakhs; Buxa Reserve: Rs 168.61 lakhs.

functioning under the Chief Wildlife Warden of the Forest Department, and the overall administrative control of Forest Department.

4.3.3 *Audit coverage*

The implementation of the Project during the period from 1982-83 to 1990-91 was reviewed in Audit during February-March 1991 based on a test-check of the records in the Offices of the two Field Directors, and the Divisional Forest Officer, Buxa Forest Division, Alipurduar, and the Forest Directorate and Department of Calcutta.

4.3.4 *Highlights*

Expenditure on the implementation of the Project in the Buxa Reserve up to the year 1985-86 was restricted only to the Central assistance of Rs 27.45 lakhs because the State Government did not provide any funds in the initial stages based on the approved pattern of assistance. On account of poor response from contractors to undertake various infrastructure works relating to the Project in the Sundarban Reserve and consequential delays in selection of agencies for the execution of works, the funds provided were not fully utilised, the shortfall being of the order of 22.50 *per cent*. Notwithstanding the revision of the pattern of financing from 1986-87, the availability of resources for the Project did not improve significantly because the budget allocations were not correspondingly increased.

[Paragraph 4.3.5]

Notwithstanding the introduction of various measures to protect the Reserves from human interference, incidents of forest offences continued unabated, the number of such offences being 2,043 in the Sundarban Reserve during 1985-90 and 2,408 in the Buxa Reserve during 1986-90. Compensation totalling Rs 7.95 lakhs was also paid during 1980-91 for humans and cattle killed or injured by tigers in the two Reserves. Purchase of motorcycles not suitable for the terrain of the Buxa Reserve and failure to replace them affected effective patrolling of the Reserve. Consequently, such protective measures as were taken to eliminate human interference would not appear to have been very effective.

[Paragraph 4.3.6.1]

While biotic interference in the Buxa Reserve had not been entirely eliminated as of January 1991, the conservation effort was also diluted because of dual control over the core and buffer zones of the Reserve by the Field Director, Alipurduar, and two Territorial Divisions respectively whose objectives were in conflict with each other. The core zone created in the Reserve had also not been buffered adequately on all sides and the deficiency had not been remedied as of January 1991.

[Paragraph 4.3.6.2]

No physical or quantitative targets were prescribed for the development of the fringe areas of the Reserves to prevent the exploitation of forest resources by people living in these areas. As against a provision of Rs 31.40 lakhs in the Management Plan for the development of fringe areas in the Sundarban Reserve and allocations totalling Rs 17.20 lakhs for different developmental schemes during 1988-91, actual expenditure amounted to Rs 14.25 lakhs only. Such activities had not been taken up in the Buxa Reserve as of January 1991 in the absence of approved eco-development schemes.

[Paragraph 4.3.6.3]

The progress made in the creation of mass awareness about the objectives of the Project in the two Reserves was not very significant, necessary steps in this regard having been taken from 1986-87 only.

[Paragraph 4.3.6.4]

While the research activities envisaged had not been undertaken in the Buxa Reserve as of February 1991, certain studies taken up in the Sundarban Reserve in October 1985 had to be discontinued in November 1988 in the absence of a Research Officer thereafter.

[Paragraph 4.3.6.5]

No schedule for the periodical census of tigers and prey animals in the Reserves was prescribed till June 1986. The schedule prescribed then by the Government of India was also not adhered to. In the context of certain discrepancies in the data relating to the census undertaken in the two Reserves during 1988

and 1989, the techniques adopted for the enumeration of the tiger population did not appear to be very reliable.

[Paragraph 4.3.7]

Review of the implementation of the Project in the two Reserves also revealed, *inter alia*, instances of (i) avoidable additional expenditure of Rs 18.06 lakhs on construction of and improvements to roads in the Buxa Reserve, attributable to time overruns occasioned by non-availability of funds, (ii) irregular expenditure of Rs 11.14 lakhs on the engagement of contract labourers on a daily basis, (iii) infructuous expenditure of Rs 3.95 lakhs on the construction and maintenance of wooden watch towers unsuited to the climatic conditions in the Sundarban Reserve, necessitating their replacement subsequently by RCC structures, etc. Contrary to the Project objective of captive breeding of deer and their liberation in the Reserves to augment the availability of prey animals, expenditure of Rs 1.33 lakhs was also incurred on the captive breeding of sea-turtles for ultimate liberation in the sea.

[Paragraph 4.3.8]

An effective system for the periodical monitoring of the Project aimed at reviewing its progress and identifying bottlenecks was not evolved. The impact and achievements of the Project had also not been evaluated by any agency as of January 1991.

[Paragraph 4.3.9]

4.3.5 *Financing arrangements*

Up to the year 1978-79, the Project was financed entirely by Central assistance. The expenditure on the Project from 1979-80 to 1985-86 was borne in equal proportion by the Government of India and the State Government. The pattern of financing was again revised from the year 1986-87 onwards, the non-recurring expenditure being financed entirely by the Government of India and the recurring expenditure to the extent of 50 *per cent*.

Expenditure totalling Rs 85.52 lakhs was incurred on the Project in the Sundarban Reserve up to the year 1981-82 against receipts/allocations totalling Rs 83.76 lakhs (Central assistance: Rs. 57.72 lakhs; State Funds: Rs 26.04 lakhs). Details of the funding from 1982-83 to 1990-91 in respect of the two Reserves and expenditure thereagainst were as follows:

Year	Assistance/funds provided						Expenditure	
	Sundarban Reserve			Buxa Reserve			Sundarban Reserve	Buxa Reserve
	Central	State	Total	Central	State	Total		
	(Rupees in lakhs)							
1982-83	6.37	8.63	15.00	1.88	Nil	1.88	12.74	1.88
1983-84	8.50	6.50	15.00	7.04	Nil	7.04	16.24	7.04
1984-85	10.00	12.75	22.75	4.29	Nil	4.29	19.14	4.29
1985-86	11.00	13.75	24.75	14.24	Nil	14.24	21.71	14.24
1986-87	9.92	9.92	19.84	8.00	10.78	18.78	19.91	15.45
1987-88	19.55	13.70	33.25	21.32	13.83	35.15	25.38	34.77
1988-89	28.70	15.85	44.55	11.37	7.98	19.35	36.37	18.70
1989-90	50.75	15.00	65.75	15.00	15.70	30.70	35.21	29.93
1990-91	46.36	15.00	61.36	28.88	15.87	44.75	48.10	42.31
Total	191.15	111.10	302.25	112.02	64.16	176.18	234.80	168.61

In the initial stages, the State Government did not provide any funds up to 1985-86 for the implementation of the Project in the Buxa Reserve and the expenditure was restricted to the extent of Central assistance (Rs 27.45 lakhs) received.

While the shortfall in utilisation of funds in the Buxa Reserve up to March 31, 1990 was marginal (Rs 5.13 lakhs), this was, however, of the order of Rs 54.20 lakhs or 22.50 *per cent* in the Sundarban Reserve. The shortfall was attributed (February 1991) by the Field Director, Canning, to late receipt of funds and poor response from the contractors to undertake various infrastructure works relating to the Project. Scrutiny of the records also disclosed delays in selection of agencies for execution of works, which, in turn, affected the planned utilisation funds.

A Steering Committee constituted by the Government of India in 1973, had observed that the Project had suffered a set back in 1979-80 following the reduction of the Central assistance from 100 *per cent* to 50 *per cent*. Though the pattern of financing was revised from 1986-87 and 100 *per cent* of the non-recurring expenditure and 50 *per cent* of the recurring expenditure was met by the Government of India, the availability of resources for the Project did not improve in any significant manner in the absence of a corresponding increase in the budget allocations with reference to the revised pattern of assistance.

4.3.6 *Project implementation*

In order to achieve its objectives, the Project aimed at the complete elimination of human interference in the two Reserves, management of habitats, prevention of exploitation of forest resources, creation of public awareness, development of the fringe area of the Reserves and research activities.

The Management Plans did not, however, contain any projections in regard to the extent to which the tiger population would increase at the end of the project period(s) so as to be viable. The extent to which the prey species would need to be augmented to match the anticipated increase in the tiger population was also not assessed. Further, provisions in respect of infrastructure development works were made only on a lumpsum basis and these were not followed by the preparation of detailed specifications and estimates. In the circumstances, the actual achievements under different components of the Projects and aspects relating to execution could not be evaluated by Audit. The Department was also not in a position to furnish component-wise details of the progress.

Certain points arising out of a test-check of the records relating to the implementation of the Project in the two Reserves are mentioned in the succeeding paragraphs.

4.3.6.1 *Elimination of human interference*

The Management Plans envisaged the deployment of forest guards, procurement of vehicles, water craft and elephants and other measures to protect the Reserves and to eliminate human interference. Details thereof and the achievements are as follows:

Particulars

Provision in Management Plans

Achievements

	Provision in Management Plans				Achievements			
	Physical		Financial		Physical		Financial	
	Sundarban Reserve	Buxa Reserve	Sundarban Reserve	Buxa Reserve	Sundarban Reserve	Buxa Reserve	Sundarban Reserve	Buxa Reserve
	(Numbers)		(Rupees in lakhs)		(Numbers)		(Rupees in lakhs)	
1. Development of forest guards	34	74	—	—	34	74	25.90	38.81
2. Deployment of elephants	—	6	—	4.80	—	2	—	1.82
3. Water craft	35	—	14.75	—	24	Nil	NA	Nil
4. Motorcycles	—	9	—	0.90	—	4	—	0.38
5. Vehicles	1	2	0.34	2.50	1	1	0.34	1.71
6. Radio Telecommunication sets	13	15	0.77	3.50	NA	14	NA	2.57
7. Construction of watch towers	12	5	0.18	—	8	2	NA	NA
8. Establishment of check posts	10	NA	NA	NA	4	NA	NA	NA

Expenditure totalling Rs 64.71 lakhs was incurred on deployment of forest guards in the two Reserves (Sundarban Reserve: Rs 25.90 lakhs; Buxa Reserve: Rs 38.81 lakhs) from 1985-86 to 1990-91.

Notwithstanding the deployment of forest guards as provided in the Management Plans and the proposed creation of one mobile patrol party in the Sundarban Reserve and four parties in the Buxa Reserve, no mobile patrol party was activated in the former and only one such party was created in the latter. Further, even after the deployment of the full complement of guards and the engagement of additional contract labour, ranging from 85 to 100 persons, incidents of forest offences continued unabated in the Reserves between 1985-86 and 1989-90 as indicated below:

Year	Number of forest offences	
	Sundarban Reserve	Buxa Reserve
1985-86	344	NA
1986-87	332	302
1987-88	522	431
1988-89	517	701
1989-90	328	974

Further, between April 1985 and December 1990, an incident of poaching of a tiger in the Sundarban Reserve and 35 instances of poaching of other prey animals in both the Reserves occurred. Tigers frequently strayed into villages near the Reserves, resulting in the killing of 10 tigers by villagers in the Sundarban Reserve. Compensation totalling Rs 7.95 lakhs was paid by the Department during 1980-91 (up to January 1991) for humans and cattle killed or injured by tigers in the Sundarban Reserve (Rs 7.47 lakhs) and the Buxa Reserve (Rs 0.48 lakh).

During 1987-88, the Conservator of Forests, West Bengal, procured 4 "Explorer" motorcycles at a cost of Rs 0.38 lakh against the demand for "Bullet" motorcycles for effective patrolling in the Buxa Reserve. As these motorcycles were unsuitable in the terrain of the Reserve, they were transferred in June 1989 to the territorial division. The motorcycles were, however, not replaced in the Reserve. Thus, purchase of unsuitable motorcycles resulted in wasteful expenditure of Rs 0.38 lakh, and affected effective patrolling of the Reserve.

In the circumstances, such protective measures as were taken to eliminate human interference in the Reserves, would not appear to have been very effective.

4.3.6.2 *Habitat management*

The Project area was divided into core and buffer zones. While the core zones² were completely free from biotic interference except for periodical thinning operations, regulated forestry operations were, however, permitted in the buffer zones surrounding the core zones³ in the two Reserves. The core zones of the Sundarban Reserve was declared as a National Park by Government in May 1984 under the Wildlife (Protection) Act, 1972, and that of the Buxa Reserve as a Wildlife Sanctuary in January 1986.

As of January 1991, 486 acres of land in the Adma Chunawati and Topgaon Blocks in the core zone of the Buxa Reserve had been encroached upon by 254 families, comprising 1,432 members. There were also 36 villages with a human population of 10,000 and cattle population of 43,500 within the Buxa Reserve. Thus, biotic interference in the Reserve was not entirely eliminated.

Both the core and buffer zones in the Sundarban Reserve were under the control of the Field Director, Canning; on the other hand, the core zone of the Buxa Reserve was under the control of the Field Director, Alipurduar, and the buffer zone of the Reserve was under two territorial divisions (Buxa and Coochbehar Forest Divisions). The territorial divisions being responsible for full scale forestry operations, their objectives were in conflict with the objective of protection and conservation of wild life in the buffer zone by permitting only regulated forestry operations. Thus, dual control over the Reserve area diluted the conservation effort.

The Steering Committee of the Government of India had observed in 1987 that the core zone created in the Buxa Reserve was unrealistic because it was hardly buffered by a peripheral area on all sides. The Committee had, therefore, suggested extension of both the core and buffer zones for better management and protection. The suggestion had not, however, been implemented even as of January 1991.

4.3.6.3 *Development of fringe areas*

People living in the fringe areas of the Reserves were dependent on the forest for fuel, fodder, timber, etc. and for agricultural

²Sundarban Reserve: 1,330 square kilometres; Buxa Reserve: 331.54 square kilometres.

³Sundarban Reserve: 1,255 square kilometres; Buxa Reserve: 427.66 square kilometres.

purposes. The Management Plan prepared initially for the two Reserves did not, however, contemplate any measures for reducing this dependence. The revised Management Plan in respect of the Sundarban Reserve prepared in 1987 included a provision of Rs 31.40 lakhs for the development of its fringe areas. No physical or quantitative targets were prescribed in the Management Plan and the achievements, in physical or quantitative terms, were also not available with the Field Director. Details of the financial targets and achievements in respect of various activities undertaken in this regard during the period from 1988-89 to 1990-91 were, however, as follows:

Activity	Total estimated cost	Target	Achievement
(Rupees in lakhs)			
1. Creation of fresh water sources	6.60	3.60	5.92
2. Development of non-conventional energy resources	8.50	5.00	0.95
3. Establishment of crab and prawn culture centre	2.60	1.80	0.78
4. Supply of minikits for social forestry	3.80	1.60	1.45
5. Creation of irrigation facilities in villages	3.40	2.20	—
6. Construction of Jetties	6.50	3.00	5.15
Total:	31.40	17.20	14.25

In addition, an expenditure of Rs 1.90 lakhs was also incurred on the maintenance of water supply though this was not envisaged in the Management Plan.

The impact of these measures on the population and the reduction of their dependence on exploitation of the forest had not, however, been assessed as of January 1991.

Though schemes for the development of the fringe areas of the Buxa Reserve were also envisaged in the revised Management Plan of 1989, these had not been taken up for implementation as of January 1991 in the absence of approved eco-development schemes.

4.3.6.4 *Creation of public awareness*

The Steering Committee had pointed out in June 1987 that the lack of mass awareness and extension activities about the objectives and components of the Project were responsible for the public apathy towards the tiger reserve. Though the original Management Plan provided for the creation of public awareness about the project through display of posters, photographs, publication of books, film-shows on wildlife and the establishment of interpretation centres equipped with TV sets, video cassette recorders, projectors, etc., the necessary audio-visual equipment were procured only between 1986-87 and 1989-90 by the two Reserves at a cost of Rs 4.23 lakhs. While an Interpretation Centre was established in the Sundarban Reserve only in 1988-89, a similar Centre was yet to be established in the Buxa Reserve as of February 1991.

4.3.6.5 *Research activities*

The Management Plan envisaged research activities under a Research Officer covering population studies on tigers and their principal prey animals, their feeding habits, behavioural studies, growth rate, breeding behaviour-cum-mortality, inventory of flora and fauna, etc. Studies on population, feeding habits of tigers and their prey, and behaviour of man-eaters were taken up in the Sundarban Reserve only in October 1985 following the appointment of a Research Officer and continued till November 1988. Thereafter, no Research Officer was posted in the Reserve. Expenditure totalling Rs 10.89 lakhs was incurred on the research establishment and equipment as of December 1990. Though the Project authority stated (January 1991) that research activities were still continuing, findings of such research were neither on record nor published.

No research activities were undertaken in the Buxa Reserve as of February 1991 in the absence of a Research Officer and supporting staff. Equipment valued at Rs 0.35 lakh was procured in 1986-87 only.

4.3.7 *Census*

Census of the tiger population in both the Reserves was conducted from time to time adopting the pugmark method. In this method, the reserves were divided into smaller areas and plaster casts of the pugmark of the right paws of the tigers were taken. These casts were, thereafter, analysed by the Field Directors or their immediate subordinates trained for the purpose. The results of such analysis were taken to represent the population of tigers in the Reserve. Census of prey animals was, however, conducted by direct sighting in representative blocks.

Initially, no schedule was prescribed for the periodical census of tigers and other animals in the Reserves, and it was only in June 1986 that instructions were issued by the Government of India that the census should be undertaken at least once in two years. While no census of the tiger and other animal population was taken in the Buxa Reserve either immediately before or in the year of commencement of the project, this was done either once in 3 years or once in 5 years in the Sundarban Reserve. The following table indicates that population of tigers and other animals as revealed in the census operations conducted periodically:

Year of Census	Sundarban Reserve		Buxa Reserve	
	Tigers	Prey animals	Tigers	Prey animals
1973	172	Not done	—	—
1976	181	-do-	—	—
1979	205	-do-	—	—
1984	264 ⁴	-do-	—	—
1988	—	—	25 ⁵	Wild Pigs-80 Deer-238
1989	269 ⁶	Deer-30,000 Wild Boars-10,552 Monkeys-38,607	33 ⁷	Wild Pigs-250 Deer-476

The census operations undertaken in the Sundarban Reserve prior to 1984 did not indicate the sex-based distribution of the tiger population. As a result, these operations failed to establish the trends of fluctuation in the tiger population based on their sex and age to enable a reasonable assessment of the efforts necessary for the conservation of the species.

According to the census of 1989, the population of adult tigers decreased to 235 in the Sundarban Reserve (tigers: 126, tigresses: 109) from 252 (tigers: 137; tigresses: 115) in 1984. However, after taking into account the death of 11 tigers killed by villagers during this period and the 12 cubs attaining adulthood (two years or older), the tiger population in the Reserve in 1989 should actually have been

⁴Tigers: 137; tigresses: 115; Cubs: 12.

⁵Tigers: 9; tigresses: 12; Cubs: 4.

⁶Tigers: 126; tigresses: 109; Cubs: 34.

⁷Tigers: 17; tigresses: 16.

253, excluding the 34 cubs less than two years old. Similarly, as against 9 tigers, 12 tigresses and 4 cubs identified and enumerated in the Buxa Reserve in 1988, the population in 1989 was 17 tigers and 16 tigresses. It would, therefore, appear that the census operations in 1988 had not succeeded in identifying the entire tiger population in the two Reserves. In the circumstances, the reliability of the enumeration of the tiger population could be open to question.

The Steering Committee had also expressed doubts about the reliability of techniques used for the census of tigers and herbivores, and had pointed out the need for perfecting the enumeration and sampling techniques and analysing, as part of the census report, the population structure and sex-ratio.

4.3.8 *Other points of interest*

4.3.8.1 *Avoidable additional liability on road construction*

Construction and improvement of 6 roads of a total length of 87 kilometres in core and buffer areas of the Buxa Reserve at a lumpsum estimated cost of Rs 53.50 lakhs was envisaged in the Management Plan of 1982-83 for completion by 1985-86. Construction of 4 of these roads (aggregate length: 43 kilometres) at a lumpsum estimated cost of Rs 44.55 lakhs was taken up in 1982-83. No estimates indicating the detailed specifications, quantities, etc. were, however, prepared; nor was technical sanction of the competent authority obtained.

The works had not, however, been completed even as of January 1991 and expenditure totalling Rs 16.06 lakhs, representing 36.05 *per cent* of the estimated cost was incurred till then, the delay being attributable to the belated appointment of the Field Director and his staff and non-availability of the necessary funds in time. The time overrun resulted in an increase in the per kilometre cost from Rs 0.61 lakh initially estimated to Rs 1.03 lakhs, involving an estimated additional liability of Rs 18.06 lakhs in respect of these four roads alone.

4.3.8.2 *Irregular expenditure on engagement of labourers*

Though 74 forest guards were available, on an average, in the Buxa Reserve during the period from 1986-87 to 1990-91, the Project also deployed, in addition, contract labourers engaged on a daily basis. The number of such labourers ranged from 85 to 100 involving an expenditure of Rs 11.14 lakhs from June 1986 to January 1991.

The deployment of these contract daily workers year after year was not covered by any Government sanction. Thus, the expenditure of Rs 11.14 lakhs incurred on this account was irregular.

4.3.8.3 *Infructuous expenditure*

Between 1985-86 and 1987-88, four wooden watch towers were constructed, as a protective measure in the Sundarban Reserve. While expenditure totalling Rs 1.75 lakhs was incurred on their maintenance during 1986-88, all the four towers were completely damaged in a storm in November 1988. The replacement of the wooden towers by RCC structures was, therefore, taken up during 1989-90 at an approved cost of Rs 2.20 lakhs (exclusive of the cost of timber to be used for doors, shutters, railings, etc.). The construction of the towers was in progress as of January 1991.

The Field Director stated (February 1991) that the life span of the wooden towers was short and these were damaged in a heavy storm.

Admittedly, the wooden towers were not expected to be long lasting and required periodical maintenance. The watch towers were intended not as a temporary protective measure but were to last for a reasonable period; the adverse weather conditions in the Sundarbans should also have been well known to the Department. In the circumstances, the construction of wooden watch towers in an area regularly prone to cyclonic storms would not appear to have been prudent. This resulted in the expenditure of Rs 3.95 lakhs incurred on the construction and maintenance of the towers being rendered infructuous within a short span of time.

4.3.8.4 *Avoidable expenditure on rent*

The Management Plan envisaged construction of buildings for a Research Wing and the Field Director's Office at Canning at an estimated cost of Rs 1.20 lakhs and Rs 7.05 lakhs and the works were scheduled to commence in 1974-75 and 1986-87 respectively. Construction of the buildings could not, however, be taken up even as of January 1991 due to non-acquisition of land. Scrutiny of records revealed that the proposal for acquisition of 3 acres of land was submitted by the Field Director to the Land Acquisition Collector, 24-Parganas, only in March 1990.

Pending construction of the buildings, the Office of the Field Director and the research establishment were housed in an accommodation hired since April 1978 and September 1988 respectively. Had the buildings been completed expeditiously, the

recurring expenditure on rent, which amounted to Rs 1.33 lakhs up to January 1991, could have been avoided. Further, the delay in construction would also have an inevitable impact on costs, which could not be assessed because the relevant estimates had not been revised as of January 1991.

4.3.8.5 *Injudicious expenditure on captive breeding of turtles*

In the context of the uncertainty in regard to the availability of adequate prey animals, the original Management Plan envisaged captive breeding of deer and the liberation of the stock into the Reserves as supplementary food for the tigers. For this purpose, the Plan provided a sum of Rs 0.53 lakh to be spent during 1974-75 to 1978-79 in the Sundarban Reserve.

Audit scrutiny, however, revealed that captive breeding of sea-turtles, instead of deer, was undertaken in the Reserve from 1987-88, involving an expenditure of Rs 1.33 lakhs up to January 1991. This was sought to be justified by the Project authorities on the ground that the prey animals in the reserve were adequate to maintain the tiger population. This was, however, contrary to the position indicated by the Field Director himself in September 1990 to the Chief Wildlife Warden that shortage of food in the Reserve led to the frequent straying of tigers into nearby human habitations and their developing man-eating tendencies. In the circumstances, the breeding of sea-turtles for ultimate liberation in the sea was contrary to the Project objectives and the expenditure of Rs 1.33 lakhs incurred thereon could not be considered to have been judicious.

4.3.9 *Monitoring and evaluation*

While the impact and achievements of the Project had not been evaluated by any agency as of January 1991, the Steering Committee had laid emphasis in June 1987 on the systematic monitoring of the progress of works. It was also suggested that the annual monitoring should be done by the Field Director himself and suitable periodical monitoring should be undertaken by the Project Directorate. However, apart from the collection and compilation of certain data by the field staff, an effective system for the periodical monitoring of the Project with the specific objectives of reviewing the progress and identifying bottlenecks had not been evolved and introduced. Such reports as were stated to have been prepared by the field staff were also not made available to Audit.

4.3.10 These points were brought to the notice of Government in September 1991; their reply had not been received (June 1992).

HOUSING DEPARTMENT

4.4 Unfruitful investment in vacant flats

(a) Construction of 204 flats (D-type: 120; and E-type: 84) under the Low Income Group Rental Housing Scheme was taken up at Kanyapur in May 1983. Of these, 168 flats were completed in all respects in June 1986 and the remaining 36 in July 1988 at a total cost of Rs 115.15 lakhs.

Though the majority of the flats were ready for occupation in June 1986, these could not be offered on rent in the absence of water supply arrangements in the complex. Audit scrutiny revealed that appropriate decisions had not been taken by the Housing Department as of June 1986 on a scheme submitted for the purpose by the Public Health Engineering Department in July 1985, and that it was only in February 1988 that water supply to the complex was ensured through the latter.

a/ Meanwhile, some of the shutters of the doors and windows of the flats were stolen in January 1987. These were replaced between December 1988 and March 1989 at a total cost of Rs 1.12 lakhs. Government had also decided in May 1988 to sell these flats instead of renting them, the reasons for which were not on record.

The flats were sold to the Police Department in April 1990 at a cost of Rs 186.73 lakhs, though the Divisional Officer was not aware of the actual payment by that Department. The Department was not willing to take over the flats on the ground that the buildings required certain repairs and facelift. These were taken up by the Housing Department in December 1990 at a cost of Rs 2.47 lakhs. Expenditure of Rs 2.24 lakhs was incurred up to December 1991 on this account. Following the non-occupation of flats even three to five years after their construction, the Department also had to incur an expenditure of Rs 3.60 lakhs on watch and ward arrangements up to December 1991.

Failure of the Department to ensure water supply to the Estate in time before the flats were completed—which was indicative of defective planning—resulted in their not being offered on rent to the detriment of Government's financial interests. Even after a decision was taken in May 1988 to sell these flats and the sale fructified after a further delay of nearly 2 years, the flats had not been taken over by the purchasing Department. Apart from the investment in excess of a crore of rupees remaining unfruitful for over 3 years, the delays also led to an avoidable additional expenditure of Rs 6.96 lakhs as of December 1991 on replacement of stolen shutters, repairs and watch and ward arrangements, which would increase further should the flats continue to remain vacant.

The matter was reported to Government in September 1991; their reply had not been received (June 1992).

(b) Based on a number of applications received, construction of 84 Middle Income Group flats at Durgapur was sanctioned by Government in December 1982 at an estimated cost of Rs 50.08 lakhs for sale to the general public. The construction of the flats was completed in October 1985 at a cost of Rs 62.37 lakhs.

Whereas the flats were initially intended for sale to the general public based on the projections of the concerned Divisional Officer, Government approved a proposal for their sale in October 1986, subject to the condition that these could be offered in the first instance to Government Departments and Undertakings and only thereafter to the general public. In the absence of any demand for the flats from Government Departments and Undertakings, Government decided in March 1990 to offer the flats to the companies engaged in the modernisation of the Durgapur Steel Plant of the Steel Authority of India Limited.

Thereafter, only one such company purchased 24 of the 84 flats in August 1990 at a cost of Rs 48.05 lakhs. The remaining 60 flats had not, however, been sold even as of February 1991. The flats not having been occupied ever since they were completed in October 1985, their doors and windows were damaged by white ants; sanitary fixtures and fittings in these flats were also stolen, some of which were replaced at a cost of Rs 2.18 lakhs as of December 1990. Expenditure of Rs 2.28 lakhs was also incurred by the Department up to June 1991 on security arrangements.

The construction of the flats had been justified on the ground that there was a great demand from the public for residential accommodation in the heart of Durgapur City. Having approved the construction of these flats initially in December 1982, only for sale to the general public, the subsequent decisions of October 1986 and of March 1990 to offer the flats in the first instance to Government Departments and Undertakings and thereafter to companies engaged in the modernisation of the Durgapur Steel Plant even in the absence of a specific demand from them would not appear to have been prudent. In the circumstances, apart from an avoidable expenditure of Rs 4.46 lakhs as of June 1991 on the replacement of some of the fixtures and fittings and security arrangements, a substantial portion of the investment of Rs 62.37 lakhs on the construction of these flats had also been rendered unfruitful.

Government, to whom the matter was reported in March 1991, confirmed the facts in May 1991.

IRRIGATION AND WATERWAYS DEPARTMENT

4.5 Teesta Barrage Project

4.5.1 *Introduction*

The Teesta river, originating in Sikkim, flows through Darjeeling and Jalpaiguri Districts of West Bengal. With a view to harnessing the river for irrigation and power generation in a phased manner, the State Government prepared a project report in 1964 for the irrigation of 9.22 lakh hectares in the first phase, construction of a dam for the generation of hydel power in the second phase and linking of the Brahmaputra and the Ganga rivers in the third phase.

The first phase of the Project was divided into three stages and each stage consisted of different sub-stages. In November 1973, the State Government prepared an estimate for Rs 69.72 crores for the first of the three sub-stages of Stage I with the objective of irrigating 3.03 lakh hectares of land. The construction of three barrages across the Teesta, Mahananda, and Dauk rivers, three main canals (Mahananda Main Canal, Dauk Nagar Main Canal and Teesta Jaldhaka Main Canal), and another canal linking the Teesta and Mahananda rivers, along with distributaries, minor and sub-minor canals, water courses, etc. was envisaged in the first sub-stage of Stage-I.

The estimate was approved by the Planning Commission in May 1975 and administrative approval was accorded by the State Government in September 1975. While the Project was taken up for implementation in 1976, a specific schedule for its completion was not then prescribed. However, according to the phasing of expenditure envisaged in the estimate of November 1973, it was to be completed by the year 1987. The first sub-stage was still under implementation as of January 1991.

In the course of implementation, the cost estimates in respect of the first sub-stage were revised four times in 1980, 1985, 1987 and 1990. Based on the latest estimates of September 1990, the cost had increased to Rs 695 crores from Rs 69.72 crores, and the first sub-stage was expected to be completed in the 8th Five-Year Plan period. Formal approval to all the four revised estimates were awaited as of March 1991.

The abbreviations used in this review have been listed in the Glossary in Appendix 19 (Page 255).

4.5.2 *Organisational arrangements*

The Project was executed by the Irrigation and Waterways Department through the Chief Engineer, Teesta Barrage Project, and 6 Circle Offices and 20 Divisional Offices functioning under him.

4.5.3 *Audit coverage*

Implementation of the first sub-stage of Stage I of the Project was reviewed by Audit between January and March 1991 based on a test-check of the records in the Irrigation and Waterways Department and the Offices of the Chief Engineer, six Superintending Engineers (Circles) and 10 of the 20 Divisions. Results of the review are mentioned in the succeeding paragraphs.

4.5.4 *Highlights*

Whereas the project authorities reported that expenditure aggregating to Rs 320.14 crores was incurred on the project as of March 1990, the expenditure booked in accounts was Rs 232.88 crores only. The discrepancy, attributed to the non-adjustment of suspense accounts, had not been reconciled.

A sum of Rs 8.45 crores, representing the proportionate share of the Government of Bihar of the project cost had not been realised as of February 1992.

[Paragraph 4.5.5]

As of December 1990, the overall physical progress of the Project, which commenced in 1976, was only 48 *per cent*. As a result of non-completion of distributaries, minors and water courses, attributable to delays in preparation of plans and designs, non-acquisition of forest land, etc., apart from a token release of water through an incomplete distributary to irrigate 0.07 lakh hectares, no part of the command area of 3.42 lakh hectares to be covered in the first sub-stage of Stage I of the Project was brought under irrigation as of March 1991.

[Paragraph 4.5.6]

The cost estimates (Rs 69.72 crores) in respect of the first sub-stage of Stage I, prepared initially in November 1973, were revised four times in 1980 (Rs 213.72 crores), 1985 (Rs 425.54 crores), 1987 (Rs 510 crores) and September 1990 (Rs 695 crores). The cost overrun based on the latest estimates of September 1990 in relation to the original estimates was of the order of magnitude of 897 *per cent*. A variance analysis of the cost overruns revealed

that these were attributable, *inter alia*, to the combined effect of escalation (431 per cent), omissions (156 per cent), changes in scope (88 per cent), underestimation (72 per cent) and changes in design (56 per cent). That omissions and underestimation accounted for an overrun of 228 per cent in costs and that periodical changes in scope were also necessitated appeared to indicate that the original estimates were not prepared carefully based on proper surveys and investigations.

Notwithstanding a subsequent increase in irrigation coverage, proportionate allocation of costs and reduction in the rate of depreciation in the revised estimates of 1990, the cost benefit ratio decreased to 1:2.47 from 1:3.3 following the steep increase in the project cost.

[Paragraph 4.5.7]

Had works, involving an expenditure of Rs 79.16 crores, executed in non-priority zones in distant parts of the command area been executed instead in the priority zones, more immediate benefits might have accrued and the investment been more productive.

[Paragraph 4.5.8]

Failure to enforce a specific clause in 3 contracts in regard to restriction of payments on account of dewatering and to include a similar condition uniformly in 4 other contracts necessitated additional payments aggregating to Rs 407.27 lakhs. On one of these cases being referred to a Dewatering Advisory Committee, an amount of Rs 49.57 lakhs only was determined as payable to the contractor as against the actual payment of Rs 166.12 lakhs, following which Government had ordered the recovery of the excess payments on this account from all the contractors. The remaining 6 cases were, however, not referred to the Committee to facilitate the determination of the excess payments involved and their recovery. The overpayment of Rs 116.55 lakhs in the case referred to the Committee had also not been recovered as of February 1991.

[Paragraph 4.5.9(a)]

Failure to scrutinise carefully the drawings and designs submitted by a contractor for the construction of the Mahananda Aqueduct resulted in the work being executed on the basis of a

defective design and necessitated construction of additional structures, involving an avoidable additional liability of Rs 80.26 lakhs.

[Paragraph 4.5.9(b)]

Incorrect estimation of the quantities involved in earthwork in foundation of the Teesta Barrage and of the requirements of steel works resulted in an avoidable additional liability of Rs 89.21 lakhs.

[Paragraph 4.5.9(c)(i)]

Avoidable expenditure of Rs 43.58 lakhs was incurred on mechanical compaction of the earthen embankment in certain reaches of the Teesta-Mahananda Link Canal, which was lined only after a lapse of 2 to 4 years, when natural compaction would have sufficed.

[Paragraph 4.5.9(d)]

Design of a Spun Pipe Syphon Cross Drain of the Dauk Nagar Main Canal, based on erroneous data in regard to the catchment area and its flood discharge resulted in damage to the structure, leading to an infructuous expenditure of Rs 18.77 lakhs.

[Paragraph 4.5.9(e)]

Lining of certain reaches of the Dauk Nagar Main Canal with more expensive double layer burnt clay tiles in composite mortar in lieu of the conventional cement concrete lining was not prudent because the reaches were located in an economically underdeveloped area prone to thefts, resulting in loss of and damage to the tiles. Apart from the additional expenditure of Rs 24 lakhs incurred on the use of the more expensive tile lining, further investments may also be necessary on redoing the work with conventional cement concrete lining.

[Paragraph 4.5.9(f)]

4.5.5 Budget provisions and expenditure

Apart from an assistance of Rs 5 crores extended by the Government of India during 1983-84, the Project was financed entirely from the State's own resources. Details of the budget provisions and the expenditure incurred thereagainst were as follows:

Year	Budget provision*	Funds released (Rupees in crores)	Expenditure
Up to 1980-81	74.07	61.62	61.62
1981-82	24.50	27.64	27.64
1982-83	23.30	22.28	22.28
1983-84	28.20	22.99**	22.99
1984-85	25.50	22.89	22.89
1985-86	28.20	29.03	29.03
1986-87	40.00	40.64	40.64
1987-88	40.00	37.78	37.78
1988-89	28.53	29.69	29.69
1989-90	24.41	25.57	25.57
1990-91	22.50	14.73***	28.26***
Total:	359.21	334.86	348.39

* Represents revised estimates.

** Inclusive of Central assistance of Rs 5 crores.

*** Up to December 1990.

According to the information made available by the Project authorities, expenditure totalling Rs 320.14 crores was incurred on the Project as of March 1990, whereas the expenditure booked in the State accounts was Rs 232.88 crores only. The discrepancy, which was attributed by the Project Authorities to the non-adjustment of suspense accounts and related factors, had not been reconciled as of March 1991.

It was envisaged initially that the Government of Bihar would also participate in the Project. The State was, however, not included in the original estimate prepared in November 1973 because it did not evince any interest in the Project at that time. It was agreed subsequently in July 1978 that the State would draw 1,350 cusecs of water from the Mahananda resources to irrigate an area of 27,114 hectares. The cost of the Mahananda Barrage at Fulbari Head Regulator and Cross Regulators was accordingly to be shared between the States of West Bengal and Bihar in the proportion of the area irrigated in the two states.

Based on the latest revised cost estimates of 1990, a sum of Rs 8.45 crores was determined as recoverable from the Government of Bihar in September 1991. The relevant estimate was sent to that Government in January 1992 and the amount due had not been realised as of February 1992.

4.5.6 *Physical progress*

As mentioned earlier in paragraph 4.5.1, a specific schedule for the completion of the project was not prescribed at the time of according administrative approval in September 1975. This was fixed for the first time in 1990, when the first sub-stage of Stage I was expected to be completed by the end of the 8th Plan period.

As of December 1990, the overall physical progress was only 48 *per cent*. While the three Barrages and the Link Canal between the Teesta and Mahananda rivers were completed between 1984 and 1989, the extent of completion of the three Main Canals ranged between 10 *per cent* and 80 *per cent* as of December 1990. While none of the minors and water courses had been constructed by then, construction of the distributaries of the Teesta Jaldhaka Main Canal was also not taken up. The distributaries of the other two Main Canals and the Teesta-Mahananda Link Canal were, however, completed to the extent of 10 *per cent* (Mahananda Main Canal), 40 *per cent* (Teesta-Mahananda Link Canal) and 50 *per cent* (Dauk Nagar Main Canal). Relevant component-wise details are contained in Appendix 15.

The non-completion of the distributary system was attributed by the Department to various factors, such as delays in completion of the plans and designs, non-transfer of forest land falling in the alignment, non-preparation of estimates, etc.

Consequently, apart from a token release of water through an incomplete distributary during 1988-89 and 1989-90 to irrigate 0.04 lakh hectares and 0.07 lakh hectares respectively, no part of the command area could be brought under irrigation as of March 1991 even after investments totalling Rs 348.40 crores till then, which had remained largely unproductive in the circumstances.

4.5.7 *Cost overruns*

The cost estimates totalling Rs 69.72 crores in respect of the first sub-stage of Stage I prepared in November 1973 were revised to Rs 213.72 crores in 1980, Rs 425.54 crores in 1985, Rs 510 crores in 1987 and to Rs 695 crores in September 1990.

The original estimates of November 1973 envisaged the irrigation of 3.03 lakh hectares on the right bank of the Teesta river. However, the creation of the irrigation potential envisaged was likely to take a long time because of the location of a large part of the command area far away from the Main Canal. Therefore, 0.384 lakh hectares of culturable command area (CCA) on the left bank, originally included in the second sub-stage, were also brought within

the scope of the first sub-stage when the estimates were revised for the third time during 1987 so as to secure the benefits earlier. The CCA of the first sub-stage was consequently increased to 3.42 lakh hectares, which accounted for a corresponding increase of Rs 62.46 crores in the Project Cost. The augmentation of water supply to the Karatowa-Talma Irrigation Scheme in Jalpaiguri was also included in this estimate at a cost of Rs 3.25 crores.

After excluding the cost of the canal system on the left bank and the augmentation of the Karatowa-Talma Irrigation Scheme not envisaged initially, the revised cost estimates of September 1990 totalling Rs 695 crores represented a cost overrun of Rs 625.28 crores or 897 *per cent* in relation to the original estimates of November 1973. The cost overrun in respect of the four major components of the Project ranged from 280 *per cent* to 1378 *per cent* as indicated in the following table:

Component	Original Estimate	Revised Estimate	Cost Overrun
(Rupees in crores)			
1. Teesta Barrage	21.87	92.48	70.61 (323)
2. Mahananda Barrage	6.30	23.93	17.63 (280)
3. Teesta-Mahananda Link Canal	6.46	92.66	86.20 (1334)
4. Mahananda Main Canal	6.64	98.12	91.48 (1378)

An analysis of the variations in cost revealed that the following major changes were introduced in the scope of the project in December 1976 following detailed studies and investigations:

(a) Shifting of the location of the Teesta Barrage 6 kilometres downstream.

(b) Shifting of the Mahananda Barrage upstream.

(c) Increase in the length of the Teesta-Mahananda Link Canal by 5 kilometers.

(d) Change in the alignment of the Mahananda Main Canal and provision of an aqueduct at Dhumdangi.

(e) Construction of a pick-up barrage on Dauk river with a main canal taking off from the left bank of the river and construction of a major aqueduct on the Nagar river.

(f) Lining of the entire canal system to avoid transmission loss through percolation.

(g) Construction of the Teesta Jaldhaka Main Canal on the left bank to create irrigation potential in the priority zone.

As a result of these changes, the length of the main canal increased from 102.75 km, in the original estimate to 179.67 km (excluding the Teesta Jaldhaka Main Canal on the left bank) without any increase in the proposed CCA of 9.22 lakh hectares of the first phase.

The variations in the different estimates are broadly analysed in the following table with reference to the original Project Estimate (1973) of Rs 69.72 crores:

Nature of variance	1st revised estimate (1980)	2nd revised estimate (1985)	3rd revised estimate (1987)	4th revised estimate (1990)
(Rupees in crores)				
(i) Price escalation	76.32 (110)	188.58 (270)	237.56 (341)	335.61 (431)
(ii) Omissions	28.80 (41)	71.16 (102)	83.83 (120)	120.83 (156)
(iii) Underestimation	12.96 (19)	32.02 (46)	39.63 (57)	56.28 (72)
(iv) Changes in scope	15.84 (23)	39.14 (56)	48.43 (70)	68.78 (88)
(v) Changes in design	10.08 (14)	24.92 (36)	30.83 (44)	43.78 (56)

Figures within parentheses represent percentages.

That omissions and underestimation of requirements accounted for a cost increase of 228 *per cent* with reference to the original estimates, and that the scope of the project itself had to be revised periodically would indicate that the original estimates were not prepared with adequate care based on proper surveys and investigations.

The distribution of irrigable areas among various stages and sub-stages was as follows:

Stage	Sub-Stage	Area proposed to be irrigated	
		Original estimate	Latest revised estimate
(in lakh hectares)			
I	I	3.03	3.42
	II	2.43	2.04
II	—	1.61	2.23
III	—	2.15	1.53
Total:		9.22	9.22

The cost-benefit ratio based on value of increased yield at current rates, estimated capital cost of the first sub-stage of Stage I and depreciation at 2 *per cent*, was 1:2.36 in the original estimates of 1973. Since, the utilisation of potential was to be achieved in 2 stages, only proportionate capital cost on headworks was taken for cost benefit projection in the latest revised estimate (1990). The rate of depreciation was also reduced from 2 *per cent* to 1 *per cent* in this estimate. Based on the revised mode of calculation, the cost-benefit ratio would be 1:3.3 in the original estimate. However, in the latest revised estimate (1990) this decreased to 1:2.47.

Thus, though the irrigation coverage was increased to 3.42 lakh hectares in the revised estimate (1990) against 3.03 lakh hectares in the original estimate and though only the proportionate capital cost was taken into account with reduction of depreciation from 2 *per cent* to 1 *per cent*, the cost benefit ratio came down to 1:2.47 from 1:3.3.

4.5.8 *Idle investment in execution of work in non-priority zones*

With a view to avoiding delays in creation of irrigational potential in the far off regions of the command area of the Main Canal, it was decided in 1985 to concentrate on the execution of works in the priority zones so that irrigation potential could be created earlier. Details of the canal works taken up in the priority and non-priority zones up to September 1990 are indicated in the following table:

Particulars of canals	Length of canals taken up	Length of canals under		Expenditure incurred	
		Priority Zone	Non- Priority Zones	Priority Zone	Non- Priority Zones
		(in kilometres)		(Rupees in crores)	
Teesta-Mahananda Link					
Canal	25.64	25.64	Nil	N/A	Nil
Mahananda Main Canal	32.85	5.50	27.35	10.80	53.70
Dauk Nagar Main Canal	65.50	14.57	50.93	7.28	25.46

Works involving expenditure of Rs 79.16 crores had been executed in non-priority zones in respect of the main canals alone. Had the programme of execution in priority zones been framed in the initial stages of implementation itself with due regard to the

difficulties involved in conveying water to the distant parts of the command area, larger investments could instead have been made for the development of the distribution network in such a manner as to achieve immediate physical benefits. Since the stretches of canals constructed in the non-priority zones would not be utilised immediately, the idle investment in the non-priority zones could have been avoided and the funds utilised in a more productive manner by proper planning.

4.5.9 *Irregularities in implementation*

Certain irregularities, instances of avoidable extra expenditure, wasteful expenditure, etc. noticed in the course of test-check of the records are mentioned in the following paragraphs.

4.5.9 (a) *Excess payment on account of dewatering*

Provision for dewatering was made in seven contracts for construction of regulators, aqueducts and fall-cum-regulators and concrete lining accepted between 1982-83 and 1987-88. Three of these contracts specified that the cost of dewatering, if any, in excess of the quantity specified in the tender would not be borne by the Department. Though a similar condition was envisaged in the estimates of three other contracts sanctioned by the Chief Engineer, this was not specifically mentioned in the tender documents notwithstanding the instructions issued in this regard by the Chief Engineer in February 1988. Such a clause was, however, not included either in the sanctioned estimate or the contract in respect of the 7th contract.

As against a total quantity of 44.73 lakh BHP hours* of dewatering provided for in the 7 contracts, actual dewatering done by the contractors was 257.41 lakh BHP hours, the increase in individual cases ranging between 213 *per cent* and 954 *per cent* in relation to the contracts. In so far as the 3 contracts which contained a specific condition in regard to dewatering were concerned, actual dewatering done was 111.87 lakh BHP hours against the contractual provision of 20.31 lakh BHP hours.

The excess dewatering was attributed by the Divisional authorities to prolongation of work due to modification of and changes in working drawings, natural calamities, inadequate technical staff conversant with dewatering equipment and problems, prevalent site conditions and sub-soil water level. The payments made on this

*Brake Horse Power Hours.

account to the contractors as of January 1991 aggregated to Rs 509.28 lakhs, as against Rs 102.01 lakhs (inclusive of premium) which would have been admissible had the condition in regard to payments for dewatering been imposed uniformly in all the contracts. Failure to do so in four of the contracts and to enforce the condition in the remaining 3 contracts led to an additional payment of Rs 407.27 lakhs, of which payments aggregating to Rs 222.29 lakhs pertained to the latter three contracts.

In May 1986, a Dewatering Advisory Committee (DAC) was constituted by the Government for examining the claims for dewatering and the extent to which such claims were admissible. However, only one of the seven contracts, involving a payment of Rs 166.12 lakhs for dewatering against Rs 32.24 lakhs admissible in terms of the contract, was referred to the DAC. None of the other six cases was referred to the Committee though additional payments for dewatering were made in all these cases, the reasons for which were not clarified. The Committee found that the contractor was responsible for the loss of a working season resulting in excess dewatering and held in 1987 that he would be entitled to a payment of Rs 49.57 lakhs only against the actual payment of Rs 166.12 lakhs. In August 1989, Government instructed the project authorities to recover the excess payments on this account from all the contractors.

While the excess payment of Rs 116.55 lakhs was not recovered in this particular case as of February 1991, the remaining six works had also extended beyond the stipulated date of completion involving the loss of working seasons due to factors at least partly attributable to the contractors themselves. In the context of the fact that the DAC had not admitted the payment made to one of the contractors in its entirety and that Government had also ordered the recovery of excess payments from all the contractors, the remaining 6 cases should have also been referred to the DAC for a determination of the payments admissible having regard to all the relevant factors. Had this been done, the additional payments on account of dewatering could have been minimised considerably after examination on a case by case basis, as was, in fact, done in respect of one of the seven contracts.

(b) *Extra expenditure attributable to defective design*

A lumpsum offer of Rs 3.09 crores was accepted in September 1977 for the construction of the Mahananda Aqueduct near Dhumdangi Railway Station. The work was to commence in September 1977 and was to be completed by September 1979. The aqueduct was to be constructed according to the drawings submitted

by the contractor along with the offer which included flume approaches (end connections) to the canal at the entrance and exit of the aqueduct. The work order was issued after approval of the drawings and the relevant design calculations and concepts submitted by the contractor. Although the Notice inviting tenders included the details of the flume approaches in the scope of the work, these were, however, not clearly mentioned in the agreement concluded with the contractor.

In May 1982, when the work was completed, the Department found that the canal embankment could not be connected directly with the flume approaches at both ends of the aqueduct. On being asked by the Department in May 1982 to connect the approaches with the canal embankment, the contractor declined to do so in June 1982 on the ground that the aqueduct had been constructed only according to the designs and drawings duly approved by the Department. Payment of Rs 344.76 lakhs was made to the contractor in the pre-final bill in June 1985, which included Rs 61.82 lakhs on account of flume approaches.

In the absence of other alternatives, additional structures were designed and a fresh contract was awarded to another agency in February 1985 at a cost of Rs 69.70 lakhs for completion by November 1985. Till August 1988, work valued at Rs 37.48 lakhs only could be completed by the contractor. The contract was, therefore, terminated in January 1989, and the balance work, the estimate in respect of which was revised to Rs 42.78 lakhs, was awarded to another contractor in March 1989 at a tendered cost of Rs 44.56 lakhs for completion by September 1989. The work was in progress and payment of Rs 31.44 lakhs had been made as of February 1991. The total payment made till then on account of the additional structures was Rs 68.92 lakhs.

That the flume approaches did not connect directly with the canal embankment necessitating the construction of additional structures subsequently would appear to indicate that the designs and drawings submitted by the contractor had not been scrutinised carefully by the Department prior to their approval so as to ensure that they were technically correct in all respects. Failure to do so resulted in an avoidable additional liability of Rs 80.26 lakhs, of which Rs 68.92 lakhs had been paid as of February 1991.

(c) Avoidable additional liability attributable to defective estimation

(i) Construction of the Teesta Barrage near Gazoledoba in Jalpaiguri District was entrusted to a firm in December 1977 at the

tendered cost of Rs 2,398.41 lakhs for completion by December 1980. The work was completed in 1985 at a cost of Rs 5,348.50 lakhs including escalation.

The agreement with the firm provided that rates in respect of earthwork in foundation and steel works indicated in the bill of quantities would remain effective so long as the variations in the quantities were not in excess of 25 *per cent* or lower than 10 *per cent* of the tendered quantities. In the event of variation beyond 25 *per cent*, the rate applicable for the extra quantities was to be determined on the basis of actual cost plus 30 *per cent* to cover overhead charges and reasonable profit if a revised rate could not be derived on the basis of the rates mentioned in the schedule of items.

As a result of incorrect estimation of the quantities involved, the earthwork in foundation (quantity tendered: 10.83 lakh cubic metres) and steel works (quantity tendered: 14,600 tonnes) varied from the prescribed limits to the extent of 7.35 lakh cubic metres and 5,690.38 tonnes respectively, the magnitude of excess over ceiling being 68 *per cent* and 39 *per cent* respectively. These excess quantities were paid through supplementary tenders at the rate of Rs 18 per cubic metre and Rs 3,577 per tonne against the tendered rate of Rs 11.30 per cubic metre and Rs 2,875 per tonne respectively. The defective estimation of quantities thus resulted in an avoidable additional liability of Rs 89.21 lakhs, which had not been discharged as of February 1991.

(ii) The Teesta Mahananda Link Canal from 5.32 km to 9.13 km was excavated between August 1980 and July 1982 with a designed bed width of 50.29 metres. In November 1985, when the lining work was taken up in these reaches, the designed width of the canal bed was revised to 52.12 metres. The reasons for this change as well as those for not foreseeing the necessity of the increased bed width during initial excavation in 1980-81 were not ascertainable from the records.

The decision to widen the canal bed in the course of execution necessitated further excavation of 6,89,484 cubic metres of earth during 1985-87 at a cost of Rs 25.51 lakhs, resulting in extra cost of Rs 4.83 lakhs in relation to the payment that would have been admissible had the excavation been undertaken *ab initio* at the rates of 1980-81.

Of the excavated spoil, 2,41,292 cubic metres of spoil were deposited in forest land within leads up to 210 metres at a cost of Rs 3.56 lakhs as there was no departmental land along the existing embankment. The balance quantity of 4.48 lakh cubic metres of excavated earth remained in the existing embankment. Of this, 5.92

lakh cubic metres of excavated earth, including 2.41 lakh cubic metres deposited in the forest land, were removed to the site of the project colony at distances varying between 5 km and 8 km at a cost of Rs 103.07 lakhs through the existing contractors under supplementary contracts. These supplementary contracts had not been approved by the competent authority as of March 1991.

Had the width of the canal bed been determined correctly prior to the excavation of the canal in 1980-81 and the spoil been removed to the colony site even initially instead of being deposited in the forest land, the additional liability of Rs 8.39 lakhs could have been avoided.

(d) *Wasteful expenditure*

(i) Normally, compaction of embankments to enable concrete lining of excavated canals may not be necessary in cases where the lining is taken up after one or two rainy seasons. Instead, the required compaction could be achieved naturally in such cases. This position was also emphasised by the Chief Engineer, Teesta Barrage Project, in June 1987 with a view to avoiding wasteful expenditure on compaction. Accordingly, the item of compact in a reach of the Mahananda Main Canal was disallowed in the concerned estimate by the Chief Engineer.

Test-check of three contracts relating to construction of embankment revealed that mechanical compaction of earthen embankment raised during 1982 to 1985 in certain reaches (total length: 10.29 km) of the Teesta Mahananda Link Canal, Mahananda Main Canal and Teesta Jaldhaka Main Canal was done between 1982 and 1985 at a cost of Rs 43.58 lakhs. These reaches were lined with concrete only after a lapse of 2 to 4 years between 1985 and 1989. In the circumstances, mechanical compaction of the embankments was not strictly necessary technically, and the compaction could have been ensured naturally. The expenditure of Rs 43.58 lakhs on this account was, therefore, avoidable.

(ii) Concrete lining of the Right Bank Main Canal of the Karatowa Talma Irrigation Scheme, merged with Teesta Barrage Project in December 1985, from RD 1,280 metres to RD 2,164 metres was entrusted to a contractor in November 1987 at his tendered cost of Rs 4.21 lakhs for completion by December 1987. The contractor completed the lining work at a cost of Rs 5.43 lakhs in July 1989.

Before the final completion of the work, the lining in almost all the reaches collapsed in August 1988. The concerned Sub-Divisional Officer attributed this in September 1988 to a heavy intensity earth tremor. After examining the designs and drawings, the Superintending

Engineer, Teesta Design Circle, however, expressed doubts in May 1990 about the design of the lining work and did not agree with the reason advanced by the Division. He held that the collapse of the lining was due to erosion of the unprotected bank following rains. Reconstruction of the lining work in the reach had not been taken up as of February 1991 because the requisite standard drawing for the work was not finalised.

Defective design and failure to protect the bank from erosion thus led to the disintegration of the lining, resulting in a wasteful expenditure of Rs 5.43 lakhs.

(e) *Infructuous expenditure*

Construction of a four-vented Spun Pipe Syphon Cross Drain at km 5.87 of the Dauk Nagar Main Canal was taken up in 1984-85 at an estimated cost of Rs 8.60 lakhs and was completed in July 1986 at a cost of Rs 18.77 lakhs.

The design of the drain was based on an erroneous assessment of the maximum flood discharge of 14.40 cusecs from a catchment area of 3.89 square kilometres against the actual discharge of 70 cusecs from the catchment area measuring 10.256 square kilometres. In the floods which occurred in 1986, the structure was totally damaged. In his report submitted to the High Power Technical Committee in August 1989, the Superintending Engineer, Teesta Design Circle, attributed the damage to the erroneous assessment of the catchment area for purposes of designing the drain. The Committee also concurred with these findings, and suggested the construction of a syphon with long trailing channels both upstream and downstream. Accordingly, a fresh estimate for Rs 224.83 lakhs was prepared in December 1990, which was awaiting approval as of January 1991.

Design of the cross drain structure on the basis of erroneous data thus resulted in damage to the structure, leading to an infructuous expenditure of Rs 18.77 lakhs.

(f) *Extra expenditure on lining of canal*

In certain reaches (total length: 4.36 km) of the Dauk Nagar Main Canal, 1.85 lakh square metres of double layer burnt clay tile lining in composite mortar was provided in 1984-85, in lieu of conventional cement concrete lining at a cost of Rs 104.52 lakhs without the estimates having been sanctioned by the competent authority. The provision of burnt clay tile lining was justified on the ground that this would involve lower consumption of cement.

Audit scrutiny, however, revealed that, apart from the fact that the unit cost of the burnt clay tile lining was Rs 54 per square metre against Rs 41 per square metre for concrete lining during the relevant period, the tiles used in the lining were also stolen and damaged in several places. The Superintending Engineer was also apprehensive that it may be necessary to redo the work with conventional cement concrete lining.

While the extent of damages to the lining was being assessed by the project authorities, use of more expensive tiles for the lining of the canal in an area economically underdeveloped and prone to thefts would not appear to have been prudent. This resulted in an additional expenditure of Rs 24 lakhs and could conceivably necessitate additional investments of redoing the work with conventional cement concrete lining should a decision be taken to this effect in order to prevent further thefts and damages.

(g) *Non-realisation of contractor's dues*

A firm was engaged in November 1984 by the Superintending Engineer, Mahananda Barrage Circle, for the manufacture, supply and installation of vertical gates and a gantry crane for a 15-cm Fall-cum-Regulator at km 9.487 of the Teesta Mahananda Link Canal in Rajganj of Jalpaiguri District at a tendered cost of Rs 27.73 lakhs for completion by November 1985.

The firm completed the installation of the vertical gates in 1987; the firm was, however, directed by the Divisional Officer in December 1987 not to supply the gantry crane, though an advance payment of Rs 4 lakhs was made to the firm on this account in April 1986. The advance payment was not recovered from the firm following the decision not to insist on the supply of the crane.

Besides, whereas the firm was paid a sum of Rs 24.93 lakhs in the 8th running account bill in September 1987, based on final measurements of the work done in June 1989, an account of Rs 24.27 lakhs only was determined as payable. The excess payment of Rs 0.66 lakh had also not been recovered as of February 1991, along with the cost of departmental materials valued at Rs 3.79 lakhs made available to the firm.

Consequently, an amount of Rs 8.46 lakhs was recoverable from the firm as of February 1991. The firm already having vacated the work site in January 1988 itself, and no further payments being due to it, effective steps would need to be taken to realise the outstanding dues.

The Divisional Officer stated (February 1991) that as the gantry crane was not considered necessary subsequently, its supply was not pressed and that the firm was being asked to refund the advance.

(h) *Unnecessary additional expenditure on canal lining*

Cement concrete lining work between km 5.32 and km 8.66 of the Teesta Mahananda Link Canal was taken up in 1985 through 5 contractors. The specification stipulated was "100 mm thick cement concrete (grade M-100) cast in situ, etc.", and the item was to be paid for at the rate of Rs 32 per square metre.

The Divisional Officer, however, allowed an extra rate of Rs 4.12/Rs 4.30 per square metre over the originally accepted item rate through supplementary contracts. This was justified on the ground that a higher proportion of cement had to be used to attain the required strength of M-100 grade cement concrete. Payment of Rs 7.23 lakhs was made on this account in March 1987, though the supplementary tender was not approved by the competent authority.

Before arriving at the decision to use larger quantities of cement, the Divisional Officer did not obtain the opinion in this regard of the Quality Control Division. The records did not also disclose whether appropriate tests were conducted by the Division to determine the strength attained by the use of larger quantities of cement. Subsequently in February 1989, the Superintending Engineer, Mahananda Barrage Circle, disallowed the supplementary claims on this account because consumption of additional quantities of cement had been allowed without the concurrence of the Quality Control Division and approval of the competent authority, and the claims did not also have adequate justification. In 1990, however, the Superintending Engineer had to approve the payment *post facto* to avoid complications as the payment was already made.

In the context of the fact that the original specification could provide the specified strength, admixture of additional quantities of cement for attaining that strength without establishing the actual necessity therefor based on adequate test and in consultation with the Quality Control Division lacked justification, and resulted in an unnecessary additional expenditure of Rs 7.23 lakhs.

(i) *Avoidable expenditure attributable to inaction*

Between 1981 and 1984, the National Hydel Power Corporation Limited (NHPC), erected a number of transmission towers in the reach between km 16.70 and km 18.14 of the Mahananda Main Canal because no objection was received from any one in response to a

notification published by them in this regard in 1981. Though the construction of the canal was taken up in 1978 itself, and the project authorities were also aware that its proposed alignment would traverse the area where the towers were to be erected, no action was taken by them to lodge their objections in response to this notification. It was only when a survey was undertaken, subsequently in 1984 for determining the location of the distributaries that the existence of the transmission towers were noticed by them. The Dhumdangi aqueduct having already been constructed by then, realignment of the canal was not possible at that stage.

The project authorities, therefore, requested the NHPC in May 1984 to shift 17 of the transmission towers from the alignment of the canal. This was agreed to by the NHPC on payment of shifting charges amounting to Rs 8.94 lakhs by the project authorities. This expenditure could have been avoided had the authorities taken prompt action in response to the notification and safeguarded their interests.

(j) *Discrepancy in material account*

The Department issued 6,440.832 tonnes of steel materials to the agency entrusted with the manufacture, supply and installation of gates for the Teesta Barrage and its Head Regulators. The agency, however, acknowledged receipt of 6,049.797 tonnes only, of which 5,490.305 tonnes were consumed. There was, thus, a discrepancy of 391.035 tonnes valued at Rs 8.60 lakhs between the quantities issued and those acknowledged by the agency. Materials-at-site account not having been maintained, the discrepancy could not be reconciled.

4.5.10 These points were brought to the notice of Government in August 1991; their reply had not been received (June 1992).

4.6 Infructuous expenditure on flood protection works

Construction of a 30-metre long boulder bed bar along with rivetment work at the up and down stream ends of the Padma river at Akherigunj in Murshidabad was entrusted to six contractors in February 1989 by the Superintending Engineer, Central Irrigation Circle, at a total cost of Rs 56.47 lakhs. The work, which was intended to protect the right bank of the river from floods, was awarded on contract, without obtaining administrative approval and the clearance of the State Flood Control Board, which was a pre-requisite in respect of flood control schemes estimated to cost in excess of Rs 12 lakhs.

The work was completed in June 1989 at a total cost of Rs 56.36 lakhs. Immediately thereafter, severe erosion of the bar and damage to

a portion of the pitching work were noticed. Further protective works were, therefore, executed in July 1989 at a cost of Rs 10.51 lakhs by dropping porcupine cages in the river. This measure, which was resorted to without obtaining the approval of the Technical Committee, also failed to check the erosion, and the newly-constructed structure of the boulder bed bar was completely washed away though such work was normally expected to last for about 10 years.

Subsequently in August 1989, an apron on the 60-feet high bank of erodable soil was constructed at a cost of Rs 52.83 lakhs during the rainy season when the river was in full spate. This work was declared to be of great urgency and was distributed to 14 contractors after obtaining bids from them on the spot without observing tender formalities. This remedial measure was also resorted to without the approval of the Technical Committee; formal orders of Government declaring the work to be urgent were also not obtained. The apron was also completely eroded in September 1989.

Following an examination of the causes of erosion of the boulder bar and apron, the Secretary to the Irrigation and Waterways Department had held in October 1989 that porcupine cages dumped in the river from a 60-feet high bank were not likely to survive and that the boulders stacked on erodable soil on a high bank when the river was in spate, instead of being stacked at low water level during the dry season, could not serve as an apron. He had, therefore, observed that this "technical blunder" leading to wastage of public funds required a thorough investigation.

While further developments were awaited, execution of flood control works involving large investments without ensuring the technical feasibility of the proposed measures resulted in the entire expenditure of Rs 119.70 lakhs incurred on these works being rendered infructuous.

The matter was reported to Government in April 1991; their reply had not been received (June 1992).

4.7 Infructuous expenditure on construction of bridges

Construction of two reinforced cement concrete (RCC) cart bridges at chainage 450 and chainage 393 of the main canal of the Jangal Mahal Gravity Irrigation Scheme was entrusted to two separate contractors by the Superintending Engineer, Damodar Irrigation Circle, at their tendered cost of Rs 3.90 lakhs and Rs 3.16 lakhs respectively. The bridges were completed in March 1987 and August

1987 at a cost of Rs 3.75 lakhs and Rs 3.86 lakhs respectively. In addition, Rs 2.72 lakhs were spent during 1985-87 on construction of approaches, a cross bundh and soil investigation works.

Scrutiny of the records disclosed that the original estimate of Rs 72.91 lakhs for the Jangal Mahal Gravity Irrigation Scheme, sanctioned by the Chief Engineer in September 1977 and administratively approved in August 1991, included the construction of 17 such cart bridges at locations different from those at which these two bridges were constructed. After field investigations in October 1989, the Superintending Engineer, Damodar Irrigation Circle, had also held that these two bridges were not necessary because there were no roads or paths leading to them. The circumstances in which these bridges were constructed even in the absence of adequate justification and the manner in which these were utilised, enquired into by Audit in July 1991, had not been clarified (September 1991).

Construction of bridges without adequate justification and establishing their necessity, therefore, resulted in an infructuous expenditure of Rs 10.33 lakhs.

The matter was reported to Government in September 1991; their reply had not been received (June 1992).

4.8 Avoidable additional expenditure attributable to defective construction

The construction of a cart-bridge at chainage 2,012 of the Left Bank Main Canal of the Damodar Valley Project in Burdwan District was entrusted to a contractor in June 1985 at a cost of Rs 8.83 lakhs for completion by February 1986. The commencement of the work was, however, delayed till November 1985 because of the necessity to keep the canal open to ensure uninterrupted irrigation for the kharif crop.

On completion of work valued at Rs 3.02 lakhs, further execution was suspended in December 1985 to rectify an error in the determination of the bottom level of the foundation, which had resulted in the entire structure being placed two metres below the designed bed level. Demands from the local people for the widening of the carriageway of the bridge also necessitated revision of the design of the bridge. While the revised design was finalised only in December 1987, the contractor expressed his unwillingness in January 1987 to execute further work at the tendered cost. The contract was, therefore, terminated in February 1987 without any financial implications.

The balance work, awarded to another contractor in August 1988, was completed by him in June 1990 at a cost of Rs 13.26 lakhs, of which an amount of Rs 1.76 lakhs only was attributable to the additional works necessitated by the revision of the design of the bridge.

Defective construction of the foundation, which should normally have been detected at the time of its excavation and supervision over the work, combined with the delay of two years in revision of the design, resulted in an avoidable additional expenditure of Rs 5.69 lakhs.

The Divisional Officer stated (November 1990) that, in the absence of any departmental enquiry, it was not possible to identify either the factors responsible for the faulty construction of the foundation or the reasons for the error not being detected prior to the casting of the piers.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

4.9 Avoidable extra expenditure attributable to belated measurement of work

A portion (50 *per cent*) of the work relating to the excavation of the Right Bank Main Canal of the Kangsabati Project from chainage 1,025.90 to chainage 1,042.50 was entrusted to a contractor in January 1976 at his tendered cost of Rs 6.18 lakhs. The work, scheduled to be completed by August 1976, commenced only in March 1976 and was completed in April 1978, the delay being attributable to the non-availability of explosives for excavation of hard rock and the gutter channel.

As against work valued at Rs 6.18 lakhs entrusted to the contractor, payments totalling Rs 5.55 lakhs were made up to the 11th running account bill paid in October 1979. All measurements taken till then were also accepted without any protest by the contractor, and the relevant entries in the measurement books were also duly signed by him in token of their acceptance. Final measurements of the work done were, however, not taken immediately on completion of the work. This was done unilaterally only in December 1982 without the contractor being present, the reasons for which were not available on record. The final bill for a total amount of Rs 5.71 lakhs, necessitating a net payment of Rs 0.16 lakh only, was prepared on the basis of these measurements. After taking into account the security deposit of Rs 0.36 lakh, an *ad interim* payment of Rs 0.36 lakh was made to the contractor in May 1983.

The contractor did not, however, accept the final measurements done by the Department more than 4 years after the completion of the work. He, therefore, invoked the arbitration clause in the contract and claimed a sum of Rs 5.70 lakhs as representing the balance of the payments due for the work actually executed by him, security deposit, interest, etc. The arbitrator's award, announced in November 1988, was in favour of the contractor, in pursuance of which he was paid Rs 4.85 lakhs in July 1990, inclusive of Rs 1.10 lakhs towards interest and costs. Consequently, as against Rs 6.54 lakhs payable to him in terms of the contract (tender value: Rs 6.18 lakhs; security deposit: Rs 0.36 lakh), he was paid Rs 10.76 lakhs in all.

In the context of the fact that payments totalling Rs 5.55 lakhs up to October 1979 had been accepted by the contractor as against the work valued at Rs 6.18 lakhs to be executed by him in terms of the contract, he would normally have been entitled to further payments not exceeding Rs 0.63 lakh. The delay of over four years in measuring the work finally, however, enabled the contractor to raise a dispute in regard to the work actually executed by him and take recourse to arbitration. This necessitated further payments amounting to Rs 4.85 lakhs, involving an extra expenditure of Rs 4.22 lakhs with reference to the tendered cost. The litigation and the resultant additional expenditure could have been avoided had the final measurement not been unconscionably delayed.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

4.10 Avoidable expenditure on repairs

Construction of the new embankment of the Teesta Barrage was completed in 1984-85. In order to prevent the formation of vertical drains (raincuts) on its slopes due to erosion of soil caused by the unregulated flow of rain water, an estimate for the construction of catchwater drains for the right and left tagging bundhs upstream and downstream of the barrage near Gazoldoba at a cost of Rs 16.09 lakhs was submitted by the Divisional Officer to the Superintending Engineer, Teesta Barrage Circle, in July 1986.

Though the necessity of the catchwater drains as a safety measure against heavy rains had been recognised by the Divisional Officer soon after the embankment was constructed, the estimate submitted for the purpose was, however, sanctioned by the Chief Engineer only in February 1989. The construction of the drains was taken up thereafter in April 1989 and was completed in December

1989 at a cost of Rs 12.50 lakhs. Following the construction of these drains, the raincuts were minimised considerably.

Prior to the construction of these catchwater drains, widespread raincuts had occurred on the slopes of the embankment. In fact, during 1987-88, the Executive Engineer was apprehensive that the safety of the structures themselves could be seriously jeopardised on account of heavy erosion caused by the raincuts. The sustained formation of raincuts necessitated an expenditure of Rs 2.84 lakhs on repairs to the embankment during 1988-89.

Considering the fact that the construction of the catchwater drains had been considered an essential safety requirement in 1986 itself and that these had been successful in controlling the formation of raincuts, had the estimate been sanctioned expeditiously instead of after the lapse of nearly three years, the expenditure of Rs 2.84 lakhs on repairs during 1988-89 could have been avoided.

Government in their reply (April 1992) stated that there was no undue delay at Chief Engineer's level in sanctioning the estimate as the same had to be sent back twice to the Superintending Engineer concerned for modification. Scrutiny, however, revealed that there was delay of about 9 months at Superintending Engineer's level initially after receipt of the estimate from the Divisional Officer and thereafter 7 months time was taken by the former and 14 months by the Chief Engineer for finalisation and sanctioning of the estimate.

4.11 Infertuous expenditure on earthwork

The construction of a four-vent cross drainage structure at km 2.03 of the Mahananda Main Canal, in addition to two existing cross drainage structure, was entrusted to a contractor in March 1989 at a cost of Rs 86.97 lakhs. The work, which was to be completed by July 1989, was intended to cope with the flood discharge from the large catchment area of the Buri Balason river.

The layout and designs of the structure were made available to the contractor in March 1989. The number of vents was, however, increased to five in April 1989 by the Design Wing of the Teesta Barrage Project and further to ten in May 1989 by the Superintending Engineer, Teesta Design Circle. This had been considered necessary by him to maintain the total ventage of the three cross drainage structures equal to the aggregate ventage of the existing road and rail culverts.

The layout and fresh design in respect of the ten-vent structure were made available to the contractor by the Division in May 1989. While the work was being executed accordingly, the Technical

Committee, however, decided, in March 1990, that the construction of a five-vent cross drainage structure would be adequate. This decision necessitated the abandonment of the work in respect of five of the ten vents. Earthwork in foundation for all the ten vents had, however, been completed by the contractor in the meantime at a cost of Rs 11.07 lakhs, of which an expenditure of Rs 2.52 lakhs pertained to the five abandoned vents.

That changes were considered necessary in the scope of the work on more than one occasion during its execution would indicate that the technical requirements and designs were not firmed up adequately on the basis of proper studies prior to the award of the work. This resulted in an infructuous expenditure of Rs 2.52 lakhs on works which had to be abandoned subsequently.

Government stated (March 1992) that the earthwork executed for the accommodation of the increased ventage was utilised for other allied works relating to the structure proper. While the details of such allied works were not specified, the fact, however, remains that because of defective planning, five of the foundations were ultimately abandoned.

4.12 Additional liability due to delay in issue of work order

The construction of a bridge over the Kananadi river at chainage 1631 in Hooghly District under the Lower Damodar Improvement Scheme was technically sanctioned in January 1981 at an estimated cost of Rs 3.77 lakhs. The lowest offer (4.90 *per cent* above the estimate) received in response to the tenders invited in April 1981 was accepted in June 1981. No work order was, however, issued to the contractor because of the ensuing monsoon, though there was no such request from him. The contractor was thereafter asked in February 1982 to intimate his willingness to execute the work at his tendered rate. This was not agreed to by him on the ground that prices had increased in the meantime.

Short notice tenders were, therefore, invited in March 1982 followed by a bid among the participants. The lowest offer then received, which was 14.5 *per cent* above the estimate, was considered high and was rejected by the Department.

The estimate was revised to Rs 6.72 lakhs after six years in March 1988 in accordance with a modified drawing based on the instructions of the Superintending Engineer and was submitted to the Chief Engineer for technical sanction in March 1988. Meanwhile, tenders were invited in February 1988 for the third time. The lowest

offer which was 3.56 *per cent* below the estimate was accepted and work order was issued in May 1988 with the stipulation that the work should be completed within six months.

The work commenced in May 1988, but due to heavy percolation of sub-soil water in the foundation trench the work remained suspended. In December 1988, further changes were made in the designs and drawings. On being asked to intimate his willingness to continue the work, the contractor refused to execute the work according to the revised drawings in January 1989. His contract was, therefore, terminated in February 1989 without imposition of penalty.

The work was thereafter entrusted to two contractors in March 1989 at 3.56 *per cent* below the estimate for completion by September 1989. The work was in progress and Rs 3.81 lakhs were paid to the two contractors as of August 1991.

The Divisional Officer stated (November 1991) that the framing of the revised estimate was delayed due to delays in the preparation of modified designs and drawings. The reasons for the frequent changes in the designs and drawings were, however, not ascertainable from such records as were produced to Audit.

While the work itself was scheduled to be completed in six months, the revision of the designs and drawings itself took an unconscionably long period of six years. That these had to be modified frequently was also indicative of poor technical planning. In this milieu, the completion of the work had been delayed for over eight years, resulting in a cost overrun of Rs 1.72 lakhs in respect of the major comparable components alone.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.13 Infertuous expenditure on idle driver of a launch

The departmental launch "M. L. Karali" operating since 1965, developed cracks in its engine and hull in September 1985 necessitating repairs. Though the launch was proposed to be repaired in February 1987, the repairs were not undertaken, the reasons for which were not ascertainable from the records made available to Audit. In August 1988, the launch sank in the Jalangi river. It was salvaged from the river at a cost of Rs 0.12 lakh and was kept in the premises of the Swarupgunge Inspection Bungalow in an unserviceable condition; the Sub-Divisional Officer had held that the launch was beyond repair.

Though the launch remained unserviceable since 1985, the driver attached to it continued to be borne on the rolls of the Nadia Irrigation Division without any work. It was only in August 1990 that a proposal for his transfer was submitted by the Division. The transfer had, however, not been effected as of October 1991.

Continued retention of the driver when the launch had become unserviceable resulted in an infructuous expenditure of Rs 1.50 lakhs on his pay and allowances during the period from September 1985 to October 1991.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.14 Avoidable expenditure on jungle clearance

The resectioning of 'Banka' from chainages 760 to 810 and 816 to 840 was awarded by the Damodar Canal Division to three contractors in February 1989 for completion by April 1989. The contracts provided for earthwork in canals, channels, etc. at the rate of Rs 4.30 per cubic metre determined on the basis of the Departmental Schedule of Rates for the year 1985-86. The basic rate for earthwork prescribed in the Schedule included an element on account of jungle clearance and removal of trees of girth up to 30 cm.

Notwithstanding the fact that jungle clearance constituted an integral part of the work entrusted to the earthwork contractors and this work should normally have been done by these contractors themselves, it was entrusted separately to other contractors in March 1989 at an aggregate cost of Rs 1.40 lakhs. This was done on the ground that the earthwork contractors declined to execute the work when asked to do so. This resulted in an avoidable additional expenditure of Rs 1.40 lakhs. Further, even if it was considered necessary and inescapable to entrust this item of work to other contractors, the basic rate for earthwork in the Schedule of Rates—which also included an element on account of jungle clearance—should have been adjusted suitably. Failure to do so resulted in the contractors being paid for work not actually executed. The overpayment on this account could not be quantified precisely in the absence of an item-wise break-up of different components included in the basic rate specified in the Schedule of Rates.

The Divisional Officer stated (November 1990) that in the absence of a specific provision for jungle clearance in the tenders, the earthwork contractors were unwilling to execute this work at their tendered rates. However, these rates themselves having been based on the specified Schedule of Rates, of which the contractors were aware,

the absence of a specific mention about jungle clearance in the tender documents need not have precluded the Department from insisting on the work being executed only by the original contractors or, in the alternative, from effecting a suitable reduction in the rate for earthwork.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

4.15 Unproductive expenditure on purchase of dredgers

The Department procured two second-hand dredgers from the Calcutta Port Trust in December 1980 at a cost of Rs 6.85 lakhs. The dredgers were intended to be utilised for the excavation of a diversion channel on the left bank of the Teesta river for diverting the flow of the river through the Teesta Barrage. Further expenditure of Rs 8.15 lakhs was also incurred on special repairs to the dredgers and their transportation to the worksite. The extent to which the dredgers could be utilised on the project and the comparative economies of hiring them from the Port Trust as opposed to their outright purchase were, however, not examined prior to their purchase.

Because of the non-completion of the Barrage, the dredgers could be deployed only more than two years after their procurement. Even thereafter, these were utilised for only 1,146 hours between February 1983 and June 1983 for excavating a pilot channel in the river. Subsequently in May 1984, the Secretary, Irrigation and Waterways Department, instructed that the dredgers should not be utilised for excavation in the Teesta river, reasons for which were not ascertainable from the records made available to Audit. Since the dredgers could not be utilised elsewhere, they remained idle since then.

It was only in November 1990 that the Department decided to return the dredgers to the Port Trust if these could not be immediately utilised in other projects works. Subsequently in January 1991, the Department finally decided that the dredgers could not be utilised in the project and requested the Port Trust to take them back. The Port Trust, however, declined to do so in March 1991. In the meantime, expenditure continued to be incurred on the periodical maintenance and upkeep of the dredgers and for their safe custody, for which separate security arrangements were made by the Department; such expenditure totalled Rs 11.27 lakhs from June 1983 to August 1991.

Procurement of the dredgers without adequate justification based on a proper assessment of their utilisation resulted in an unproductive expenditure totalling Rs 26.27 lakhs on their procurement, transporta-

tion, maintenance, etc. in addition to depreciation and transportation from the worksite, the financial implications of which would be ascertainable only on their final disposal.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

4.16 Avoidable payment of interest

According to the Land Acquisition Act, interest at varying rates is payable on payments of land compensation delayed beyond the date of publication of the acquisition cases in the Gazette. Pending finalisation of the award, the Act also provides for 'on account' payment of 80 *per cent* of the land cost in advance immediately after the concerned Department takes possession of the land.

In 15 land acquisition cases processed by the Executive Engineer, Kangsabati Canals Division-III, which were published in the Calcutta Gazette between November 1973 and December 1988, possession of the lands was taken between April 1973 and December 1981. The Prescribed 'on account' payments were, however, not made to the Land Acquisition Collector immediately thereafter. The final awards totalling Rs 15.42 lakhs in these cases were received by the Division between October 1989 and March 1990 and the compensation was paid between November 1989 and March 1990. Delayed payment of compensation resulted in payment of avoidable interest of Rs 15.99 lakhs.

Failure to ensure the 'on account' payments prescribed in the statute pending finalisation of the awards and the delays ranging 15 months to about 16 years in finalising the awards by the land acquisition authorities thus resulted in an avoidable payment of interest amounting to Rs 15.99 lakhs.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

PUBLIC HEALTH ENGINEERING DEPARTMENT

4.17 Idle investment in construction of staff quarters

The Howrah Division of the Public Health Engineering Department had constructed 58 quarters at 19 sites in Howrah and Hooghly districts between 1980 and 1987 for the operating staff of various water supply schemes. The total investment on the construction of these staff quarters was Rs 30.20 lakhs. None of these staff quarters had, however, been occupied since their construction.

This was attributed by the Divisional Officer to the unwillingness of the staff to occupy the quarters on account of their location and other environmental factors.

The quarters were constructed without ascertaining the demand for them. Further, notwithstanding the fact that there was no demand for the quarters constructed initially in the early 'eighties' and that the necessity therefore could have been reviewed, investments continued to be made till 1987. It was only thereafter that construction of such quarters was discontinued.

Construction of the quarters without adequately establishing the demand and failure to review the necessity therefore even when the quarters constructed initially remained unoccupied resulted in the investment of Rs 30.20 lakhs remaining idle and unfruitful for periods ranging from four to eleven years.

The matter was reported to Government in April 1991; their reply had not been received (June 1992).

4.18 Avoidable additional liability due to delay in acceptance of tenders

Item rate tenders were invited by Electrical Division, Public Health Engineering, Calcutta, in two groups in August 1989 for the supply and laying of high tension cables in an industrial complex at Geonkhali. The Department had estimated that these two groups would cost Rs 37.46 lakhs and Rs 7.64 lakhs respectively. The lowest offers for the two groups received in September 1989 from Contractors 'A' and 'B' were Rs 35.99 lakhs and Rs 7.53 lakhs respectively. Since these offers were not considered reasonable by the Department, a bid was held in October 1989 among all the participating contractors, when the lowest offers were reduced to Rs 29.60 lakhs and Rs 6.30 lakhs respectively and were valid for a period of 30 days only. The offers were, however, recommended for acceptance to the Tender Selection Committee only in December 1989.

The offers not having been accepted within the validity period stipulated, both the contractors withdrew their offers in February 1990. The Tender Selection Committee, therefore, decided to invite fresh tenders. This was done in September 1990 after increasing the quantities in respect of the first group and revising the estimated cost of the group to Rs 46.83 lakhs. In February 1991, the lowest offers of the same contractors 'A' and 'B' were accepted at Rs 42.87 lakhs and Rs 7.25 lakhs respectively and payments of Rs 40.71 lakhs and Rs 7.27 lakhs had been made to the contractors as of March 1991.

Had the bids received initially been accepted within the validity period after a correct assessment of the quantities in respect of the first Group, the work in both the groups could have been entrusted to the two contractors at a total cost of Rs 43.29 lakhs, as against Rs 50.12 lakhs accepted in February 1991. Failure to do so resulted in an avoidable additional liability of Rs 6.83 lakhs besides delaying execution of the work.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

4.19 Non-recovery of surplus materials issued to a contractor

The laying of the distribution system of the Karimpur Water Supply Scheme was entrusted to a contractor in May 1984 at a tendered cost of Rs 1.95 lakhs for completion by November 1984. The contractor did not, however, execute the work as scheduled, and finally abandoned it in October 1985, when work valued at Rs 0.45 lakh only was completed. The contract was terminated after about four years in May 1989 and the security deposit forfeited. The remaining work reestimated to cost Rs 2.08 lakhs, was awarded in January 1990 to a different contractor at a tendered cost of Rs 2.05 lakhs. The work was in progress as of June 1991.

At the time of abandonment of the work by the contractor, pipes and specials costing Rs 12.20 lakhs, issued free of cost by the Department for use in the work, were lying unconsumed with him. Materials valued at Rs 7.89 lakhs were, however, subsequently returned by the contractor between April 1987 and March 1991. Materials valued at Rs 4.31 lakhs or the cost thereof remained, therefore, unrecovered, against which an amount of Rs 0.16 lakh due to the contractor alone could be adjusted.

Scrutiny of the relevant records by Audit revealed that the materials in question were issued in quick succession against eight hand receipts in June 1985 and three hand receipts in September 1985, and that these were issued even after suspension of the work by the contractor in October 1985 against three other hand receipts. The conditions of contract, however, provided that departmental materials should be supplied from time to time only with reference to the actual requirements of the contractor.

Indiscriminate issue of materials in excess of actual requirements when the progress of the work was not satisfactory resulted in surplus materials valued at Rs 4.15 lakhs being retained by the contractor, action for the recovery of which had not been initiated promptly. It

was only in July 1991 that the Chief Engineer, Eastern Zone, was requested by the Divisional Officer to withhold payments, if any, due to the contractor from the Public Health Engineering Directorate.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

4.20 Nugatory expenditure on pay and allowances

Based on a decision of Government, the Tamluk Water Supply Scheme was handed over by the Public Health Engineering Department to the local Municipal Authority in May 1990 for its operation and maintenance. Though all the assets created were handed over in terms of the Government decision, nine operating personnel were retained in the Division since then and an expenditure of Rs 2.98 lakhs was incurred on their pay and allowances as of June 1991.

The Divisional Officer stated (August 1991) that a proposal for the transfer of these personnel was sent to the Superintending Engineer in July 1990, which was still pending.

Failure to transfer the surplus staff resulted in nugatory expenditure of Rs 2.98 lakhs.

The matter was reported to Government in September 1991; their reply had not been received (June 1992).

4.21 Additional liability attributable to departmental lapses

A contract for the supply and installation, by December 1985, of pumping machines in Stage-I of the raw water pumping station at Geonkhali was awarded to a contractor in June 1984 at a cost of Rs 146.10 lakhs. According to the contract, arrangements for storing the equipment near the work site were to be made by the contractor. The equipment were supplied during June 1984 and March 1986. Since the contractor did not make arrangements for storage of the equipment, the Department provided storage facilities free of cost at Basudevpur Headworks.

At the time of installation of the pumping machines subsequently in January 1990, after the related civil works were completed, it was found that some of the equipment were damaged because of prolonged exposure to saline weather conditions. Further, in the course of installation, it became necessary to relocate the auto-transformers (one of the components of the pumping system) to provide a larger area for the motors and starters.

Following these developments, the Department entered into a supplementary agreement with the contractor in January 1990 providing for the payment of Rs 2.34 lakhs on account of (i) transportation of the equipment from Basudevpur Headworks to

the work site (Rs 0.44 lakh), (ii) reconditioning of the damaged equipment prior to installation (Rs 1.78 lakhs), and (iii) relocation of the auto-transformers (Rs 0.12 lakh).

While payment in terms of the supplementary agreement had not been made as of August 1991, had the terms of the contract relating to the storage of the equipment at the contractor's expense been strictly enforced instead of the Department accepting the responsibility in this regard, and had it been ensured that appropriate and proper arrangements were made by the contractor for storage, the expenditure on the reconditioning of the equipment and its transportation to the work site could have been avoided. Similarly, preparation of a proper layout plan *ab initio* for the installation of different components would have obviated the necessity for the relocation of the auto-transformers. Failure to do so resulted in an avoidable additional liability of Rs 2.34 lakhs. The extension of free storage facilities to the contractor was also outside the scope of the contract and constituted an extra-contractual benefit.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

4.22 Loss of Government property

Unutilised pipes and specials (cost: Rs 1.82 lakhs) procured by the Burdwan Public Health Engineering Division in excess of requirements for three water supply schemes completed in March 1983 and March 1988 were left at the work sites. Though security arrangements were made, the materials were stolen between April 1990 and February 1991. Had the excess materials been utilised in other on-going schemes or transferred to stores, the loss of Government property could have been avoided.

While the outcome of the police investigations and the departmental enquiry into the theft were awaited, the Divisional Officer stated (May 1991) that, in the absence of central stores in the districts, the materials had to be kept at the work sites and that these could not be utilised in the absence of demand.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

4.23 Extra expenditure due to delay in finalisation of design

Works relating to the supply, installation and commissioning of a clear water pumping station at Ismile under the Comprehensive Water Supply Scheme for Asansol Municipality was awarded to a contractor in July 1984 at a cost of Rs 33.97 lakhs, for completion by March 1985. The contractor could not undertake the fabrication of the

mild steel manifolds on both the delivery and suction heads due to non-finalisation of the design and lay-out of the pumping machines by the Department. While these were made available only in August 1989, the contractor requested enhancement of the rate for the fabrication of the manifolds on the ground that prices of steel and labour cost had increased in the meantime. Though the contract, to be executed on turn-key basis, contained no escalation clause, the request of the contractor was acceded to in December 1989. A payment of Rs 3.72 lakhs was made for this item of work in July 1990, as against Rs 2.28 lakhs initially accepted.

The work was still in progress as of June 1991 and payments totalling Rs 35.34 lakhs had been made to the contractor till then. Delay in finalisation of the design and lay-out arrangements resulted in an extra expenditure of Rs 1.44 lakhs, apart from a time overrun of over six years in commissioning the scheme.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.24 Expenditure on idle staff

A departmental pick-up van requiring major repairs was lying unutilised in the Barasat Division of the Public Health Engineering Department at Kalyani since March 1988. As the vehicle was not required by the Division, the concerned Superintending Engineer ordered its transfer along with its driver and khalasi to another Division in the same Circle for fruitful utilisation in works under the Ganga Action Plan. The proposed transfer could not, however, be effected even as of June 1991 because the other Division refused to take over the vehicle on the ground that it was not in a running condition and could not be utilised without major repairs, and continued to stall the proposal for the transfer of the vehicle. The driver and the khalasi attached to the vehicle, therefore, remained idle since March 1988, rendering the expenditure of Rs 1.31 lakhs incurred on their pay and allowances till June 1991 unfruitful.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

PUBLIC WORKS (CONSTRUCTION BOARD) DEPARTMENT

4.25 Avoidable extra expenditure attributable to departmental delays

(a) The work of reconstruction of indoor blocks of the Jagatballavpur Primary Health Centre in Howrah district was awarded

to a contractor in October 1983 at his tendered cost of Rs 17 lakhs for completion by January 1985. The Department, however, could hand over the partial layout plan in December 1983, the final layout plan in January 1984 and drawings in February 1984 to the contractor. Further, issue of departmental materials (cement and steel) could also commence only in February 1984. These delays resulted in slow progress of the work.

In April 1985, after executing works valued at Rs 2.79 lakhs, the contractor asked for either an increase of 25 *per cent* over the accepted rates to compensate for escalation in the cost of labour and materials or termination of the contract without imposition of any penalty. In September 1985, the contract was terminated and the security deposit of Rs 0.45 lakh forfeited. In the same month, the contractor preferred a claim of Rs 11.31 lakhs for loss sustained by him due to departmental failure. The case was referred to an arbitrator in March 1987 who awarded Rs 4.98 lakhs in favour of the contractor in August 1988. The award, which was not contested, was subsequently decreed in the High Court in June 1989 and an amount of Rs 5.58 lakhs inclusive of interest was finally paid to the contractor in January 1990.

The balance work was awarded to another contractor in December 1985 at his tendered cost of Rs 18.53 lakhs for completion by December 1987. The work was completed in June 1988 at a cost of Rs 17.41 lakhs, inclusive of additional works valued at Rs 0.39 lakh.

Thus delays in making available the layout, drawings and departmental materials to the contractor for completion of the work within the stipulated time led to an avoidable expenditure of Rs 7.94 lakhs on account of the arbitration award and the higher cost involved in completing the balance work.

The matter was reported to Government in April 1991; their reply had not been received (June 1992).

(b) The construction of a building at Midnapur for the Veterinary Field Assistants Training Institute (estimated cost: Rs 13.85 lakhs) was awarded to a contractor in February 1984 at a tendered cost of Rs 12.80 lakhs, for completion in May 1985. The work commenced only in May 1984, attributable to delays in furnishing the layout and drawings, which were made available in May 1984 and October 1984 respectively. Even thereafter, the progress of the work was not satisfactory due to irregular supply of departmental materials (cement and steel) and by the end of December 1984, work valued at Rs 2.22 lakhs only was completed.

Thereafter, in May 1985, the contractor expressed unwillingness to continue the work beyond the stipulated period and requested termination of the contract without imposition of penalty. The Department, however, issued a notice to the contractor in October 1985 to show cause for suspension of work and non-completion within stipulated period and proposed termination of the contract without penalty later in February 1986, provided that the contractor did not claim any extra payment other than for work actually done and refund of security deposit. The contractor, however, invoked the arbitration clause in the agreement in July 1986, and obtained an award of Rs 0.46 lakh in his favour in July 1989.

The award together with accrued interest totalling Rs 0.52 lakh was paid to the contractor in October 1990. In the meanwhile, the estimate in respect of the balance work was revised to Rs 19.13 lakhs and the work was got completed in June 1989 at a cost of Rs 17.82 lakhs by engaging another contractor in March 1987.

Delays on the part of the Department in making available the layout, drawings and departmental materials thus resulted in the work not being executed according to the stipulated schedule, involving avoidable litigation and necessitated reward of the incomplete work at a higher cost. This led to an avoidable additional expenditure of Rs 7.76 lakhs.

The Divisional Officer stated (November 1990) that enhancement of the cost could not be avoided because the gap between the first and second tender was more than three years and that the materials could not be supplied in time due to reasons beyond the control of the Department. The reply was, however, contrary to the stand taken by the Department themselves before the arbitrator that materials were issued to the contractor from time to time based on his actual requirements and their consumption in the work. Further, had the departmental delays been avoided, the necessity for the revision of the estimate during 1986-87 and the consequential increase in cost in completion of the balance work would not have arisen.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

4.26 Avoidable additional expenditure

In January 1981 a Public Works Division was assigned the work of extension of a college laboratory building in Hooghly District by the Education Department as a deposit work estimated to cost Rs 10.73 lakhs. For this purpose, an initial non-recurring grant of

Rs 2 lakhs was released to the college for being deposited with the Public Works Division. The balance funds were to be deposited in instalments with reference to the progress of the work.

The work valued at Rs 7.97 lakhs was awarded to a contractor in October 1981 at a cost of Rs 8.05 lakhs for completion by October 1982. The contractor who commenced the work in October 1981 was, however, directed by the Division in September 1982 to stop the work because of paucity of funds. Work valued at Rs 2.42 lakhs had been executed by then and an amount of Rs 1.61 lakhs was paid to the contractor in February 1983. In May 1983, the contractor sought termination of the contract on the ground that cost of labour and materials had increased in the meantime. The contract was terminated in May 1984 without imposing any penalty, when a sum of Rs 0.81 lakh was still due to be paid to the contractor.

In July 1985 the contractor went in for arbitration claiming compensation for the loss sustained by him on account of maintenance of idle labour. The arbitrator awarded a sum of Rs 2.75 lakhs in October 1988, which was subsequently decreed by the Calcutta High Court in May 1989. The amount, along with interest of Rs 0.53 lakh was paid in February 1991.

The balance work was awarded to another contractor in March 1990 at a cost of Rs 5.57 lakhs for completion by September 1990. The extra cost compared to the original contract on account of higher rates worked out to Rs 1.58 lakhs. The work was in progress (April 1991).

Audit scrutiny revealed the following:—

(a) Though the college authority had made available a cheque for Rs 2 lakhs to the Division in March 1981 as an initial deposit, the Division did not adjust the amount in its account and remit the cheque to the bank. Consequently, the cheque became timebarred and another cheque in lieu thereof was received only in January 1983.

(b) Contrary to the provision contained in the Public Works Accounts Code, the work was taken up for execution by the Division during the year 1981-82 even in the absence of a deposit from the college.

(c) Additional funds for the execution of the work were not made available by the college till March 1984, when a sum of Rs 1.29 lakhs only was released and the question of termination of the contract was already under consideration.

(d) Even after the termination of the contract in May 1984, funds for the work continued to be made available only intermittently, and deposits totalling Rs 10.92 lakhs were received between March

1986 and March 1990 (March 1986: Rs 8 lakhs; February 1988: Rs 1 lakh; and March 1990: Rs 1.92 lakhs) affecting adversely the planned execution of the work and the timely settlement of the dues of the first contractor.

In this milieu, Government had to incur an avoidable additional liability of Rs 4.05 lakhs, attributable to (i) the failure to ensure availability of funds in a planned manner with reference to the progress of the work, (ii) the delays of a year in terminating the first contract and of nearly six years thereafter in awarding the balance work to another contractor, which had an inevitable impact on costs, and (iii) the inaction on the part of the Division from September 1982 in ensuring the timely resumption of the work and in settling the dues of the contractor leading to arbitration. The completion of the extension to the laboratory building had also been delayed for over 8 years denying the intended facilities to the students of the college.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

4.27 Unproductive investment on upgradation of Public Health Centre

The construction of buildings for upgradation of the 15-bed Public Health Centre at Burwan in Murshidabad District to a 30-bed Rural Health Centre was completed in all respects at a cost of Rs 56.81 lakhs between February 1984 and May 1988. Though the Health and Family Welfare Department was requested several times to take the possession of the buildings by 31st December 1988, they, however, did not respond because the power connection to the buildings had not been given by the West Bengal State Electricity Board though payment was made to the Board in August 1988.

The service connection was subsequently made available between January and March 1991. The buildings were not taken over by the Health and Family Welfare Department even thereafter because one of the pumps was not installed by the Electrical Division of the Public Works (Construction Board) Department by then. The buildings had not consequently been taken over as of November 1991. The Division had, therefore, to make arrangements for watch and ward of the buildings since January 1989. Expenditure on this account for the period from January 1989 to November 1991 was Rs 2.79 lakhs.

The delay initially in obtaining the power connection and in the installation of the pump thereafter resulted in the investment of Rs 56.81 lakhs on the upgradation of the Public Health Centre

remaining unproductive for more than 44 months, defeating the objective of upgradation. This also necessitated an avoidable expenditure of Rs 2.79 lakhs on watch and ward arrangements as of November 1991.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.28 Non-recovery of cost of materials

Works relating to the construction of the Service Dispensary, Casualty Block, Stores and Administrative Block of a 300-bed E.S.I. Hospital at Thakurpukur were awarded to a contractor in July 1984 at a cost of Rs 32.18 lakhs to be completed by January 1986. Though the works commenced in July 1984 itself, the contractor failed to execute them according to schedule despite several notices. The work was totally suspended from February 1987. The contract was finally terminated in October 1987 and the security deposit of Rs 0.74 lakh forfeited. A total payment of Rs 19.61 lakhs had been made upto July 1986, while the final bill of the contractor for Rs 0.30 lakh had not been paid as of March 1991.

At the time of suspension of the work by the contractor, a sum of Rs 1.93 lakhs, representing the cost of cement, steel and bricks issued to him during 1985 and 1986 had not been recovered. Though this should normally have been recovered from the running account bills of the contractor paid from time to time, this was not done because the materials were issued by the sub-divisional officer without the knowledge of the Divisional Officer to facilitate periodical recoveries. Further, materials valued at Rs 0.18 lakh were issued in March 1987 after the contractor had suspended execution of the work.

As against the total outstanding of Rs 2.11 lakhs, recovery of Rs 0.30 lakh only would be possible from the pending final bill of the contractor. Thus, failure to effect proportionate recoveries from time to time in the running account bills and issue of materials even after the works had been suspended—which were indicative of inadequate control—are likely to result in a loss of Rs 1.81 lakhs.

The matter was reported to Government in April 1991; their reply had not been received (June 1992).

4.29 Additional liability due to non-acceptance of tender within validity period

Tenders for the construction of a hospital building, including sanitation and plumbing, to enable the upgradation of the Public Health Centre at Amarkan in Bankura District to a Rural Hospital at

an estimated cost of Rs 16.75 lakhs based on the Schedule of Rates for the year 1988-89 were invited during 1988-89. Four tenders were received on 23rd August 1988. Acceptance of the lowest offer of Rs 15.25 lakhs (8.97 *per cent* below the estimate) was communicated to the contractor on 24th November 1988. The contractor refused to execute the work on the ground that his tender had not been accepted within the stipulated validity period of three months. After obtaining legal opinion, the Division discharged the tender and refunded the earnest money to the contractor in October 1989.

The estimates were thereafter revised to cost Rs 19.31 lakhs on the basis of the schedule of rates for the year 1989-90 and the work was awarded to another contractor in January 1990 at a tendered cost of Rs 20.25 lakhs (4.85 *per cent* above the estimate). The work was in progress as of September 1990.

Non-acceptance of the earlier offer by the Department within the validity period of three months resulted in an additional liability of Rs 5 lakhs.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

PUBLIC WORKS DEPARTMENT

4.30 Avoidable additional liability attributable to defective estimation

(a) A contract for the construction of two fire stations at Balurghat, including sanitary and plumbing works, (estimated cost: Rs 24.99 lakhs), was awarded to a contractor in December 1987 at the tendered cost of Rs 22.17 lakhs for completion by May 1989.

In the course of execution of the work, the Divisional Officer considered it necessary in November 1988 to construct an approach road, including a culvert, with brick metal consolidation to facilitate the construction of the fire stations. Further, the filling of the compound of the two fire stations with earth had also been considered necessary so as to ensure that it was of the designed level. These additional works were also awarded to the contractor at a cost of Rs 3 lakhs in terms of a supplemental agreement executed for the purpose.

As of January 1990, the contractor had completed the earth filling of the compound, the approach road and part of the structural works at a cost of Rs 25.08 lakhs. Construction of the pump house and the sanitary and plumbing works had not, however, been completed by then. Though the contractor was willing to execute these works at his tendered rates, and this would have involved an

additional payment of Rs 5.19 lakhs only, his offer was not accepted by the Department on the ground that the payments already made to the contractor had exceeded the value of the tender. The contract was, therefore, closed by the Department.

The estimate in respect of the works not completed by the contractor was revised to Rs 11.50 lakhs; these works were entrusted to another contractor in December 1990 at his tendered cost of Rs 11.62 lakhs and were in progress as of October 1991.

That the necessity of the infrastructure works to facilitate the construction of the fire stations was recognised only in November 1988, nearly a year after the work was awarded, would indicate that the initial estimation of the requirements was defective. The defective estimation, combined with the failure to permit the contractor in January 1990 to execute the incomplete works at his quoted rates—which would not appear to have been judicious—resulted in an avoidable additional liability of Rs 6.43 lakhs.

The Divisional Officer stated (December 1990) that another contractor was engaged because the execution of works beyond the approved cost would have required the sanction of Government.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

(b) Construction of multistoreyed buildings at Block "J" of Calcutta Improvement Trust Scheme No. VII near Bidhan Sishu Udyan for Calcutta Police personnel (estimated cost: Rs 79.88 lakhs) was awarded to a contractor in October 1986 at his tendered cost of Rs 81.88 lakhs for completion by October 1987. Due to changes in the detailed drawings, actual quantities of different items of work exceeded those provided in the bill of quantities. These excesses in respect of about 65 items relating to sand filling, cement concrete, steel reinforcement, shuttering, brickworks, steel window panels and reinforced concrete shelves ranged between 10 *per cent* and 294 *per cent*. As a result, after executing works valued at Rs 83.13 lakhs till April 1989, the contractor expressed unwillingness in August 1989 to continue the work further at his quoted rates. As the value of the work done by him already exceeded the tendered cost, the contract was treated as closed and the contractor was paid finally in December 1990.

The remaining work, estimated to cost Rs 25.26 lakhs, was awarded to the same contractor in May 1990 at a tendered cost of Rs 26.56 lakhs. The work was almost complete as of June 1991, except for painting, whitewashing and colour washing which were to be taken up later before handing over the buildings to the Police

Department. While the value of work executed till then amounted to Rs 21.93 lakhs, had these works been executed in terms of the earlier contract of October 1986, a sum of Rs 17.10 lakhs alone would have been payable.

Failure to assess the quantities involved based on proper drawings resulted in an avoidable additional liability of Rs 4.83 lakhs.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

(c) The construction of a two storeyed school building, excluding sanitary and plumbing works, in the campus of Jenkin's School in Coochbehar District (estimated cost: Rs 14.12 lakhs) was entrusted to a contractor in September 1988 at his tendered cost of Rs 11.16 lakhs (21 *per cent* below the estimate). The work was to be completed by June 1989.

As of July 1990, 75 *per cent* of the ground floor, 60 *per cent* of the first floor and certain ancillary works, totally valued at Rs 13.08 lakhs, alone had been completed. The work was nevertheless treated as having been completed in the context of the fact that the value of the work executed till then was in excess of the tendered cost. The increase in cost was attributable to (i) revision of the specifications of the walls during execution, which resulted in an increase in their thickness, and (ii) increase in the quantities of certain other items of work necessitated by their having been underestimated initially.

The estimate in respect of the balance structural works was subsequently revised to Rs 10.56 lakhs at current rates. These were awarded to another contractor in July 1990 at 4.94 *per cent* above the estimate, and were in progress as of December 1990.

Failure to initially determine the thickness of the walls correctly and defective estimation of the quantities resulting in the preparation of an incorrect estimate thus led to an avoidable additional liability of Rs 2.74 lakhs.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.31 Extra expenditure attributable to departmental delays

Construction of the structural portion of a 120-bed sub-divisional hospital at Mekhlignunj (estimated cost: Rs 33.39 lakhs) was awarded to a contractor in May 1983 at the tendered cost of Rs 30.86 lakhs, for completion by November 1984.

The site on which the hospital was to be constructed could not, however, be handed over to the contractor immediately thereafter because of the necessity to demolish an existing structure thereon

belonging to the Health and Family Welfare Department. That Department was approached only in November 1983 for its demolition, following which the work commenced in December 1983.

The progress of the work was also retarded due to delays in making available working drawings, the first set of which were furnished by the Department in September 1983, and departmental materials. Consequently, the contractor was able to complete only the casting of the roof of the ground floor by August 1985 at a cost of Rs 19.46 lakhs. He was unwilling to execute further work at the rates initially quoted by him on the ground that labour and material costs had increased in the meantime. The contract was, therefore, terminated in September 1985 without any financial repercussions.

After increasing the quantities in respect of certain items and including certain additional items not provided for in the original contract, the remaining work was awarded to the same contractor in October 1985. This was completed in September 1989 at a cost of Rs 29.96 lakhs.

Scrutiny of the final bill of the contractor revealed that, of the payments totalling Rs 29.96 lakhs, a sum of Rs 13.90 lakhs related to items of work valued at Rs 8.10 lakhs which had been included in the original contract, while the balance was attributable to the additional items and increased quantities provided for in the second contract.

Departmental delays in making available the site, working drawings and materials to the contractor resulted in an avoidable extra expenditure of Rs 5.80 lakhs in respect of the items of work and quantities envisaged in the original contract. The provision of hospital facilities in the sub-division was also delayed by nearly five years in the process.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.32 Infructuous expenditure on a diversion road

The construction of a single lane RCC slab culvert at the 16th kilometre of the Panagarh-Ilambazar road in Burdwan District was awarded to contractor by Burdwan Division-II, Public Works Department in December 1988 at a cost of Rs 2.58 lakhs. Subsequently in May 1989, the construction of a diversion road, using *jhama* metal¹ with *moorum* consolidation, to facilitate the construction of the culvert was also entrusted to the same contractor at a cost of Rs 0.23 lakh. The construction of the culvert was to be completed in 3 months.

¹Jhama metal—Overburnt brick bats.

While the construction of the culvert had not been taken up as of June 1989, payment of Rs 1.32 lakhs was made to the contractor during June-July 1989 on completion of the diversion road. Work on the culvert was suspended by the Division in June 1989 on being informed by the Public Works (Roads) Directorate in May 1989 that a larger scheme for the improvement of the Panagarh-Ilambazar road had been taken up by them during 1988-89 under the Asian Development Bank Financing Programme, which envisaged the construction of a dual lane bridge at the site where the culvert was proposed to be constructed. The work was also abandoned thereafter and the contract was terminated in February 1990 without any financial liability to the contractor.

Considering the fact that the larger scheme for improvements to the road had been taken up during 1988-89 itself, had effective coordination between the Public Works Department (responsible for the construction of the culvert) and the Public Works (Roads) Directorate (responsible for improvements to the road) been ensured, the infructuous expenditure of Rs 1.32 lakhs incurred on the construction of the diversion road could have been avoided.

While admitting lack of prior knowledge of the plans of the Roads Directorate, the Divisional Officer stated (February 1990) that the road already constructed would be useful for the diversion of traffic in future when the construction of the dual lane bridge was taken up. However, apart from the fact that the construction of the bridge had not commenced as of October 1991, the road, constructed with *jhama* metal and *moorum*, was intended to cater only to the immediate requirements of temporary diversion of traffic during the period of three months involved in the construction of the culvert. In the circumstances, the possibility of the diversion road surviving the impact of three monsoons and being fit for vehicular traffic without further investments would appear to be remote.

The matter was reported to Government in May 1991; their reply had not been received (June 1992).

PUBLIC WORKS (ROADS) DEPARTMENT

4.33 Overpayment of escalation charges

The agreement for the construction of a bridge over river Mujnai at km 19 of the Dhupguri-Falakata Road (Jalpaiguri District), which was awarded to a contractor in July 1987 at a cost of Rs 64.74 lakhs, included an agreed formula for payment of escalation charges on account of increase in the cost of labour, materials and POL.

The work was completed in August 1989 and Rs 97.41 lakhs (including Rs 18.69 lakhs on account of escalation) were paid to the contractor in March 1990.

Audit scrutiny of the payments in June 1990 revealed that the escalation charges admissible were not computed correctly with reference to the formula prescribed for the purpose, resulting in an excess payment of Rs 6.65 lakhs.

On the mistake being pointed out by Audit, the excess payment was recovered from the contractor in March 1991.

4.34 Defective work leading to infructuous expenditure

Following the collapse of two spans of a timber bridge at km 1 of the Coochbehar-Baneswar-Alipurduar Road on 22nd June 1988, emergent restoration work was entrusted to a contractor on 25th June 1988 at a cost of Rs 2.72 lakhs through a spot bid held on 24th June 1988. The work, involving dismantling of the timber bridge, replacement of unserviceable old wood with new wood and other ancillary works, was completed in July 1988 at a cost of Rs 2.36 lakhs including cost of departmental materials valued at Rs 0.13 lakh.

Scrutiny of the relevant records revealed that there was no timber bridge at km 1 of the road, though there was a timber bridge at km 2 instead. While confirming this fact, the Executive Engineer stated (March 1990) that the location of the bridge was inadvertently shown as km 1 in the bid notice instead of km 2.

Further scrutiny by Audit, however, disclose that emergent repair involving the dismantling of the bridge, replacement of about 50 *per cent* of the wooden structures with new wood and other ancillary works, to the timber bridge at km 2 had, in fact, been entrusted to the same contractor only a few days earlier between 30th May 1988 and 13th June 1988 under a separate contract at a cost of Rs 1.46 lakhs (27.95 *per cent* below the estimated cost of Rs 2.39 lakhs). That the bridge collapsed so soon after the emergent repairs were undertaken during May-June 1988 necessitating further repairs and restoration of almost similar magnitude in July 1988, involving an expenditure of Rs 2.36 lakhs would appear to indicate that the specification or the works executed initially were defective.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.35 Extra expenditure attributable to defective design

Construction of a box culvert, in replacement of an old damaged arch culvert, over a nullah at km 1 of the Malda Municipal Link Road

was completed in July 1988 at a cost of Rs 2.89 lakhs. Within a month of its completion, the wing walls of the culvert constructed at a cost of Rs 0.70 lakh, collapsed. The collapse of the culvert was attributed (March 1991) by the Divisional Officer to the ingress of flood waters from the Mahananda river into the nullah, which resulted in the impounding of water on the floor of the culvert for prolonged periods leading to extra pressure on the wing-walls.

In order to arrest further damage to the culvert, emergent temporary protective works were executed at a cost of Rs 0.51 lakh in September 1988 pending reconstruction of the damaged walls. With a view to preventing recurrence of such damage, the wing walls were reconstructed in June 1989 on the basis of a revised drawing at a cost of Rs 2.29 lakhs. Construction of the culvert *ab initio* on the basis of this drawing would have involved an expenditure of Rs 1.48 lakhs only. Besides, some protective works were also undertaken at a cost of Rs 0.32 lakh to safeguard the approach slab during reconstruction of the wing walls.

The outfall of the nullah over which the culvert was constructed was in the Mahananda river. The old arch culvert was damaged beyond repair by floods in 1987. The flood hazard was, therefore, well known to the Department. Had the Department taken proper care in finalising the design and specifications initially, the extra expenditure of Rs 2.34 lakhs could have been avoided.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.36 Extra expenditure due to delayed clearance of site

The construction of a portion of the approach to Kalyani Bridge on the Bansberia side was entrusted to two contractors in November 1988 at an aggregate tendered cost of Rs 14.25 lakhs for completion by May 1989.

A structure and a tree fell within the alignment of the approach which had to be removed before handing over the site to the contractors. Though the removal of the tree was permitted in July 1986, the Department took over two years to invite and finalise bids for its auction and removal along with the structure. Consequently, the site could be cleared and handed over to the contractors only in April 1989.

The agreements with the contractors stipulated, *inter alia*, cinder compaction over embankment constructed with 10,412 cubic metres of fly ash, costing Rs 27.65 per cubic metre to be collected from the ash-pond of Bandel Thermal Power Plant. However, because of the

delay in getting the site, the contractors could collect only 7,885.19 cubic metres of fly ash as the ash-pond was closed in June 1989. The balance requirement was substituted by 2,526.81 cubic metres of cinder costing Rs 130.37 per cubic metre.

Failure of the Department to take timely action to clear and hand over the site resulted in an avoidable extra expenditure of Rs 1.82 lakhs.

Government, to whom the matter was reported in April 1991, accepted the extra expenditure due to delay in clearing the site in October 1991 and stated that the delay occurred because of opposition, on account of sentimental reasons, of the local people to the removal of the tree and a temple constructed under it.

GENERAL

4.37 Vouchers not furnished

Year-wise and department-wise analysis of payment vouchers for Rs 73.75 lakhs not furnished to Audit to the end of June 1991 is indicated below:

(i) Department-wise analysis

Department	Number of items	Amount (Rupees in lakhs)
Public Works	18	3.61
Public Works (Construction Board)	21	3.70
Public Works (Roads)	26	1.72
Agriculture (Minor Irrigation)	5	0.52
Public Health (Engineering)	16	64.20
Total:	86	73.75

(ii) Year-wise analysis

Year	Number of items	Amount (Rupees in lakhs)
1987-88	15	5.74
1988-89	40	63.53
1989-90	8	0.67
1990-91	23	3.81
Total:	86	73.75

4.38 Review of works expenditure

Under the financial rules, no work can be commenced or liabilities incurred until a detailed estimate is sanctioned. In case the expenditure is likely to exceed the sanctioned estimates by more than 5 per cent, a revised estimate is required to be sanctioned. Review of 289 monthly accounts of March 1991 revealed that expenditure on 153 works was incurred without sanctioned estimate. Further, sanction to revised estimates was not obtained in respect of 129 other works though the expenditure on these works exceeded 5 per cent of the sanctioned estimates. The departmentwise details are indicated below:

Department	Expenditure incurred without sanctioned estimate		Expenditure incurred on works in excess of sanctioned estimates by more than 5 per cent		
	Number of works	Expenditure up to March 1991 (Rs in crores)	Number of works	Total amount of sanctioned estimate up to March 1991 (Rs in crores)	Excess expenditure up to March 1991 (Rs in crores)
1	2	3	4	5	6
1. Irrigation and Waterways	39	69.08	4	4.73	1.36
2. Public Works (Roads)	43	43.67	57	44.60	33.91
3. Public Works	25	32.60	22	14.25	4.98
4. Public Health Engineering	19	20.95	28	12.00	7.30
5. Metropolitan Development	9	14.32	—	—	—
6. Public Works (Construction Board)	8	6.06	4	2.05	0.29
7. Agriculture (Minor Irrigation)	5	5.51	1	0.71	0.12
8. Housing	5	3.50	13	7.47	3.16
Total:	153	195.69	129	85.81	51.12

Particulars of 15 works costing rupees one crore and more which were taken up without sanctioned estimates are contained in Appendix 16.

The matter was reported to Government in August 1991; their reply had not been received (June 1992.).

4.39 Outstanding inspection reports

Audit observations on financial irregularities and defects in initial accounts noticed during local audit and not settled on the spot are communicated to the Heads of Offices and to the next higher departmental authorities through Audit Inspection Reports. The more important irregularities are reported to the Heads of Departments and Government. Government have prescribed that first replies to Inspection Reports should be sent by the Heads of Offices to the respective Heads of Departments, within three weeks from the date of receipt of the Inspection Reports. They are required to transmit such explanations along with their comments to the Accountant General within two months from the date of receipt of the explanations from their subordinate officers. This prescribed time-bound procedure had not, however, been adhered to and there were heavy outstandings in the receipt of replies to Inspection Reports.

At the end of June 1991, 2,949 Inspection Reports issued up to December 1990 and containing 20,567 paragraphs had not been settled. The corresponding position in the preceding two years was as follows:

	As at the end of June		
	1989	1990	1991
Number of Inspection Reports	2,662	2,793	2,949
Number of Paragraphs	19,736	20,548	20,567

The year-wise break up of the Inspection Reports outstanding as of June 1991 was as follows:

Year	Number of Inspection Reports	Number of Paragraphs
Up to 1986-87	1,869	11,526
1987-88	231	1,427
1988-89	282	2,056
1989-90	284	2,763
1990-91	283	2,795
	<hr/> 2,949	<hr/> 20,567

Audit Committees comprising the Secretaries of the Administrative Departments, Joint Secretary (Finance) and Deputy Accountant General (Works) were constituted for the expeditious settlement of outstanding Inspection Reports. The committees in respect of four Departments¹ held in all 10 meetings during 1990-91, which enabled the settlement of 8 Inspection Reports and 175 Paragraphs.

Detailed analysis of the position of outstanding Inspection Reports relating to two Departments revealed that 661 Inspection Reports containing 4,570 Paragraphs issued up to December 1990 had not been settled till the end of June 1991 as indicated below:

Department	Number of Inspection Reports	Number of Paragraphs not settled	Year to which earliest outstanding Paragraphs relate
Agriculture (Minor Irrigation)	291	2,041	1973-74
Public Works (Roads)	370	2,529	1972-73
Total:	<u>661</u>	<u>4,570</u>	

Further analysis of 331 Inspection Reports pertaining to the period from 1972-73 to 1990-91 revealed that 845 Paragraphs involving an amount of Rs 5,528.33 lakhs related to the following types of irregularities:

Nature of irregularity	Number of cases noticed in the Department		Money value (Rs. in lakhs)
	Agriculture (Minor Irrigation)	Public Works (Roads)	
1. Expenditure incurred without sanction of Government/ administrative approval	90	46	2,395.58
2. Infertuous/avoidable/irregular expenditure	163	74	1,342.50
3. Extra expenditure due to non-acceptance of lowest tender and non-observance of other conditions of contract	70	17	459.90

¹Development and Planning Department; Housing Department; Public Works (Roads) Department; and Public Works Department.

Nature of irregularity	Number of cases noticed in the Department		Money value (Rs. in lakhs)
	Agriculture (Minor Irrigation)	Public Works (Roads)	
4. Withdrawal of Government money to avoid lapse of budget grant/ blocking of Government money	25	16	329.19
5. Non-disposal of unserviceable materials/articles lying in stock/stores	36	38	332.80
6. Shortages/losses not recovered/written off	154	13	456.35
7. Non-recovery of dues from contractors/suppliers/employees	78	25	212.01
Total	616	229	5,528.33

These irregularities had been persisting even after they had been pointed out in successive Inspection Reports. In the absence of prompt action on the irregularities highlighted in the Inspection Reports, the possibility of loss of Government money, frauds, misappropriation, etc. remaining undetected cannot be ruled out.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

4.40 Cash Settlement Suspense Account

In terms of the Central Public Works Accounts Code, transactions relating to services rendered or supplies made by one division to another were debit to the originating divisions to the head of account "Public Works Remittances—Transfer between Public Works Officers" till 1966-67. Such debits were cleared by book adjustment on receipt of the acceptance of debit from the responding divisions. With the introduction in 1967-68 of a revised procedure for such transactions, adjustment by book transfer was replaced by monetary settlement in order to prevent accumulation of unadjusted balances under the Remittance head.

According to the revised procedure, the originating division (i.e. the division rendering services or supplying materials) should send claims in the prescribed form to the responding Division debiting the transactions under the head "Cash Settlement Suspense Account". The

claim should include all transactions relating to services rendered or supplies made as posted in the divisionwise register of transactions. Immediately on receipt of the claim from the originating division, the responding division should despatch the cheque/Bank Draft within 10 days after completing detailed verification well within this period. On receipt of payment, the originating division should clear the head "Cash Settlement Suspense Account" by credit to that head. There should be no balance under this head of account at the close of any year if the accounting procedure is properly implemented and is strictly adhered to.

(a) Due to delays in settlement of claims, the balance under the Suspense head of account had been increasing substantially as would be evident from the following table:

Year	Balance
(Rupees in crores)	
Upto	
1986-87	134.09
1987-88	142.63
1988-89	162.91
1989-90	187.56

(b) Though the transactions under Cash Settlement Suspense Account commenced in 1967-68, bulk of the inter-divisional transfers continued to be accounted for under the "Public Works Remittance" head by various divisions. The balance outstanding under this head of account to the end of 1989-90 was Rs 56.56 crores as shown below:

Year	Balance
(Rupees in crores)	
Upto	
1967-68	23.82
1978-79	45.92
1984-85	51.35
1988-89	56.56
1989-90	56.56

The revised system of accounting was introduced without transfer of the balance under "Public Works Remittance".

(c) An analysis of the outstanding balance at the end of 1989-90 revealed that no transactions occurred in 102 of the 337 Divisions, while the prescribed account of outstanding balances was awaited from 19 Divisions. In the absence of complete details, the balance according to the accounts maintained in the Accounts Office was not susceptible of verification. An analysis of the outstanding balances relating to the remaining 216 Divisions is contained in the following table:

Department	Balance under Resources Divisions*	Outstanding balances relating to other Divisions		Total balance	Percentage of State outstanding balance
		above Rs 50 lakhs	less than Rs 50 lakhs		
(Rupees in crores)					
Irrigation & Waterways	40.28 (3)	16.31 (8)	6.32 (49)	62.91 (60)	34
Public Works	52.38 (2)	3.41 (5)	11.98 (41)	67.77 (48)	36
Public Works (Roads)	12.96 (2)	6.53 (9)	5.56 (36)	25.05 (47)	13
Public Health Engineering	13.43 (1)	—	3.00 (22)	16.43 (23)	9
Public Works (Construction Board)	3.35 (1)	—	0.91 (15)	4.26 (16)	2
Agriculture (Engineering)	—	2.16 (1)	0.16 (09)	2.32 (10)	1
Housing	—	—	1.04 (08)	1.04 (8)	0.55
Others	—	—	1.21 (01)	1.21 (4)	0.65
Total	122.40 (9)	28.41 (23)	30.18 (181)	180.99 (216)	

Note: Figures within parentheses represent number of Divisions.

*Centralised procurement Divisions.

The balance in the 9 Centralised procurement Divisions accounted for 65 per cent of the balance of Rs. 187.56 crores reflected in the account. Further details are shown below:

Procurement Division	Balance	Number of beneficiary Division	
		above Rs 50 lakhs	less than Rs 50 lakhs
		(Rupees in crores)	
Resources-I Public Works	43.30	22.11 (14)	21.19 (19)
Teesta Resources-II Irrigation & Waterways Department	20.50	12.98 (1)	7.52 (N.A.)
Teesta Resources-I Irrigation & Waterways	17.80	14.99 (7)	2.81 (6)
Resources Public Health Engineering	13.43	8.44 (10)	4.99 (23)
Resources-I Roads	12.10	7.62 (9)	4.48 (27)
Workshop Electrical Public Works	9.08	6.16 (8)	2.92 (12)
Resources & Mechanical (Construction Board)	3.35	0.93 (1)	2.42 (23)
Kangsabati Mechanical	1.98	—	1.98 (43)
Resources-II Roads	0.86	—	0.86 (24)
Total	122.40	73.23 (50)	49.17

Note: Figures within parentheses represent number of Divisions.
N.A.—Not available.

The foregoing analysis would reveal that the accumulated balance has been due to inter-divisional transfer on account of procurement of materials, etc. Some of the Divisional Officers

attributed the progressive accumulation of balance to non-availability of Letters of Credit. The replies furnished by the Divisional Officers were not convincing in view of the fact that, while making payments for different works, the liability on account of the cost of materials covered by the CSS Account should have also been discharged as in the case of other liabilities relating to contractors and suppliers.

(d) A review of the Cash Settlement Suspense Account of the Teesta Barrage Project revealed that the outstanding balance of the Project alone amounted to Rs 53.53 crores till 1989-90. Test-check of the records in 14 Divisional Offices of the Project revealed that the following irregularities primarily contributed to the non-settlement of claims:

(i) Between April 1985 and March 1987, the Teesta Resources Division-II preferred claims totalling Rs 515.42 lakhs against the Teesta Resources Division-I on account of supply of materials. Of this amount, claims amounting to Rs 218.57 lakhs were verified and those for the balance amount of Rs 296.85 lakhs were awaiting settlement. The non-settlement of the claims was attributed (December 1989) to delays in their verification at the sub-Divisional level and shortage of funds.

(ii) Three Divisions of the Teesta Barrage Project supplied materials valued at Rs 398.35 lakhs to different Divisions between March 1979 and March 1989, but no claims were preferred even as of December 1989.

Division-wise details were as follows:

Name of the Originating Division	Period of supply	Value of materials supplied but claims not raised
(Rupees in lakhs)		
(a) Mahananda Barrage Division	July 1980 to March 1989	391.41
(b) Teesta Resources Division-II	March 1979	1.38
(c) Teesta Mechanical Division	July 1980 to February 1987	5.56

The Divisional Officer, Mahananda Barrage Division, stated (December 1989) that the claims could not be preferred because many hand receipts in support of delivery of the materials were not traceable.

(iii) The Teesta Resources Division-II preferred two claims amounting to Rs 41.05 lakhs between August 1982 and October 1982 against the Teesta Barrage Division-I for supply of 768.480 tonnes of steel materials. In August 1984, the Teesta Barrage Project Division-I returned the claims because they were not supported by relevant hand receipts in token of receipt of materials. These two claims were yet to be disposed of by the Teesta Resources Division-II (December 1989).

(iv) Two claims for supply of 271.148 tonnes of steel materials and M.S. plates amounting to Rs 13.18 lakhs were raised between January 1982 and April 1982 and in November 1987 by the Teesta Resources Division-II against the Mahananda Barrage Division. The latter Division paid this amount to the Teesta Resources Division-II subject to verification of the actual quantity of materials received. Consequently, the amount was kept in the "Miscellaneous P.W. Advance" and the clearance of the Cash Settlement Suspense Account remained outstanding.

Delays on the part of the originating Divisions in preferring claims and on the part of the responding Divisions in verifying such claims, defective raising of claims without proper documentation, reluctance in clearance of claims in time, etc. led to accumulation of outstanding balances under the suspense head of accounts. The objective of settling claims within ten days to prevent accumulation of outstanding balances was thus frustrated. Besides, the continued outstanding balance since 1980-81 under the Cash Settlement Account resulted not only in the expenditure not being accounted for under the final heads but also rendered difficult verification of actual receipt of materials with passage of time, facilitating likely misappropriation and/or unauthorised and irregular transfer of materials.

On those points being brought to the notice of the concerned administrative departments of Government in September 1991, the Public Works Department stated (November 1991) that a committee constituted in June 1991 to recommend measures for the settlement of the outstanding balances had submitted its report in July 1991, which was under consideration. Replies from the other 6 Departments¹ had not been received (June 1992).

¹Irrigation and Waterways, Public Works (Roads), Public Works (Construction Board), Housing, Public Health Engineering, Agriculture (Minor Irrigation).

CHAPTER V

STORES AND STOCK

IRRIGATION AND WATERWAYS DEPARTMENT

5.1 Loss on procurement of bitumen

Purulia Irrigation Division procured 189 tonnes of bitumen between March and August 1981 at a cost of Rs 4.61 lakhs for use in various works of Irrigation Colonies and Schemes. Total quantities of 122 tonnes was utilised up to July 1985 and 18.30 tonnes was consumed between March 1986 and February 1988 in these schemes. The remaining quantity of 48.70 tonnes (cost: Rs 1.19 lakhs) could not, however, be utilised even up to July 1991 in the absence of any other work involving the use of bitumen in the Division. There was also no demand from other offices. The Divisional Officer had also expressed doubts in July 1991 about the quality of the bitumen following its prolonged storage for more than 10 years.

Procurement of large quantities of bitumen without a proper assessment of requirements resulted in the blocking of funds for periods ranging between four and ten years and a likely loss of Rs 1.19 lakhs attributable to the deterioration of 48.70 tonnes of bitumen due to prolonged storage.

The matter was reported to Government in July 1991; their reply had not been received (June 1992).

URBAN DEVELOPMENT DEPARTMENT

5.2 Loss due to prolonged storage of materials

Twenty-nine items of stores (spare parts of road rollers and other machinery, transformer oil, grease, etc.) purchased between 1969 and 1979 at a total cost of Rs 1.27 lakhs by the Central Mechanical Division were never issued or utilised till April 1988. These stores were surveyed during March and May 1983 and declared as being unserviceable due to prolonged storage. They were, however, disposed of by public auction only in May 1988 at the highest bid of Rs 0.05 lakh then received.

Defective store management led to an unusual delay of 4 to 14 years in identifying unnecessary materials and another 5 years thereafter for disposal resulting in loss of Rs 1.22 lakhs even without taking into account the loss of interest on the funds invested in the purchase of the materials.

The Divisional Officer stated (December 1991) that the delay in disposal of the materials was due to time taken in salvaging the materials from different storing points and also due to the time consumed in complying with various procedural requirements.

The matter was reported to Government in August 1991; their reply had not been received (June 1992).

CHAPTER VI

COMMERCIAL ACTIVITIES

6.1 General

This chapter deals with the results of audit of 25 departmentally managed commercial enterprises in operation as on 1st of April 1990. It also deals with the results of one enterprise which was wound up with effect from 21st June 1986. These enterprises maintain *pro forma* accounts to show their financial position on commercial accounting principles.

6.2 Delay in preparation of *pro forma* accounts

As on 31st March 1991, 16 of the 26 enterprises had not prepared their *pro forma* accounts at all since their inception and the remaining 10 enterprises were in arrears for varying periods as indicated below:

For 10 years or more	: 4 enterprises
Between 3 and 10 years	: 6 enterprises

A Task Force was set up in July 1984 to prepare *pro forma* accounts of nine enterprises. During 1990-91, the Task Force was able to finalise the accounts of Surgical Instrument Servicing Station, Baruiipur, for three years from 1972-73 to 1974-75 and of the Industrial Estate, Baruiipur, for eight years from 1967-68 to 1975-76. Preparation of *pro forma* accounts of the remaining seven enterprises were yet to be taken up.

Some of the enterprises did not explain the reasons for the arrears in preparation of accounts. Enterprise-wise status of preparation of the *pro forma* accounts are given in Appendix 17.

A synoptic statement showing the summarised financial results of four enterprises based on their latest available accounts is given in Appendix 18. While one of them earned a profit of Rs 18.56 lakhs on a capital of Rs 128.18 lakhs, the remaining three incurred losses and failed to generate any return on the capital of Rs 383.20 lakhs invested in them as at the end of the years for which accounts were completed.

ANIMAL RESOURCES DEVELOPMENT DEPARTMENT

6.3 Greater Calcutta Milk Supply Scheme

6.3.1 *Introduction*

The Greater Calcutta Milk Supply Scheme comprises the Central Dairy at Belgachia in North Calcutta and Haringhata Dairy in the district of Nadia and nine milk collection-cum-chilling centres in rural areas around Greater Calcutta (five in the Central Dairy Zone and four in the Haringhata Milk Colony Zone). The two dairies also function as centres for collection of raw milk. In addition, the Central Dairy at Belgachia received raw milk from the Ganganagar Cattle Re-settlement Centre, North 24-Parganas, and the Government Milk Supply Scheme at Nagpur (Maharashtra).

6.3.2 *Organisational set-up*

The Scheme is being run departmentally as a commercial undertaking under the administrative control of the Milk Commissioner, West Bengal, Department of Animal Resources Development (Dairy Development Wing). He is assisted by two Additional Milk Commissioners, one at the Head Office in Calcutta for Administration, purchase, project and sales/co-ordination and the other responsible for both the dairies.

6.3.3 *Audit coverage*

The working of the Scheme up to the year 1983-84 was last reviewed by Audit and results incorporated in Chapter VII (paragraph 7.3) of the Report of the Comptroller and Auditor General of India for the year 1983-84 (Civil). The present review covers the activities of the Scheme during the period from 1984-85 to 1989-90.

6.3.4 *Highlights*

Procurement of raw milk by the collection centres of the Central Dairy and the Haringhata Dairy progressively declined from 231.22 lakh kg in 1984-85 to only 74.88 lakh kg in 1989-90. This was attributable to (a) discontinuance of supplies by one of the sources (Government Milk Supply Scheme, Nagpur) from June 1987 owing to disputes over settlement of claims, (b) decline in the cattle population and milk yield in the Haringhata Milk Colony, and (c) unremunerative prices fixed by Government resulting in diversion of milk to the open market.

The abbreviations used in this Review have been listed in glossary in Appendix 19 (Page 255).

Following the gradual decline in the functioning and performance of the Haringhata Milk Colony, investments totalling Rs 1.53 crores in the Haringhata Milk Colony failed to yield the desired results.

The decline in the procurement of raw milk also adversely affected utilisation of the capacity of the chilling plants; this ranged from 5 per cent to 28 per cent in the Central Dairy Zone, and from 8 per cent to 19 per cent in the Haringhata Dairy Zone. The low utilisation of installed capacity resulted in uneconomic expenditure on maintenance of common facilities and establishment.

[Paragraph 6.3.5]

Owing to the non-availability of raw milk in adequate quantities, the processing capacity was not fully utilised, resulting in the dairy plants being operated for one shift only. The Dairies also had to depend increasingly in reconstituted milk; this increased from 69 per cent of the total milk processed in 1984-85 to as high as 89 per cent in 1989-90.

[Paragraph 6.3.6]

The percentage of handling losses varied between 4.62 and 2.41 at the Central Dairy during 1984-85 to 1989-90, whereas handling losses were as low as 0.47 per cent at Haringhata Dairy during the above period. The reasons for the high incidence of handling loss at the Central Dairy had not been investigated.

[Paragraph 6.3.7]

Against the daily demand of 10.5 lakh litres of milk in Greater Calcutta estimated by Government in 1984, the Scheme was able to supply 1.81 lakh litres on an average, representing 17.24 per cent of the effective demand.

During the five years period from 1984-85 to 1989-90, of 99.78 lakh litres of milk valued at Rs 365.19 lakhs returned during 1984-90, milk and cream valued at Rs 167.28 lakhs only could be retrieved, and the balance milk valued at Rs 197.91 lakhs was rejected.

Between 1985-86 and 1989-90, 9.01 lakh litres of standard milk costing Rs 27.41 lakhs were lost due to breakage of bottles and leakage of pouches. The Management had neither investigated the losses nor prescribed any norms in this regard.

[Paragraph 6.3.8]

During 1987-90, 2,19,425 kg of fat and 6,88,342 kg of SNF totally costing Rs 3.03 crores were found short in the processed milk supplied to customers, due to breakdown of processing machinery at the final stage and improper homogenisation.

[Paragraph 6.3.9]

Losses on account of breakage of bottles in excess of the norm during 1984-90 amounted to Rs 42.28 lakhs. The capacity of the sachet packing plants was also underutilised during 1987-90, the extent of underutilisation of the installed capacity ranging from 47 per cent to 67 per cent. This necessitated continued use of bottles for milk distribution and 75.92 lakh bottles used in lieu of sachets during this period broke, involving a loss of Rs 1.62 crores.

[Paragraph 6.3.10]

The accumulated losses of the Scheme increased from Rs 79.78 crores at the beginning of 1984-85 to Rs 120.16 crores at the end of 1985-86, the year up to which the annual accounts had been finalised. The accumulated losses had been provisionally estimated to be of the order of Rs 195.49 crores at the end of 1989-90, representing 9 per cent of the cumulative capital outlay of Rs 217.22 crores till then.

[Paragraph 6.3.11]

Dues in respect of credit sales of milk outstanding as of March 1990 aggregated to Rs 295.34 lakhs.

[Paragraph 6.3.12(a)]

6.3.5 Procurement of raw milk

The table below indicates the quantity of raw milk procured by the two dairies during the six years ending 1989-90:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90
	(in lakh kgs)					
A. Central Dairy, Belgachia	147.68	146.90	169.25	67.11	73.45	58.55
B. Haringhata Dairy (a)	83.54	81.58	83.66	26.40	27.88	16.33
Total:	231.22	228.48	252.91	93.51	101.33	74.88

(a) Inclusive of milk obtained from its captive Milk Colony. (1984-85: 55.00 lakh kgs; 1985-86: 54.65 lakh kgs; 1986-87: 33.93 lakh kgs; 1987-88: 18.62 lakh kgs; 1988-89: 17.31 lakh kgs; and 1989-90: 6.33 lakh kgs).

The abrupt decline in the collection of raw milk by the Central Dairy from 1987-88 onwards was attributable, among other reasons discussed subsequently, to the discontinuance of supply from the Nagpur Government Milk Supply Scheme from June 1987 following certain disputes over the settlement of their claims, which had not been resolved as of March 1991.

Further, in order to ensure a sustained source of raw milk for processing sufficient quantities of standard milk, the Haringhata Dairy had established a Milk Colony of its own in 1959, wherein provision was made for the accommodation of 8,904 animals, which was increased to 11,448 animals in phases. The animals were to be maintained by licensees appointed for the purpose who were provided interest-free loans, rent-free quarters, free water supply and sanitation and free veterinary facilities.

According to the norms prescribed by the Management, each milch buffalo was to yield 5 kg of milk and each milch cow 4 kg daily. The average cattle population of the colony, which was 2,408 (milch animals: 2131; dry animals: 277) only in 1983-84, increased to 2,703 (milch: 2,468; dry: 235) in 1984-85 and to 3,134 (milch: 2,819; dry: 315) in 1985-86. However, the average population in the colony gradually declined to 1,281 animals (milch: 1,173; dry:108) only in 1989-90. The number of licensees, which was 65 in 1984-85 and 74 in 1985-86 also decreased to 58 in 1989-90. While the average milk yield ranged between 3.1 kg and 3.7 kg per milch animal from 1986-87 to 1988-89, there was a sharp fall in the yield during 1989-90, when it was 1.5 kg only. In the circumstances, while the Milk Colony supplied 23.79 *per cent* (55 lakh kgs) of the raw milk procured by the Scheme during 1984-85 (231.22 lakh kgs), this declined to only 8.45 *per cent* (6.33 lakh kgs) of the 74.88 lakh kgs of raw milk procured by the Scheme during 1989-90.

The entire infrastructure created in the Haringhata Milk Colony, involving investments aggregating to Rs 152.79 lakhs and an expenditure of Rs 40 lakhs on the maintenance of service facilities up to 1989-90, did not yield satisfactory results. The Management had not, however, made any efforts to investigate the causes for the poor performance of the Milk Colony and take appropriate remedial measures to improve its performance.

Besides, the decline in the procurement of raw milk by the Scheme was also attributable to the unremunerative procurement prices fixed by the State Government from time to time in relation to the prices offered by private sweetmeat shopkeepers. During 1984-85

to 1989-90, the prices offered by private buyers ranged between Rs 6 and Rs 8 per kg against prices of Rs 4 to Rs 4.53 per kg fixed by the State Government.

The decline in the procurement of raw milk had an inevitable adverse impact on the utilisation of the chilling capacity installed in the collection centres. As against the installed chilling capacity of 31,304 kgs raw milk per day in the five chilling-cum-collection centres and the Ganga Nagar Collection Centre in the Central Dairy Zone, the average daily collection varied between 1,509 kgs (5 *per cent*) during 1984-85 to 8,777 kgs (28 *per cent*) during 1989-90.

Similarly, against the installed capacity of 17,600 kgs of raw milk per day in the four chilling-cum-collection centres in the Haringhata Zone (operations in the fourth chilling-cum-collection centre with an installed capacity of 1,800 kgs of raw milk per day recommenced only in January 1990 after a lapse of eight years), the average daily collection during the period from 1984-85 to 1989-90 varied between 2,132 kgs (8 *per cent*) in 1987-88 and 5,312 kgs (19 *per cent*) in 1986-87. The abnormally low collection and underutilisation of capacity of collection-cum-chilling plants resulted in uneconomic expenditure on maintenance of common facilities and fixed establishment required for the procurement and handling of milk.

6.3.6 *Processing and capacity utilisation*

The table below indicates the installed capacity, derated capacity, average daily output and capacity utilisation of the milk processing plants at Belgachia and Haringhata for the last six years ending 1989-90:

	Installed capacity per day			Derated capacity per day			Average daily output			Percentage of daily output						Actual output for full year		
										To installed capacity			To derated capacity					
	(Single shift per day)															(Kilogrammes in lakhs)		
	C	H	Total	C	H	Total	C	H	Total	C	H	Total	C	H	Total	C	H	Total
1984-85	4.00	0.50	4.5	3.00	0.50	3.5	1.56	0.42	1.98	39.0	84	44.0	52	84	56.5	568.96	152.65	721.61
1985-86	4.00	0.50	4.5	3.00	0.50	3.5	1.53	0.38	1.91	38.2	76	42.4	51	76	54.5	559.72	139.92	699.64
1986-87	4.00	0.50	4.5	3.00	0.50	3.5	1.50	0.42	1.92	37.5	84	42.6	50	84	54.8	548.95	152.52	701.47
1987-88	4.00	0.50	4.5	3.00	0.50	3.5	1.54	0.31	1.85	38.5	62	41.1	51.3	62	52.8	562.82	111.88	674.70
1988-89	4.00	0.50	4.5	3.00	0.50	3.5	1.46	0.33	1.79	36.5	66	39.7	48.7	66	51.1	534.81	120.76	655.57
1989-90	4.00	0.50	4.5	3.00	0.50	3.5	1.52	0.29	1.81	30.5	66	40.2	50.7	66	51.7	555.13	105.61	660.74

C—denotes Central Dairy, Belgachia
H—denotes Haringhata Dairy

Non-availability of raw milk in adequate quantities was primarily responsible for the low utilisation of capacities in both the Dairies.

Due to inadequate collection of raw milk, both the Dairies had to depend, heavily, on reconstituted milk prepared by mixing skimmed milk powder (SMP) and butter oil with water.

The table below indicates the percentage of reconstituted milk used to total raw milk and the total milk processed in the two Dairies during the six years ending 1989-90:

	Quantity of			Percentage of used reconstituted milk to	
	Raw milk used	Reconstituted milk used	Total milk	Raw milk used	Total milk
	(Kilogrammes in lakhs)				
1984-85	231.22	520.47	751.69	225.09	69
1985-86	228.48	494.06	722.54	216.24	68
1986-87	252.91	480.54	733.45	190.01	66
1987-88	93.51	613.40	706.91	655.97	87
1988-89	101.33	585.72	687.05	574.63	85
1989-90	74.88	605.38	680.26	808.47	89

It would be observed from the above table that the use of reconstituted milk had phenomenally increased from 480.54 lakh kgs during 1986-87 to 605.38 lakh kgs during 1989-90.

6.3.7 Handling loss

The table below indicates the position of handling loss in processing of milk at the Central Dairy and Haringhata Dairy for the six years ending 1989-90:

Year	Input (Raw milk, SMP, Butter oil, etc.)			Output (Processed Milk)			Handling Loss			Loss in rejection and separation			Percentage of handling loss to			Value of handling loss		
	C	H	Total	C	H	Total	C	H	Total	C	H	Total	C	H	Total	C	H	Total
	(Kilogrammes in lakhs)															(Rupees in lakhs)		
1984-85	593.03	158.67	751.70	568.96	152.65	721.61	20.84	2.99	23.83	3.23	3.03	6.26	3.51	1.88	3.1	83.36	11.96	95.32
1985-86	578.47	144.07	722.54	559.72	139.92	699.64	15.47	0.96	16.43	3.28	3.19	6.47	2.67	0.66	2.2	61.88	3.84	65.72
1986-87	574.68	158.76	733.44	548.95	152.52	701.47	21.50	0.75	22.25	4.23	5.49	9.72	3.74	0.47	3.0	86.00	3.00	89.00
1987-88	591.03	115.88	706.91	562.82	111.88	674.70	27.31	1.81	29.12	0.90	2.19	3.09	4.62	1.56	4.1	123.71	8.20	131.91
1988-89	562.64	125.01	687.65	534.81	120.76	655.57	25.20	2.17	27.37	2.63	2.08	4.71	4.48	1.74	3.9	114.16	9.83	123.99
1989-90	570.68	109.58	680.26	555.13	105.61	660.74	13.77	2.02	15.79	1.78	1.95	3.73	2.41	1.84	2.3	62.37	9.16	71.53
							124.09	10.70	134.79							531.48	45.99	577.47

C—denotes Central Dairy, Belgachia

H—denotes Haringhata Dairy

While the percentage of handling loss varied between 4.62 and 2.41 at the Central Dairy during the period from 1984-85 to 1989-90, this was as low as 0.47 at the Haringhata Dairy during the aforesaid period. The reasons for the high incidence of handling loss at the Central Dairy had not been investigated.

6.3.8 Distribution of milk

(a) Selling prices of milk

The prices of standard milk sold, as fixed by Government from time to time since January 1977, was as follows:

Category of milk	Price per litre from			
	January 1977 to May 1984	June 1984 to September 1984	October 1984 to February 1988	March 1988 to April 1991
	(In Rupees)			
Cow's milk	3.00	4.50	4.50	5.00 (6.78)
Toned milk	1.80	2.90	2.70	3.30 (5.85)
Double toned milk	1.26	2.00	1.80	2.70 (5.50)

Note: Figures within parentheses represent cost per litre.

The excess of cost over sale price was borne by Government.

(b) Sale of standard milk

About 75 *per cent* of the standard milk is supplied to consumers (Card holders) against cash payment in advance and the balance 25 *per cent* to Government hospitals and those recognised by Government on credit.

Based on the daily demand of 10.5 lakh litres of milk in Greater Calcutta, estimated by Government in 1984, the Scheme was able to meet only 17.24 *per cent* (1.81 lakh litres) of the effective demand. Requirements to the extent of 3 lakh litres daily are, however, met by the Mother Dairy, sponsored by the State Government in collaboration with the National Dairy Development Board.

(c) Returned milk

Processed milk was returned to the Central Dairy by various sales depots for reasons such as loose capping of bottles, defective packing, breakage of bottles, break down of vehicles, acidity/curdling of milk, etc.

Depending upon the quality of the returned (undistributed) milk, part of it was reprocessed for supply on subsequent days, part used for separation of cream and the balance totally rejected. During the five year period from 1985-86 to 1989-90, 99.78 lakh litres of milk (4 *per cent*) valued at Rs 365.19 lakhs were returned against 2,465.38 lakh litres despatched. Milk and cream valued at Rs 167.28 lakhs only could be retrieved from the returned milk and the balance (value: Rs 197.91 lakhs) was rejected.

(d) *Loss of Milk in transit*

Between 1985-86 and 1989-90, 9.01 lakh litres of standard milk costing Rs 27.41 lakhs were lost due to spillage of milk in transit. The loss was attributed to breakage of bottles and leakage of pouches. The Management had neither investigated the losses nor prescribed any norms in this regard.

6.3.9 *Quality Control*

The Central Dairy processed three categories of milk for sale, viz., cow's milk, toned milk and double toned milk with "Fat" and "Solid Not Fat" (SNF) contents as mentioned below:

<u>Category of milk</u>	<u>Percentage of</u>	
	Fat	SNF
1. Cow's milk	4	8.5
2. Toned milk	3	8.5
3. Double toned milk	1.5	9

A test-check of the records relating to processing of milk for the three years ending 1989-90 revealed that 2,19,425 kgs of fat (ranging between 0.1 and 0.17 *per cent*) costing Rs 96.54 lakhs and 6,88,342 kgs of SNF (ranging between 0.2 and 0.3 *per cent*) costing Rs 206.50 lakhs were found short in the processed milk supplied to customers. The Quality Control Officer attributed (February 1977) the low fat and SNF contents of the standard milk supplied to customers to the break-down of processing machineries at the final stages and improper homogenisation.

No preventive measures were taken to arrest such loss.

6.3.10 *Packing system*

(a) Milk was supplied to consumers in half litre bottles and sachets. Losses on account of breakage of bottles in excess of the norm of 2.5 *per cent* worked out to Rs 42.28 lakhs during the six years up to 1989-90. With a view to reducing heavy breakage of bottles at the Central Dairy, four polypack sachet machines costing Rs 13.15 lakhs were commissioned between 1982-83 and 1989-90, each with a capacity to fill 5,000 sachets per hour. The utilisation of these machines varied between 33 and 53 *per cent* during the years from 1986-87 to 1989-90. Because of the underutilisation of the capacity of the sachet packing plants, milk had to be supplied in bottles to the extent that the plants were not utilised. During the four-year period from 1986-87 to 1989-90, 75.92 lakh bottles used in lieu of sachets broke, resulting in a loss of Rs 161.63 lakhs.

(b) *Excess consumption of aluminium foils*

Aluminium foils are used for capping of bottles of milk. While no norm for consumption of foils had been fixed as of March 1991, the Department had informed the Public Accounts Committee in September 1984 that 2,000 bottles could be capped with one kilogram of aluminium foil.

Test-check of the records revealed that while norm of 2,000 bottles per kg of foil was adhered to in the Haringhata Dairy, the number of bottles capped with one kg of foil in the Central Dairy, however, ranged between 1,292 and 1,764 only during 1986-90. The excess consumption of foil by the Dairy during this period resulted in an additional expenditure of Rs 39.64 lakhs.

6.3.11 *Financial results*

The accumulated losses of the Scheme increased from Rs 7,978 lakhs at the beginning of 1984-85 to Rs 12,016 lakhs as on 31st March 1986. The annual accounts from 1986-87 to 1989-90 not having been finalised, the accumulated loss had been provisionally estimated at Rs 19,549 lakhs, at the close of 1989-90 as against the cumulative capital outlay of Rs 21,722 lakhs till then, indicating erosion of capital to the extent of 90 *per cent*.

An analysis by Audit showed that the selling prices did not cover even the cost of processing excluding the staff cost, depreciation and interest on capital for any of the years from 1984-85 to 1989-90 as shown below:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90
	(Actuals)		(Provisional)			
	(Rupees in lakhs)					
Cost of processing including cost of milk but excluding staff cost, depreciation and interest on capital	2,505	2,377	2,562	2,726	2,624	3,116
Staff cost	607	696	813	865	987	1,047
Cost processing before charging depreciation and Interest	3,112	3,073	3,375	3,591	3,611	4,163
Selling prices	1,676	1,854	1,633	1,833	1,965	2,050
Operational loss	1,436	1,219	1,742	1,758	1,646	2,113
	(Rupees)					
Average cost per kg of milk (all sorts)	4.31	4.39	4.81	5.32	5.51	6.30
Average selling price per kilogram	2.32	2.65	2.33	2.72	3.00	3.10
Loss per kilogram	1.99	1.74	2.48	2.60	2.51	3.20

The main reasons for the continuous adverse working results during all the years under review were as follows:

(i) Underutilisation of capacity of the chilling and processing plants leading to increase in cost of production.

(ii) Increased use of reconstituted milk at higher cost due to decrease in collection of raw milk.

(iii) Higher loss in rejection and transportation.

(iv) Higher consumption of aluminium foil.

(v) Higher incidence of cost due to increase in percentage of breakage of bottles.

(vi) Underutilisation of polypacking machines leading to higher cost of bottles.

6.3.12 Other points of interest

(a) Outstanding dues from Government Organisations

The Central Dairy and the Haringhata Dairy sold milk to Hospitals, Jails, Railways and other Government Departments on credit and raised monthly bills against them. As of March 1990, dues aggregating to Rs 295.34 lakhs were outstanding from various Government Departments, Railways, etc., a broad break-up of which was as follows:

Organisation	Amount outstanding (Rupees in lakhs)
Other Government dairies	118.95
Government Departments	81.96
Hospitals	66.40
Jails	16.68
Railways	11.35
Total :	<u>295.34</u>

A further analysis of 15 cases involving outstanding of Rs 123.81 lakhs disclosed that Rs 31.58 lakhs were outstanding for more than ten years, and Rs 50.11 lakhs for 5 to 10 years.

Effective steps had not been taken by the Management to realise the outstanding dues.

(b) *Loss on account of returned cheques*

The Head Office received 4,128 cheques aggregating to Rs 1,269.44 lakhs towards supply of milk during the period from 1985-86 to 1989-90. Of these, 45 cheques for a total amount of Rs 21.54 lakhs were returned or dishonoured by bank. Action was not taken by the Scheme to obtain fresh cheques in lieu thereof or to realise the outstanding dues from the defaulters.

(c) *Idle equipment*

Mention was made in Paragraph No. 7.3.7.2 of the Report of the Comptroller and Auditor General of India, Government of West Bengal for the year 1983-84 (Civil) about five items of equipment, costing Rs 5.34 lakhs, lying idle for 15 to 20 years as of March 1984.

Further review of the position by Audit revealed that, while the pasteurisation plant had been repaired and made operational in June 1984, the other four items of equipment (Double Drum Dry Milk Machine, Pilot sized plant for producing cheese, Butter making plant and Butter wrapping machine) costing Rs 3.45 lakhs continued to remain unutilised as of March, 1991. Further, six stainless steel Silos (value: Rs 6.95 lakhs), commissioned in March 1974, also remained

idle since June 1984 following the discontinuance of supply of raw milk by the Government Milk Supply Scheme, Nagpur, a Biscuit Manufacturing Machine, purchased in November 1987 at a cost of Rs 0.52 lakh, had also not been commissioned as of March 1991.

6.3.13 These points were brought to the notice of the Management and Government in October 1991; their replies had not been received (June 1992).



(D. C. SAHOO)

Accountant General (Audit-I)
West Bengal

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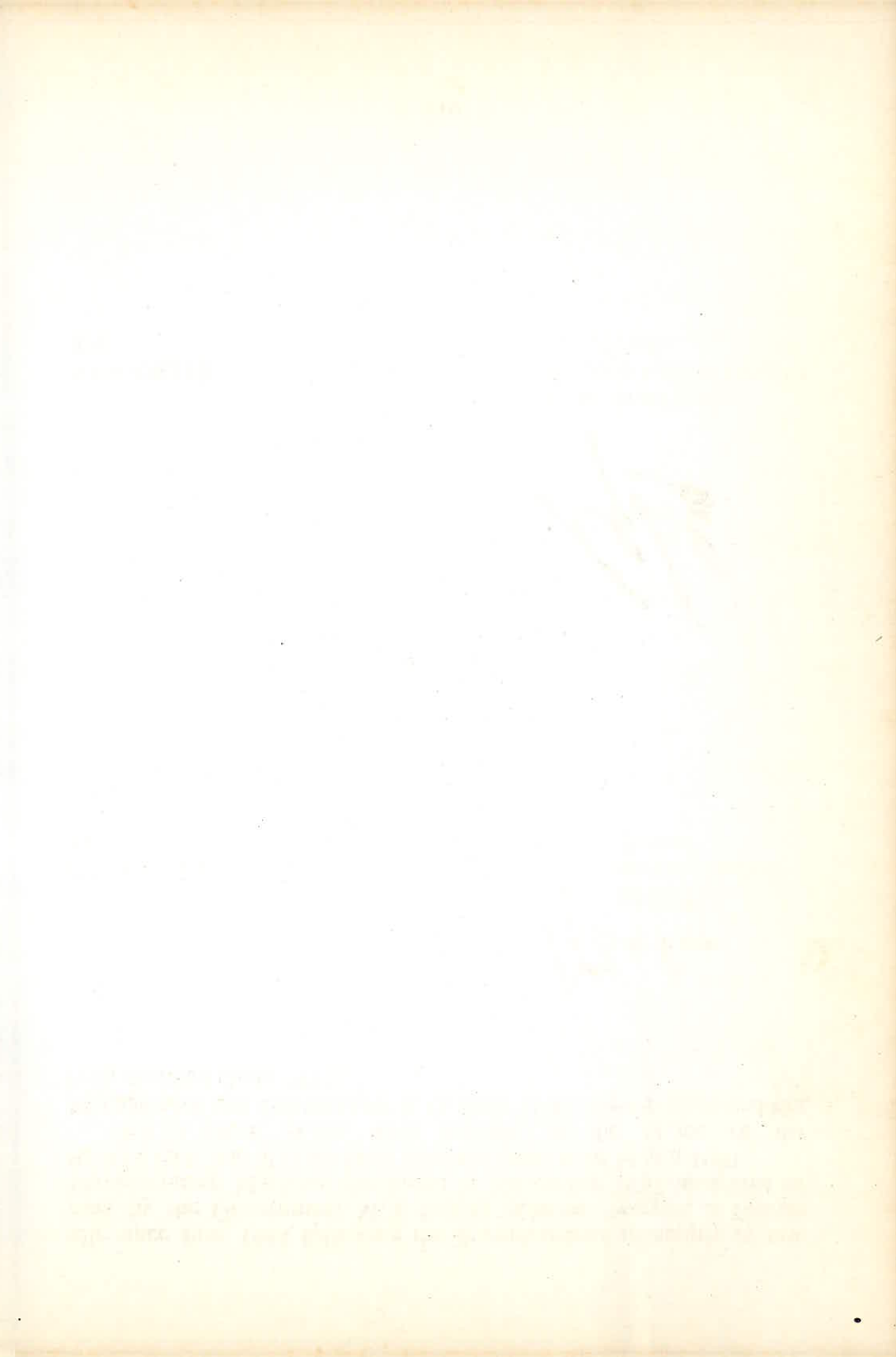
Countersigned



(C. G. SOMIAH)

Comptroller and Auditor General
of India

NEW DELHI,
The



APPENDICES

11/12/17

APPENDIX 1

(Reference: Paragraph 2.2.2, Page 23)

Excess over Grant/Appropriation requiring regularisation

Description of the Grant/Appropriation (1)					Section (2)	Total Grant/ Appropriation (3)	Actual expenditure (4)	Amount of excess (5)
						Rs	Rs	Rs
A—Voted—								
25—Public Works	..	..	..	..	Revenue	97,31,42,000	148,22,06,220	50,90,64,220
34—Family Welfare			..	..	..	48,69,52,000	55,05,56,001	6,36,04,001
54—Food, Storage and Warehousing	..		..	..	Capital	52,52,10,000	53,53,04,904	1,00,94,904
61—Land Reforms	..	..	..	..	Revenue	16,89,52,000	26,84,77,907	9,95,25,907
64—Hill Areas	..	..	..	..	Capital	1,57,00,000	1,57,26,000	26,000
66—Major and Medium Irrigation	..		..	..	Revenue	54,83,08,000	57,92,77,032	3,09,69,032
69—Power		..	..	..	..	27,36,71,000	32,99,42,932	5,62,71,932
79—Roads and Bridges	..	..	..	..	Capital	47,66,77,000	48,44,98,380	78,21,380
80—Road Transport	..	..	..	..	Revenue	45,07,87,000	46,35,58,939	1,27,71,939
Total—A—Voted						391,93,99,000	470,95,48,315	79,01,49,315

Description of the Grant/Appropriation (1)				Section (2)	Total Grant/ Appropriation (3)	Actual expenditure (4)	Amount of excess (5)
					Rs	Rs	Rs
B—Charged—							
1—State Legislature	..	..	..	Revenue	2,88,000	8,71,947	5,83,947
25—Public Works	..	..	..	„	1,42,13,000	1,65,61,585	23,48,585
68—Flood Control and Drainage			..	Capital	20,57,000	22,13,783	1,56,783
79—Roads and Bridges	..	..	..	Revenue	68,640	68,641	1
Total—B—Charged					<u>1,66,26,640</u>	<u>1,97,15,956</u>	<u>30,89,316</u>
Total—A and B					<u>393,60,25,640</u>	<u>472,92,64,271</u>	<u>79,32,38,631</u>

APPENDIX 2

(Reference: Paragraph 2.2.3, Page 24)

Cases where supplementary provision proved unnecessary

Description of the Grant/Appropriation					Section	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Actual expenditure
(1)					(2)	(3)	(4)	(5)
						Rs	Rs	Rs
A—Voted—								
3—Council of Ministers	..	..	..	..	Revenue	84,60,000	6,00,000	77,85,726
4—Administration of Justice	..	..	..	..	„	30,45,83,000	2,21,50,000	27,81,85,992
6—Collection of Taxes on Income and Expenditure	..	..	..	..	„	2,40,64,000	6,28,000	1,86,50,455
9—Collection of Other Taxes on Property and Capital Transactions	..	..	..	..	„	16,76,000	1,54,000	15,35,881
10—State Excise	..	..	..	..	„	12,83,52,000	57,25,000	11,50,35,629
12—Taxes on Vehicles	..	..	..	..	„	3,11,87,000	32,06,000	2,91,33,366
13—Other Taxes and Duties on Commodities and Services	..	..	..	..	„	8,87,78,000	6,22,000	7,43,59,316
14—Other Fiscal Services	..	..	..	..	„	3,41,80,000	8,04,000	2,96,30,991
16—Interest Payments	..	..	..	..	„	60,75,000	11,25,000	26,19,287
18—Secretariat-General Services	..	..	..	..	„	23,91,39,000	93,37,000	20,33,28,588
19—District Administration	..	..	..	..	„	21,83,85,000	99,14,000	19,91,37,070
21—Police	..	..	..	..	„	358,25,40,000	1,30,45,000	342,14,06,608

Description of the Grant/Appropriation						Section	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Actual expenditure
(1)						(2)	(3)	(4)	(5)
							Rs	Rs	Rs
22—Jails	..	..	..	..	..	Revenue	20,68,13,000	90,74,000	20,41,22,091
24—Stationery and Printing	..	..	..	..	..	„	11,62,54,000	16,00,000	10,40,08,383
25—Public Works	..	..	..	..	..	Capital	63,90,72,000	16,49,000	56,71,11,415
27—Other Administrative Services (Excluding Fire Protection and Control)	..	..	..	..	..	Revenue	56,67,56,000	1,42,30,000	52,62,03,678
31—Sports and Youth Services	..	..	..	..	..	„	17,76,78,000	62,11,000	15,85,15,673
33—Medical and Public Health (Public Health)	..	..	..	..	..	„	63,23,62,000	4,80,23,000	57,18,41,213
36—Housing	..	..	..	..	..	„	17,62,48,000	1,28,28,000	15,00,86,364
37—Urban Development	..	..	..	..	..	Revenue	243,37,55,000	1	171,28,99,362
41—Social Security and Welfare (Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes)	..	..	..	..	..	Capital	15,42,75,000	18,75,000	12,85,41,882
42—Social Security and Welfare (Social Welfare)	..	..	..	..	..	Revenue	75,23,51,000	16,40,41,000	64,33,02,693
45—Secretariat Social Services	..	..	..	..	..	„	8,76,84,000	3,11,000	7,39,00,653
46—Other Social Services	..	..	..	..	..	„	3,90,12,000	2,22,000	3,53,13,310
47—Crop Husbandry	..	..	..	..	..	Capital	12,04,20,000	42,60,000	5,16,50,359
50—Dairy Development	..	..	..	..	..	Revenue	59,10,66,000	21,85,000	56,60,33,108
58—Other Agricultural Programmes	..	..	..	..	..	„	5,23,53,000	65,74,18,000	4,62,03,680

58—Other Agricultural Programmes	Capital	48,00,000	8,00,000	30,85,084
63—Community Development—Rural Development Programmes	Revenue	43,56,52,000	2,36,03,000	37,28,23,277
68—Flood Control and Drainage	"	31,82,62,000	1,01,85,000	31,38,05,734
78—Civil Aviation	"	53,08,000	50,000	35,33,286
79—Roads and Bridges	"	93,66,15,000	3,27,000	93,26,38,564
86—Civil Supplies	"	1,87,37,000	4,99,000	1,59,22,060
89—Water Supply and Sanitation (Prevention of Air and Water Pollution) Forestry and Wild Life (Zoological and Botanic Garden, Darjeeling)	"	2,32,01,000	25,81,000	1,83,42,753
92—Capital Outlay on Crop Husbandry (Public Undertakings) ..	Capital	36,28,00,000	2,37,00,000	31,59,49,400
95—Consumer Industries (Excluding Public Undertakings and Closed and Sick Industries)	"	15,20,00,000	64,86,000	13,53,99,491
96—Loans for Other Industries (Excluding Public Undertakings and Closed and Sick Industries)	"	13,98,00,000	12,98,55,000	4,72,00,000
Total—A—Voted		<u>1381,06,93,000</u>	<u>118,93,23,001</u>	<u>1207,92,42,422</u>

B—Charged—

17—Public Service Commission	Revenue	1,88,63,000	5,30,000	1,83,97,345
21—Police	"	2,000	37,803	—
29—Miscellaneous General Services	"	—	1,52,000	—
36—Housing	"	23,000	2,84,000	—
37—Urban Development	Capital	—	36,841	—

Description of the Grant/Appropriation	Section	Original Grant/ Appropriation	Supplementary Grant/ Appropriation	Actual expenditure
(1)	(2)	(3)	(4)	(5)
		Rs	Rs	Rs
50—Dairy Development	Revenue	65,000	71,841	—
55—Agricultural Research and Education	"	—	2,17,635	—
67—Minor Irrigation and Command Area Development	Capital	—	21,657	—
80—Road Transport	"	—	2,90,000	—
Total—B—Charged		1,89,53,000	16,41,777	1,83,97,345
Total—A and B		1382,96,46,000	119,09,64,778	1209,76,39,767

APPENDIX 3

(Reference: Paragraph 2.2.3, Page 24)

Cases where supplementary provision obtained proved excessive (Saving in each case being more than Rs 10 lakhs)

Description of the Grant/Appropriation				Section	Original Grant/ Appropriation (3)	Supplementary provision (4)	Actual expenditure (5)	Saving (6)
(1)				(2)				
					Rs	Rs	Rs	Rs
A—Voted—								
5—Election	..	..	..	Revenue	6,76,86,000	95,75,000	7,13,79,021	58,81,979
11—Sales Tax	..	..	..	„	19,35,76,000	58,98,000	19,75,31,866	19,42,134
28—Pension and Other Retirement Benefits	..	..	..	„	149,97,94,000	39,62,09,000	184,42,23,511	5,17,79,489
44—Relief on account of Natural Calamities	..	..	..	„	15,50,00,000	38,55,50,000	15,68,91,937	38,36,58,063
51—Fisheries	..	..	..	Capital	2,20,00,000	1,50,00,000	3,47,00,000	23,00,000
60—Rural Employment	..	..	..	Revenue	67,34,47,000	176,79,07,000	207,53,39,411	36,60,14,589
64—Hill Areas	..	..	..	„	34,72,78,000	8,39,56,000	39,29,32,773	3,83,01,227
74—Industries (Closed and Sick Industries)	..	..	..	„	41,97,000	23,23,000	51,73,567	13,46,433
85—Census, Surveys and Statistics	..	..	..	„	5,13,69,000	5,13,45,000	8,85,36,815	1,41,77,185
99—Loans and Advances	..	..	..	Capital	21,00,60,000	7,35,00,000	26,79,61,083	1,55,98,917
Total—A—Voted				..	322,44,07,000	279,12,63,000	513,46,69,984	88,10,00,016
B—Charged—								
25—Public Works	..	..	..	Capital	—	18,22,738	1,95,206	16,27,532
52—Forestry and Wild Life	..	..	..	Revenue	—	24,22,000	3,92,643	20,29,357
66—Major and Medium Irrigation	..	..	..	Capital	—	1,10,47,000	91,750	1,09,55,250
Total—B—Charged				..	—	1,52,91,738	6,79,599	1,46,12,139
Total—A and B ..				..	322,44,07,000	280,65,54,738	513,53,49,583	89,56,12,155

APPENDIX 4

(Reference: Paragraph 2.2.3, Page 24)

Cases where supplementary provision was insufficient by more than Rs 10 lakhs

Description of the Grant/Appropriation				Section	Original Grant/ Appropriation (3)	Supplementary provision (4)	Actual expenditure (5)	Final excess (6)
(1)				(2)				
					Rs	Rs	Rs	Rs
A—Voted—								
25—Public Works	..	..	..	Revenue	93,81,40,000	3,50,02,000	148,22,06,220	50,90,64,220
54—Food, Storage and Warehousing			..	Capital	38,64,10,000	13,88,00,000	53,53,04,904	1,00,94,904
66—Major and Medium Irrigation	..		..	Revenue	54,25,66,000	57,42,000	57,92,77,032	3,09,69,032
79—Roads and Bridges		..	..	Capital	46,86,38,000	80,39,000	48,44,98,380	78,21,380
Total—A—Voted					233,57,54,000	18,75,83,000	308,12,86,536	55,79,49,536
B—Charged—								
25—Public Works	..	..	..	Revenue	96,61,000	45,52,000	1,65,61,585	23,48,585
Total B—Charged					96,61,000	45,52,000	1,65,61,585	23,48,585
Total—A and B					234,54,15,000	19,21,35,000	309,78,48,121	56,02,98,121

APPENDIX 5

(Reference: Paragraph 2.2.3, Page 24)

Cases where expenditure exceeded the original Budget Provision but no supplementary grant was obtained

Description of the Grant/Appropriation (1)				Section (2)	Original Grant/ Appropriation (3)	Actual expenditure (4)	Excess over provision (5)
					Rs	Rs	Rs
A—Voted—							
34—Family Welfare	..	..	..	Revenue	48,69,52,000	55,05,56,001	6,36,04,001
61—Land Reforms	..	..	..	„	16,89,52,000	26,84,77,907	9,95,25,907
69—Power	..	..	..	„	27,36,71,000	32,99,42,932	5,62,71,932
80—Road Transport	..	..	..	„	45,07,87,000	46,35,58,939	1,27,71,939
Total—A—Voted					138,03,62,000	161,25,35,779	23,21,73,779

APPENDIX 6

(Reference: Paragraph 2.4, Page 45)

Cases which satisfied the criteria laid down for treatment as New Service/New Instrument of Service

Name of the Department	Grant No.	Head	Actual expenditure (Rupees in lakhs)
1. Transport	12	2041—Taxes on Vehicles—102—Inspection of Motor Vehicles (NP)	6.41
2. Education	25	4202—Capital Outlay on Education, Sports, Art and Culture—02—Technical Education—105—Engineering/Technical Colleges and Institutions (7th Plan Committed)—8—Construction of a new Engineering College at Salt Lake	68.58
	31	2204—Sports and Youth Services—104—Sports and Games—Central Sector (New Scheme and Committed)—1—Development of Sports through State Sports Council—(b) Development of Stadium, Swimming Pool and Play Fields, etc.	10.96
3. Public Health	35	2215—Water Supply and Sanitation—01—Water Supply—102—Rural Water Supply Centrally Sponsored (New Schemes)—5. Accelerated rural water supply programme for Grants-g-Crash Programme for Scheduled Castes and Scheduled Tribes inhabitants	26.77
4. Panchayat	37	2217—Urban Development—04—Slum Area Improvement—191—Assistance to Local Bodies etc.—State Plan (Annual Plan)—3(i) and (ii)—Assistance to Calcutta Municipal Corporation and Howrah Municipal Corporation	1693.40
		2217—Urban Development—05—Other Urban Development Scheme—191—Assistance to Local Bodies etc.—Non-Plan—Grants-in-aid for specific purposes—3-b. Grants to Howrah Municipal Corporation to meet the increased cost of pay of their employees	260.94
		2217—Urban Development—State Plan (Annual Plan)—Nehru Rozgar Jojana—Urban wages—Urban Micro Enterprises	295.21
5. Labour	39	2230—Labour and Employment—101—Employment Services (6th Plan Committed)—Opening of District Employment Exchange	25.54

6. Relief and Rehabilitation	44	2245—Relief on account of Natural Calamities—02—Floods and Cyclone—101—Gratuitous Relief—2(a)—Food	94.24
		2245—Relief on account of Natural Calamities—02—Floods and Cyclone—101—Gratuitous Relief—4(a)—Housing	133.42
		2245—Relief on account of Natural Calamities—02—Floods and Cyclone—106—Repairs and Restoration of Damaged Roads and Bridges (NP)—2—Emergency Repair of Roads	42.54
		2245—Relief on account of Natural Calamities—02—Floods and Cyclone—114—Assistance to Farmers for purchase of Agricultural Inputs—Non-Plan—1. Supply of Seeds, Fertilisers etc.	171.72
		2245—Relief on account of Natural Calamities—02—Floods and Cyclone—282—Public Health (NP)—Expenses on Public Health Measures	130.48
7. Community Development	64	2551—Hill Areas—60—Other Hill Areas—101—Development of Hill Areas (Non-Plan)—2—Forest Department—Repairs and reconstruction of office, staff quarters, inspection bungalow, garages and godowns damaged on account of GNLf agitation	88.30
		2551—Hill Areas—60—Other Hill Areas—101—Development of Hill Areas (Non-Plan)—16—Hill Affairs Department—Grants-in-aid/contribution for restoration of Public properties damaged on account of GNLf agitation	369.55
		2551—Hill Areas—60—Other Hill Areas—191—Assistance to Darjeeling Gorkha Hill Council—State Plan (Annual Plan)—(7) Hill Affairs Sector	143.52

APPENDIX 7

(Reference: Paragraph 3.1.6, Page 55)

Oilseed Production, Yield per Hectare and Area under Cultivation

Sl. No.	Year	Name of oilseed crops	Area under cultivation in '000 hectares (crop-wise)	Production in '000 M. Tonnes (crop-wise)	Yield per hectare (crop-wise)	Percentage increase/decrease over previous year	Assistance to farmers (Rupees in lakhs)	Percentage increase/decrease over previous year
234	1. 1983-84	Rape-mustard	189.3	112.9	597	N.A.	95.0	N.A.
		Sesamum	94.7	54.4	573	N.A.	28.0	N.A.
		Groundnut	5.4	6.2	1148	N.A.	13.0	N.A.
		Sunflower	2.06	1.25	606	N.A.	8.25	N.A.
			291.46	174.75			144.25	
	2. 1984-85	Rape-mustard	244.7	164.0	670	(+) 12.23	115.0	(+) 21.05
		Sesamum	76.4	47.13	617	(+) 7.68	1.5	(-) 94.64
		Groundnut	8.18	67.16	875	(-) 23.78	48.0	(+) 269.23
		Sunflower	1.7	0.84	486	(-) 19.80	9.35	(+) 13.33
			330.98	279.13			173.85	
	3. 1985-86	Rape-mustard	231.5	163.4	706	(+) 5.37	60.0	(-) 47.83
		Sesamum	74.8	44.0	588	(+) 4.70	3.0	(+) 100.00
		Groundnut	8.9	10.1	1148	(+) 31.20	70.0	(+) 45.83
		Sunflower	1.33	0.7	500	(+) 2.88	10.2	(+) 9.09
			316.53	218.2			143.2	
	4. 1986-87	Rape-mustard	294.8	176.0	600	(-) 15.01	52.0	(-) 13.33
		Sesamum	86.9	62.5	719	(+) 22.28	18.0	(+) 500.00
		Groundnut	12.14	14.7	1210	(+) 5.40	75.0	(+) 7.14
		Sunflower	1.33	0.8	598	(+) 19.60	3.0	(-) 70.50
			395.17	254.0			148.0	

5.	1987-88	Rape-mustard	379.8	334.0	879	(+) 46.50	78.0	(+) 50.00
		Sesamum	165.7	139.1	843	(+) 17.25	17.0	(-) 5.55
		Groundnut	18.4	24.4	1313	(+) 8.51	97.0	(+) 29.33
		Sunflower	1.6	1.1	673	(+) 12.54	3.5	(+) 16.66
			<u>565.5</u>	<u>498.6</u>			<u>195.5</u>	
6.	1988-89	Rape-mustard	378.4	327.0	864	(-) 1.71	68.0	(-) 14.71
		Sesamum	69.2	39.4	569	(-) 32.50	9.5	(-) 44.12
		Groundnut	20.6	27.39	1328	(+) 1.14	75.0	(-) 22.68
		Sunflower	1.2	0.78	641	(-) 4.75	3.25	(-) 7.14
			<u>469.4</u>	<u>394.57</u>			<u>155.75</u>	
7.	1989-90	Rape-mustard	363.1	324.74	894	(+) 3.47	90.00	(+) 32.35
		Sesamum	87.1	59.60	684	(+) 20.21	10.00	(+) 5.26
		Groundnut	19.0	24.04	1264	(-) 4.82	80.00	(+) 6.66
		Sunflower	2.0	1.10	550	(-) 14.20	3.00	(-) 7.69
			<u>471.2</u>	<u>409.48</u>			<u>183.00</u>	

APPENDIX 8

(Reference: Paragraph 3.4.5, Page 80)

Componentwise/Yearwise share of Central/State Government/Institutional/Source and actual expenditure

Component	Source	Balance of Central assistance Excess (+)/ Due (-)	1985-86		Balance of Central assistance Excess (+)/ Due (-)	1986-87		Balance of Central assistance Excess (+)/ Due (-)	1987-88		Balance of Central assistance Excess (+)/ Due (-)
			Actual release	Fund utilised		Actual release	Fund utilised		Actual release	Fund utilised	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(Rupees in lakhs)											
1. C.A.D.A. Establishment	Central State	(-) 8.55 —	10.65 17.06	17.06	(-) 14.96 —	Nil 21.18	21.17 21.18	(-) 36.13 —	54.50 24.21	24.22 24.21	(-) 5.85 —
2. Topo Survey, Soil Survey and Socio-economic Survey	Central State	(+) 1.16 —	6.97 8.24	8.24	(-) 0.11 —	Nil 8.90	8.91 8.90	(-) 9.02 —	14.33 11.68	11.68 11.68	(-) 6.37 —
3. Construction of field channels	Central State	(+) 33.19 —	0.90 13.43	13.43	(+) 20.66 —	Nil 26.43	26.43 26.43	(-) 5.77 —	54.55 30.76	30.76 30.76	(+) 18.02 —
4. Adoptive Trial and Research	Central State	(-) 1.58 —	2.15 2.03	2.03	(-) 1.46 —	Nil 2.36	2.36 2.36	(-) 3.82 —	4.96 1.12	1.12 1.12	(+) 0.02 —
5. Subsidy for Ground Water Development	Central State	(+) 0.96 —	4.04 21.85	21.85	(-) 16.85 —	Nil 6.23	6.23 6.23	(-) 23.08 —	28.40 5.73	5.73 5.73	(-) 0.41 —
6. Warabandi	Central State	(+) 10.00 —	— —	—	(+) 10.00 —	Nil —	Nil —	(+) 10.00 —	Nil 0.25	0.25 0.25	(+) 9.75 —
7. Construction of Field Drain	Central State	— —	— —	—	— —	— —	— —	— —	0.75 0.40	0.39 0.40	(+) 0.36 —
Total	Central State	(+) 35.18 —	24.71 62.61	62.61	(-) 2.72 —	— 65.10	65.10 65.10	(-) 67.82 —	157.49 74.15	74.15 74.15	(+) 15.52 —

Component	Source	Balance of Central assistance Excess (+)/ Due (-)	1988-89		Balance of Central assistance Excess (+)/ Due (-)	1989-90		Balance of Central assistance Excess (+)/ Due (-)
			Actual release	Fund utilised		Actual release	Fund utilised	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(Rupees in lakhs)								
1. C.A.D.A. Establishment	Central State	(-) 5.85 —	31.00 28.01	28.01 28.01	(-) 2.86 —	32.00 34.11	34.11 34.11	(-) 4.97 —
2. Topo Survey, Soil Survey and Socio-economic Survey	Central State	(-) 6.37 —	5.00 11.46	11.46 11.46	(-) 12.83 —	6.25 13.60	13.60 13.60	(-) 20.18 —
3. Construction of field channels	Central State	(+) 18.02 —	80.20 71.88	71.89 71.88	(+) 26.33 —	92.00 101.95	101.95 101.95	(+) 16.38 —
4. Adoptive Trial and Research	Central State	(+) 0.02 —	1.00 2.14	2.13 2.14	(-) 1.11 —	2.50 2.26	2.25 2.26	(-) 0.86 —
5. Subsidy for Ground Water Development	Central State	(-) 0.41 —	10.50 9.80	9.81 9.80	(+) 0.28 —	9.25 3.11	3.11 3.11	(+) 6.42 —
6. Warabandi	Central State	(+) 9.75 —	2.50 Nil	Nil Nil	(+) 12.25 —	Nil Nil	Nil Nil	(+) 12.25 —
7. Construction of Field Drain	Central State	(+) 0.36 —	Nil Nil	Nil Nil	(+) 0.36 —	Nil Nil	Nil Nil	(+) 0.36 —
8. Training	Central	—	Nil	0.20	(-) 0.20	Nil	0.40	(-) 0.60
Total	Central State	(+) 15.52 —	130.20 123.29	123.50 123.29	(+) 22.22 —	142.00 155.03	155.42 155.03	(+) 8.80 —

APPENDIX 9

(Reference: Paragraph 3.4.8, Page 88)

Statement of Field Channel

Year of sanction	CADA	Schemes sanctioned			Schemes taken up		Schemes not taken up			No. of schemes for which progress not stated
		Nos.	Estimated cost	Area	Year	Nos.	Nos.	Estimated cost	Area	
			(Rupees in lakhs)	(In hectares)				(Rupees in lakhs)	(In hectares)	
1985-86	DVCADA	9	11.10	0.89	1985-86	3	1	0.46	0.03	
					1986-87	3	—	—	—	
					1987-88	2	—	—	—	
	KCADA	19	64.11	5.48	1985-86	14	4	13.69	1.21	
					1986-87	1	—	—	—	
					1985-86	8	2	0.77	0.05	
	MCADA	32	50.29	2.63	1986-87	22	—	—	—	
	Total:	60	125.50	9.00		53	7	14.92	1.29	
1986-87	DVCADA	18	32.79	2.13	1987-88	13	—	—	—	5
					1986-87	9	—	—	—	—
					1986-87	15	—	—	—	—
	KCADA	9	26.66	1.51	1987-88	11	—	—	—	—
					1988-89	3	—	—	—	—
	MCADA	29	59.24	2.98						
	Total:	56	118.69	6.62		51	—	—	—	5
1987-88	DVCADA	20	46.11	2.44	1987-88	6	—	—	—	3
					1988-89	9	—	—	—	—
					1989-90	2	—	—	—	—

1988-89	KCADA	29	101.93	2.90	1987-88	15	—	—	—	—
					1988-89	11	2	5.71	0.13	—
					1989-90	1	—	—	—	—
	MCADA	19	63.40	1.55	1988-89	9	1	3.47	0.13	—
					1989-90	9	—	—	—	—
	Total:	68	211.44	6.89		62	3	9.18	0.26	3
	DVCADA	30	79.03	3.02	1988-89	11	2	4.26	0.18	1
					1989-90	16	—	—	—	—
	KCADA	78	239.68	7.04	1988-89	20	27	105.48	2.57	—
					1989-90	27	—	—	—	—
1989-90					1990-91	4	—	—	—	—
	MCADA	9	30.43	0.91	1988-89	6	2	5.96	0.17	—
					1989-90	1	—	—	—	—
	Total:	117	349.14	10.97		85	31	115.70	2.92	1
	DVCADA	32	102.73	3.58	1989-90	20	—	—	—	—
					1990-91	12	—	—	—	—
	KCADA	33	131.52	2.84	1989-90	8	18	67.82	1.79	—
					1990-91	7	—	—	—	—
	MCADA	24	54.34	2.34	1989-90	19	1	2.31	0.10	—
					1990-91	4	—	—	—	—
1990-91	Total:	89	288.59	8.76		70	19	70.13	1.89	—
	DVCADA	Nil	—	—		—	—	—	—	—
	KCADA	10	18.42	0.57	1990-91	7	3	11.87	0.38	—
	MCADA	18	51.16	1.90	1990-91	13	5	17.24	0.64	—
						20	8	29.11	1.02	—
	Total:	28	69.58	2.47		20	8	29.11	1.02	—
	Grand Total:	418	1162.94	44.71		341	68	239.04	7.38	9

APPENDIX 10

(Reference: Paragraph 3.12.7, Page 105)

Statement showing Targets, Achievements and Shortfall of different Vaccines administered under UIP during 1985-86 to 1990-91

Year	Name of Vaccines	Targets	Achievements		Shortfall	
			Number	Per cent	Number	Per cent
1985-86	T.T. (P.W)	8.50 lakhs	474761	(55.85)	375239	(44.15)
	D.P.T	7.00 "	368039	(39.78)	331961	(60.22)
	Polio	7.00 "	179390	(25.63)	520610	(74.37)
	D.T	5.00 "	338682	(67.74)	161318	(32.62)
	Measles	0.50 "	22930	(45.86)	27070	(54.14)
	B.C.G	7.00 "	392890	(56.13)	307110	(43.87)
1986-87	T.T. (P.W)	9.00 "	676390	(75.15)	223610	(24.85)
	D.P.T	12.00 "	533284	(44.44)	666716	(55.56)
	Polio	12.00 "	366044	(30.50)	833956	(69.50)
	D.T	6.00 "	470844	(78.47)	129156	(21.53)
	Measles	1.00 "	66247	(66.25)	33753	(33.75)
	B.C.G	12.00 "	578355	(48.20)	621645	(51.80)
1987-88	T.T. (P.W)	11.56 "	862478	(74.60)	293522	(25.40)
	D.P.T	12.13 "	919620	(75.81)	293380	(24.19)
	Polio	12.13 "	555097	(45.77)	657903	(54.23)
	D.T	10.00 "	766602	(76.66)	233398	(23.34)
	Measles	7.28 "	374399	(51.43)	353601	(48.57)
	B.C.G	12.13 "	917997	(75.68)	295003	(24.32)
1988-89	T.T. (P.W)	16.17 "	991609	(61.32)	625391	(38.68)
	D.P.T	12.94 "	1069640	(82.66)	224360	(17.34)
	Polio	12.94 "	1009833	(78.04)	284167	(21.96)
	D.T	13.48 "	893410	(66.28)	454590	(33.72)
	Measles	11.63 "	531813	(45.73)	631187	(54.27)
	B.C.G	12.94 "	1060215	(81.93)	233785	(18.07)

1989-90	T.T. (P.W)	17.63	"	1059117	(60.07)	703883	(39.93)
	D.P.T	13.62	"	1206350	(88.58)	155450	(11.42)
	Polio	13.62	"	1209719	(88.83)	152081	(11.17)
	D.T	13.44	"	899987	(66.97)	443913	(33.03)
	Measles	13.62	"	746615	(54.83)	615185	(45.17)
	B.C.G	13.62	"	1301734	(95.59)	60066	(04.41)
1990-91	T.T. (P.W)	1758363		1219746	(69.87)	538617	(30.13)
	D.P.T	1617305		1486657	(91.94)	130648	(08.06)
	Polio	1617305		1528810	(94.53)	88495	(05.47)
	D.T	1338459		1069028	(79.87)	269431	(20.13)
	Measles	1617305		1182236	(73.10)	435069	(26.90)
	B.C.G	1617305		1757630	(108.68)	—	—

APPENDIX 11

(Reference: Paragraph 3.12.8, Page 106)

Position of dropout doses of different multidose Vaccines from 1985-86 to 1990-91

Name of vaccine	Year	1st Dose	2nd Dose	3rd Dose	Booster Dose	Total dropout	Rate of dropout (In percentage)
T.T. (P.W)	1985-86	607037	36675	—	107986	132276	22
D.P.T	"	611590	399003	368039	53267	243551	40
Polio	"	337110	224619	179390	48619	157720	47
D.T	"	491642	338682	—	66564	152960	31
T.T. (P.W)	1986-87	904547	591588	—	84802	228157	25
D.P.T	"	1062280	754571	533284	91592	528996	50
Polio	"	740054	512485	366044	101722	374010	51
D.T	"	725452	470844	—	82645	254608	35
T.T. (P.W)	1987-88	971971	760593	—	99904	111474	11
D.P.T	"	1494528	1060275	919620	173371	574908	38
Polio	"	991477	714542	555097	126734	436380	44
D.T	"	965291	766602	—	120457	198689	21
T.T. (P.W)	1988-89	1066500	859048	—	132561	74891	7
D.P.T	"	1414982	1147814	1069640	235198	345342	24
Polio	"	1384365	1105257	1009833	199151	374532	27
D.T	"	1097720	893410	—	149087	204310	19
T.T. (P.W)	1989-90	1030124	910570	—	148547	Nil	Nil
D.P.T	"	1472564	1254724	1206350	288036	266214	18
Polio	"	1507618	1268410	1209719	298320	297899	20
D.T	"	1054146	899987	—	169161	154159	15
T.T. (P.W)	1990-91	1198398	1085755	—	161208	Nil	Nil
D.P.T	"	1802161	1545339	1481504	356894	320657	18
Polio	"	1848875	1606674	1556032	386637	292843	16
D.T	"	1286910	1069313	—	168020	217597	17

APPENDIX 12

(Reference: Paragraph 3.12.9, Page 109)

Statement of Cold chain and other equipments allocated and supplied up to 31.3.1991

Item	Description	1985-89		1989-90		1990-91	
		Allocation	Supply	Allocation	Supply	Allocation	Supply
1.	Cold Box (5 ltr. + 26 IP)	—	—	1286	1084	1286	—
2.	ILR-240 ltr.	137	137	—	—	—	—
3.	Chest Freezer 300 ltr. SB	50	55	38	38	16	—
4.	Chest Freezer 140 ltr. SB	322	322	570	429	570	—
5.	Chest Freezer 140 ltr. MK	322	322	570	429	570	—
6.	Voltage Stabilizer 1 KVA	509	514	844	828	40	—
7.	Chest Refrigerator 300 ltr.	—	—	9	7	48	—
8.	Cold Box 22 ltr. + 36 IP	409	409	582	509	220	—
9.	Ice Packs (Spare) for Co.	21562	22134	139136	127223	7696	—
10.	Vaccine Carrier + 4 IP	2161	2251	6188	6185	1000	111
11.	Day Carriers + 2 IP	1551	1649	6188	6188	6188	—
12.	Sterilizer (Auto Clave)	459	459	499	499	499	—
13.	Sterilizing Drum for Auto Clave	956	956	998	876	6180	—
14.	Stem Ster. (DR) Pressure Cooker	3101	3101	3079	3079	3079	—
15.	Stove Kerosine	—	—	9098	9098	10098	—
16.	Syringe Racks	—	—	6180	350	6180	—

Item	Description	1985-89		1989-90		1990-91	
		Allocation	Supply	Allocation	Supply	Allocation	Supply
17.	Needles-20 G (Box)	10884	12924	11470	11470	8326	—
18.	Needles-23 G (Box)	132744	132136	172060	172060	89473	—
19.	Needles-26 G (Box)	46350	46350	114730	114730	33615	—
20.	Syringes-2 ml.	502710	382240	430170	328170	139450	—
21.	Syringes-1 ml.	83070	77730	143410	116800	62750	18574
22.	Syringes-5 ml.	12290	15715	57350	46950	47890	25930
23.	Refrigerator Repair Kit	11	5	6	6	6	—
24.	Jeeps/Van	65	65	24	24	24	—
25.	Basket for Refrigerator	—	—	893	430	893	—
26.	Basket for Freezer (300 S)	—	—	973	462	973	—
27.	Tempo Traveller	—	—	—	—	1	—

APPENDIX 13

(Reference: Paragraph 3.27, Page 125)

Statement showing details of persistent irregularities like defalcation, non-recovery of dues, excess/avoidable expenditure etc.

Sl. No.	Nature of irregularities	Agriculture	Cottage and Small Scale Industries	Panchayat	Local Govt. and Urban Development	Development and Planning	Money value (Rupees in lakhs)
1.	Non-recovery of rent, electricity charges and other dues	68	35	1	4	9	298.97
2.	Non-adjustment of advances drawn by departmental officers	112	17	7	1	11	1,377.64
3.	Excess/irregular/avoidable/infructuous expenditure	63	72	15	20	30	409.71
4.	Overdrawal of pay and allowances, etc.	28	12	1	3	Nil	37.94
5.	Non-realisation of loan	94	94	Nil	Nil	4	6,004.56
6.	Non-adherence to prescribed procedure dealing with cash	161	136	5	Nil	3	790.65
7.	Utilisation certificate wanting	41	20	14	1	6	2,375.83
8.	Theft/defalcation/misappropriation of Govt. money/stores	72	29	3	6	8	20.72
9.	Diversion of fund	6	4	1	Nil	8	70.26
10.	Loss of revenue	83	Nil	Nil	6	5	226.57
11.	Outstanding decretal amount/certificate cases	10	3	2	Nil	4	202.30
12.	Security deposit not furnished	30	7	7	2	4	Nil
13.	Excess expenditure due to non-acceptance of lowest tender	2	4	Nil	2	5	28.71
14.	Shortages/losses not recovered/written off	31	29	Nil	Nil	6	319.77
15.	Non-maintenance/Non-production of initial records	108	121	16	16	14	104.21
16.	Miscellaneous irregularities	839	245	22	87	106	2,788.87
		1748	828	94	148	223	15,056.71

APPENDIX 14

(Reference: Paragraph 3.28, Page 128)

Cases of Misappropriation, defalcation etc. awaiting final action at the end of March 1991

Sl. No.	Name of the Department	Reported up to 31st March 1989		Reported in 1989-90		Reported in 1990-91		Total	
		No.	Amount Rs	No.	Amount Rs	No.	Amount Rs	No.	Amount Rs
1.	Agriculture	79	9,47,173	—	—	1	60,106	80	10,07,279
2.	Animal Resources Development	15	12,08,377	1	4,401	—	—	16	12,12,778
3.	Board of Revenue	347	55,20,987	2	8,57,049	1	1,13,650	350	64,91,686
4.	Commerce and Industries	1	1,81,000	—	—	—	—	1	1,81,000
5.	Cottage and Small Scale Industries	3	2,60,267	1	18,289	—	—	4	2,78,556
6.	Education	35	12,61,289	—	—	1	4,73,665	36	17,34,954
7.	Excise	1	6,451	—	—	—	—	1	6,451
8.	Finance	9	12,03,214	—	—	—	—	9	12,03,214
9.	Food and Supplies	4	99,333	—	—	1	17,999	5	1,17,332
10.	Forest	1	19,000	1	1,50,311	—	—	2	1,69,311
11.	Health and Family Welfare	54	26,44,494	2	62,959	—	—	56	27,07,453
12.	Home (Civil Defence)	1	1,90,892	—	—	—	—	1	1,90,892
13.	Home (Police)	14	15,53,104	—	—	—	—	14	15,53,104
14.	Irrigation and Waterways	16	1,94,433	2	27,116	—	—	18	2,21,549
15.	Judicial	3	1,02,994	—	—	—	—	3	1,02,994

16. Labour	16	8,55,041	—	—	—	—	16	8,55,041
17. Land and Land Reforms	13	17,94,545	—	—	—	—	13	17,94,545
18. Public Health Engineering	4	1,41,207	—	—	—	—	4	1,41,207
19. Public Works	4	1,54,839	—	—	—	—	4	1,54,839
20. Public Works (Roads)	4	3,95,855	—	—	—	—	4	3,95,855
21. Refugee Relief and Rehabilitation	3	2,64,434	—	—	—	—	3	2,64,434
22. Relief and Welfare	1	2,99,383	1	5,780	—	—	2	3,05,163
23. Rural Development	43	22,37,028	3	3,22,932	1	2,91,000	47	28,50,960
24. Scheduled Castes and Scheduled Tribes Welfare	2	29,723	—	—	1	1,77,898	3	2,07,621
25. Tourism	1	1,15,628	—	—	—	—	1	1,15,628
26. Urban Development	2	1,49,920	—	—	—	—	2	1,49,920
	<u>676</u>	<u>2,18,30,611</u>	<u>13</u>	<u>14,48,837</u>	<u>6</u>	<u>11,34,318</u>	<u>695</u>	<u>2,44,13,766</u>

APPENDIX 15

(Reference: Paragraph 4.5.6, Page 153)

Physical progress of the main components of Teesta Barrage Project to the end of March 1991

Component	Year of commencement	Year of completion	Percentage of progress
<i>Barrages</i>			
Teesta Barrage	1977	1985	100
Mahananda Barrage	1979	1984	100
Dauk Barrage	1979	1988	100
<i>Canal System</i>			
(i) Teesta	1978	1989	100
Mahananda			
Link Canal			
(a) Distributaries	1986	*in progress	40
(b) Minor	One taken up.		
(c) Sub-Minor	Not yet taken up.		
(d) Water courses	-do-		
(ii) Mahananda	1978	in progress	80
Main Canal			
(a) Distributaries	1988	** -do-	10
(b) Minor	Not yet taken up.		
(c) Sub-Minor	-do-		
(d) Water courses	-do-		

(iii) Dauk Nagar	1980	in progress	40
Main Canal			
(a) Distributaries	1989	***-do-	50
(b) Minor	Not yet taken up.		
(c) Sub-Minor	-do-		
(d) Water courses	-do-		
(iv) Teesta	1989	in progress	10
Jaldhaka Main Canal			
(a) Distributaries	Not yet taken up.		
(b) Minor	-do-		
(c) Sub-Minor	-do-		
(d) Water courses	-do-		
(v) Other structures (C.D. structure Fall-cum-Regulator Bridge, Inlet, etc.)	1980	-do-	NA
(vi) Aqueduct	NA	758 completed	

N.B.: *Out of 10 distributaries (118.27 km), 9 (111.82 km) had been taken up.

**Out of 13 distributaries (125.85 km), 5 (46.73 km) had been taken up.

***Out of 22 distributaries (31.89 km), 3 (21.97 km) had been taken up.

APPENDIX 16

(Reference: Paragraph 4.38, Page 195)

Particulars of 15 works each costing Rupees one crore and above which were taken up without sanctioned estimates

Sl. No.	Divisions	Names of work	Year from which expenditure was incurred without sanctioned estimate	Expenditure to the end of March 1991 (Rupees in crores)
<i>Irrigation and Waterways</i>				
1.	Bankura Irrigation	Excavation of Bishnupur Branch canals (1989-90)	1962-63	3.34
2.	Howrah Irrigation	Improvement of Lower Damodar Scheme	1973-74	8.17
3.	Lower Damodar Construction	Re-excavation of Amta channel	1973-74	7.71
4.	Ganga Anti-Erosion Division	Protection to the right bank of the river Ganga in the district of Murshidabad	1974-75	4.13
5.	Kangsabati Canals VI	Excavation of Dy. 21R of T.S.M.C.(S)	1974-75	1.58
6.	Teesta Canals I	Construction of Mahananda Aqueduct	1977-78	3.64
7.	Berhampore Irrigation	Remodelling of embankment under K-1 Sub-division including construction of sluice	1987-88	1.32
<i>Public Works</i>				
8.	E.S.I. Hospital Construction Division	Construction of General Pool of A.T.I. Bidhannagar	1979-80	2.84
9.	Alipur Division I	Construction of 100-bedded S.G.H. at Baghajatin, Jadavpur	1983-84	2.07
10.	Alipur Division I	Construction of 8 storeyed building at Alipur Collectorate	1983-84	2.00
<i>Metropolitan Development</i>				
11.	Salt Lake Reclamation Division	Construction of multistoreyed office building	1981-82	2.77
12.	Salt Lake Construction Division	Construction of ABC type building in Sector III	1981-82	2.46
13.	Salt Lake Construction Division	Construction of "C" and "D" type building in Sector II	1981-82	1.88
14.	Salt Lake Reclamation Division	Construction of 250-bedded S.G.H. (1989-90)	1982-83	1.68
15.	Salt Lake Construction Division	Construction of road in Sector III (1988-89)	1981-82	1.30

APPENDIX 17

(Reference: Paragraph 6.2, Page 205)

Statement showing arrears in preparation of *pro forma* accounts by departmentally managed commercial enterprises

Sl. No.	Name of the enterprises/schemes	Name of the Department	Year for which accounts are due	Remarks
1	2	3	4	5
A.	Enterprises for which a Task Force was set up to prepare <i>pro forma</i> accounts—			
1.	Industrial Estate, Kalyani	Cottage and Small Scale Industries	1961-62	Task Force is engaged in preparation of accounts.
2.	Silk reeling scheme under the Dy. Director of Industries (Cottage) of the Directorate of Handloom and Textile	-Do-	1956-57	-Do-
3.	Industrial Estate, Baruiapur	-Do-	1976-77	Task Force prepared accounts from 1959-60 to 1975-76. Accounts for further period were under preparation.
4.	Central Engineering Organisation, Dasnagar, Howrah	-Do-	1974-75	Task Force was engaged in preparation of accounts.
5.	Integrated Wood Industries Scheme at Durgapur and Kalyani	-Do-	1965-66	-Do-
6.	Training-cum-production Centre for Wood Industries, Siliguri	-Do-	1965-66	-Do-
7.	Surgical Instruments Servicing Station, Baruiapur	-Do-	1978-79	Task Force prepared <i>pro forma</i> accounts for five years up to 1977-78. Further preparation of accounts was in progress.
8.	Government Sales Emporia in Calcutta and Howrah	-Do-	1951-52 to 1962-63 and from 1969-70 to September 1980	Task Force was engaged in preparation of accounts.

Sl. No.	Name of the enterprises/schemes	Name of the department	Year for which accounts are due	Remarks
1	2	3	4	5
	B. Other enterprises which failed to complete <i>pro forma</i> accounts for want of suitable staff			
9.	Central Lock Factory, Bargachia	Cottage and Small Scale Industries	1972-73	Task Force was engaged in preparation of accounts.
10.	Training-cum-production Centre, Mechanical Toys, Hooghly	-Do-	1972-73	The enterprise was wound up with effect from 21st June 1986. Reasons for non-preparation of accounts up to 20th June 1986 were awaited (June 1992).
11.	Scheme for production of Shark Liver Oil, Fishmeal, etc.	Fisheries	1979-80	Preparation of <i>pro forma</i> accounts was in progress.
12.	Oriental Gas Company's Undertaking	Commerce and Industries	1960-61 to 1st April 1990	A separate Government Company (Greater Calcutta Gas Supply Corporation Limited) was set up under the Companies Act, 1956, to take over, among others, the affairs of the enterprise.
13.	Undertakings of the Darjeeling Ropeway Company Limited	Industrial Reconstruction	1977-78	Reasons for non-preparation of accounts were awaited (June 1992).
14.	Directorate of Brick Production (Manual)	Housing	1984-85	Preparation of <i>pro forma</i> accounts was in progress (June 1992).
15.	Mechanised Brick Factory, Palta	-Do-	1984-85	-Do-
16.	Greater Calcutta Milk Supply Scheme	Animal Resources Development	1987-88	-Do-
17.	Durgapur Milk Supply Scheme	-Do-	1980-81	-Do-
18.	Burdwan Milk Supply Scheme	-Do-	1989-90	-Do-

19. Directorate of Cinchona and Other Medicinal Plants (Cinchona Branch)	Commerce and Industries	1981-82	Reasons for non-preparation of accounts were awaited (June 1992).
20. Sisal Plantation Scheme	Agriculture	1964-65 to 1986-87 and 1990-91	-Do-
21. Kanchrapara Area Development Scheme (Kalyani Township)	Public Works (Metropolitan Development)	1975-76	-Do-
22. Consolidated <i>pro forma</i> accounts of 'Hats' under the management of Government	Board of Revenue	1982-83	-Do-
23. Industrial Estate, Maniktala	Cottage and Small Scale Industries	1983-84	-Do-
24. Industrial Estate, Saktigarh	-Do-	1983-84	-Do-
25. Industrial Estate, Howrah	-Do-	1983-84	-Do-
26. Scheme for Public Distribution of Foodgrains	Food and Supplies	1988-89	-Do-

APPENDIX 18

(Reference: Paragraph 6.2, Page 205)

Summary of financial results of working of departmentally managed Government Commercial Undertakings

Sl. No.	Name of the Undertakings	Name of the Department Major Head under which accounted for	Year of account	Capital at close	Mean capital	Free Reserve	Net Block	Depreciation	Turn-over	Net Profit (+)/ Loss (-)	Interest charged/ added back	Total Return (Col. 11+12)	Percentage of total volume to mean capital
1	2	3	4	5	6	7	8	9	10	11	12	13	14
(Figures in columns 5 to 13 are rupees in lakhs)													
1.	Surgical Instrument Servicing Station, Barupur	Cottage and Small Scale Industries 2851—Village and Small Industries	1972-73	6.00	5.60	—	0.68	0.05	0.46	(-) 1.09	0.31	(-) 0.78	—
	-Do-	-Do-	1973-74	6.51	6.25	—	0.63	0.04	0.77	(-) 0.84	0.39	(-) 0.45	—
	-Do-	-Do-	1974-75	6.82	6.67	—	0.58	0.04	0.63	(-) 1.35	0.45	(-) 0.90	—
2.	Burdwan Milk Supply Scheme	Animal Resources Development 2404—Dairy Development	1987-88	355.78	317.58	—	104.26	8.81	52.65	(-) 92.78	19.05	(-) 73.73	—
3.	Barupur Industrial Estate	Cottage and Small Scale Industries 2851—Village and Small Industries	1967-68	13.30	13.27	—	10.47	0.22	0.90	(-) 0.22	0.73	(+) 0.51	3.84
	-Do-	-Do-	1968-69	13.90	13.87	—	10.26	0.21	0.95	(-) 0.19	0.76	(+) 0.57	4.10
	-Do-	-Do-	1969-70	14.66	14.58	—	10.05	0.20	1.00	(-) 0.21	0.80	(+) 0.59	4.04
	-Do-	-Do-	1970-71	15.43	15.34	—	9.86	0.20	1.05	(-) 0.19	0.84	(+) 0.65	4.24
	-Do-	-Do-	1971-72	16.26	16.16	—	9.66	0.19	1.17	(-) 0.17	0.89	(+) 0.72	4.46
	-Do-	-Do-	1972-73	16.94	16.95	—	9.48	0.19	1.39	(+) 0.02	0.93	(+) 0.95	5.60
	-Do-	-Do-	1973-74	17.99	17.93	—	9.30	0.18	1.42	(-) 0.14	1.12	(+) 0.98	5.47
	-Do-	-Do-	1974-75	19.30	19.19	—	9.12	0.17	1.48	(-) 0.27	1.29	(+) 1.02	5.32
	-Do-	-Do-	1975-76	20.60	20.59	—	8.95	0.17	1.56	(-) 0.23	1.36	(+) 1.13	5.49
4.	Scheme for Public Distribution of Foodgrains	Food and Supplies Department (19.11.86 to 31.3.87)	1986-87	128.18	62.65	—	—	—	373.04	(+) 18.56	2.87	(+) 21.43	34.21

APPENDIX 19

GLOSSARY OF ABBREVIATIONS

ADHSEPI	Assistant Director of Health Services (Expanded Programme on Immunization)
ADO	Agriculture Development Officer
AICORPO	All India Co-ordinated Research Project on Oilseeds
ASMFM	Assistance to Small and Marginal Farmers through Minikits
BCG	Bacillus Calmette and Guerin
BCT	Burnt Clay Tile
BENFED	West Bengal State Co-operative Marketing Federation Limited
BHP	Brake Horse Power
CADA	Command Area Development Authorities
CCA	Culturable Command Area
CES	Coverage Evaluation Survey
CM	Cow Milk
CSIR	Council of Scientific and Industrial Research
CWC	Central Water Commission
DA	Director of Agriculture
DAC	Dewatering Advisory Committee
DIO	District Immunization Officer
DOSP	Development of Oilseeds Production
DPT	Diphtheria Toxide
DT	Di Toxide
DTM	Double Toned Milk
DVCADA	Damodar Valley Command Area Development Authorities
DWRM	Diversification of rainfed/low irrigated area with Wheat and Rape-Mustard
DY. CMOH	Deputy Chief Medical Officer of Health
GOI	Government of India
HID	High Intensity Detailed
HPTC	High Power Technical Committee
ICAR	Indian Council of Agricultural Research
ID	Infectious Disease
IEC	Information Education and Communication
IIT	Indian Institute of Technology
IR	Irrigated
JDASWM	Joint Director of Agriculture, Soil and Water Management
KCADA	Kangsabati Command Area Development Authorities
KPS	Krishi Prayukti Sahayak

LID	Low Intensity Detailed
MCADA	Mayurakshi Command Area Development Authorities
MPW	Multipurpose Worker
NDDB	National Dairy Development Board
NHPC	National Hydel Power Corporation
NODP	National Oilseeds Development Project
NOVODB	National Oilseeds and Vegetable Oils Development Board
OFD	On-Farm Development
OPTP	Oilseeds Production Thrust Project
OPV	Oral Polio Vaccines
PAC	Public Accounts Committee
PAO	Principal Agricultural Officer
PGNT	Population of Summer Groundnut in Non-traditional areas
PHC	Primary Health Centre
PORS	Pulses and Oilseeds Research Station
RF	Rainfed
RLI	River Lift Irrigation
SAO	Sub-divisional Agricultural Officer
SAU	State Agriculture University
SLA	Special Loan Account
SMP	Skimmed Milk Powder
SNF	Solid Not Fat
TM	Toned Milk
TMO	Technology Mission on Oilseeds
TT	Tetanus Toxide
UIP	Universal Immunization Programme
VCES	Vaccination Coverage Evaluation Survey
VPD	Vaccine Preventable Disease
WBAIC	West Bengal Agro-Industries Corporation
WBMIC	West Bengal Minor Irrigation Corporation
WBSSC	West Bengal State Seed Corporation

