

28

28

HARYANA VIDHAN SABHA  
**PUBLIC ACCOUNTS COMMITTEE**  
**(1988-89)**  
**(TWENTY EIGHTH REPORT)**

**REPORT**

ON THE  
REPORT OF THE  
**Comptroller and Auditor General of India**  
**for the year 1983-84**  
**(CIVIL AND REVENUE RECEIPTS)**



(Presented to the House on.....)

HARYANA VIDHAN SABHA SECRETARIAT,  
CHANDIGARH

1989

## TABLE OF CONTENTS

	Paragraph(s)	Page(s)
Composition of the Public Accounts Committee		(iii)
Introduction		(v—vi)
Report on the Report of the Comptroller and Auditor General of India for the year 1983-84 (Civil and Revenue Receipts)		
1. General	1—2	1
<b>Part—I (Civil)</b>		
1. Public Health	3—4	2—14
2. Education	5	15—17
3. Transport	6	18—19
4. Food & Supplies	7	20—21
5. Housing	8	22—32
6. Irrigation	9—12	33—60
7. P.W.D. (B&R)	13—14	61—65
8. Town and Country Planning	15—19	66—75
9. Printing and Stationery	20—23	76—93
10. Welfare of Scheduled Castes and Backward Classes	24	94—101
11. Social Welfare	25	102—112
12. Police	26	113
13. Medical and Health	27	114—122
14. Industrial Training	28	123—124
15. Development	29—32	125—143
16. Co-operation	33—37	144—159
<b>Part—II (Revenue Receipts)</b>		
17. Excise and Taxation	38—47	163—187
18. Transport	48—50	188—193
19. Revenue	51—52	194—196
20. Industries	53	197—201
21. P.W.D. (B&R)	54—55	202—206
22. Finance	56	207—210
Appendix showing outstanding observations/ recommendations of the Public Accounts Committee.		211—227

(iii)

**COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE**  
**CHAIRMAN**

1. Shri Tek Chand Nain

**MEMBERS**

2. Shri Shiv Lal
- \*3. Shri Hari Singh
4. Shri Jai Narain Khundia
5. Shri Atma Ram Godara
6. Shri Durga Datt Atri
7. Shri Mahender Partap Singh
8. Dr. Harnam Singh
9. Shri Gurdial Singh
10. Shri Yogesh Chand Sharma

**SECRETARIAT**

1. Shri S. S. Ahlawat
2. Shri Chander Parkash

Secretary

Deputy Secretary

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\*Resigned from the membership of the Committee w.e.f. 2-11-1988 on his appointment as Minister of State and in the vacancy caused by the resignation of Shri Hari Singh, Shri Yogesh Chand Sharma was nominated w.e.f. 8th December, 1988.

## INTRODUCTION

1. I, the Chairman of the Public Accounts Committee having been authorised by the Committee in this behalf, present its twenty eighth Report on the report of the Comptroller and Auditor General of India for the year 1983-84 (Civil and Revenue Receipts).

2. The Committee, during the period of their tenure, also framed questionnaire on the Report of the Comptroller and Auditor General of India for the year 1984-85 (Civil) relating to the following departments :—

1. Archives
2. Archaeology
3. Sports
4. Industries
5. Co-operation
6. Food and Supplies
7. P.W D. (B & R)
8. Transport
9. Public Health
10. Home (Police)
11. Labour and Employment
12. Animal Husbandry
13. Town and Country Planning
14. Development
15. Forest
16. Tourism
17. Medical Education
18. Irrigation
19. Education
20. Medical and Health
21. Housing
22. Agriculture

3. A brief record of the proceedings of the meetings of the Committee has been kept in the Haryana Vidhan Sabha Secretariat.



(vi).

4. The Committee place on record their appreciation of the valuable assistance rendered to them by the Accountant General, Haryana and his staff and are thankful to the Secretary to Government, Haryana, Finance Department and the representatives of various departments who appeared before them from time to time during the period of their tenure. The Committee are also thankful to the Secretary, Haryana Vidhan Sabha and his staff for the whole hearted co-operation and assistance given by them to the Committee.

Chandigarh

The 9th January, 1989.

TEK CHAND NAIN

Chairman

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**PART I (CIVIL)**

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**REPORT**  
**GENERAL**

- (1) The present Public Accounts Committee was nominated by the Hon-  
'ble Speaker vide Notification No. PAC-14/88/35, dated the 22nd April, 1988.
- (2) The Committee held 67 meetings in all at Chandigarh and other places  
upto 9-1-1989.

## PUBLIC HEALTH DEPARTMENT

### *Paragraph 4.9. Supply of drinking water to problem villages*

[3] 4.9.1. Mention was made in paragraphs 4.10 and 4.6 of the Audit Reports for the years 1975-76 and 1977-78 respectively about some of the rural water supply schemes both under Minimum Needs Programme (MNP) and Accelerated Water Supply Programme (AWSP). In the 5th Five Year Plan, while the AWSP, which was 100 per cent financed by the Central Government was to continue for providing drinking water to problem villages, the state Government for its sponsored schemes under MNP provided for 88 per cent of the capital cost as grants and remaining 12 per cent was to be borne by beneficiaries in the form of land, labour and cash.

According to the 1971 census, out of total population of 1,00.36 lakhs in the State, 82.64 lakhs were residing in rural areas spread over 6,731 villages.

Villages having no source of water within a distance of 1.6 Kms. in plains or 0.8 Km. in hilly areas; level of water is more than 15 meters, suffering from excess salinity, iron or fluoride or other toxic elements hazardous to health and sources of water are liable to the rise of cholera of quinea-worm infestation, were categorised as problem villages.

As per departmental records, 4,173 villages (population: 55.80 lakhs) were identified as problem/scarcity villages as per survey conducted and approved by the Central Government in 1972. Subsequently, 517 villages (Population : 6.53 lakhs) were added during 1979-80, bringing the total number of problem villages to 4,690 with a population of 62.33 lakhs.

### **4.9.2. Financial and Physical achievements**

An expenditure of Rs. 34.38 lakhs was incurred on MNP and AWSP schemes upto the end of 5th Five Year Plan against budget allotment of Rs. 33.38 lakhs. Reasons for the excess are awaited (January 1985). Outlay for the purpose in the 6th Five Year Plan was Rs. 10,000 lakhs. Annual Plan outlay, budget allotment and actual expenditure during 6th Five Year Plan period upto 1983-84 are as under :—

Year	Year-wise outlay as per annual plan		Budget provision		Expenditure	
	MNP	AWSP	MNP	AWSP	MNP	AWSP
	(In lakhs of rupees)					
1980-81	6,50	3,00	8,15	3,55	8,63	3,75
1981-82	9,40	3,72	11,87	3,35	12,18	4,61
1982-83	11,30	90	13,83	2,73	13,68	2,89
1983-84	18,00	2,50	18,00	7,50	16,44	4,19
Total	45,20	10,12	51,85	17,13	50,93	15,44

Details of the number of schemes approved by the Central Government under AWSP the Central assistance released, the budgeted and actual expenditure during each year from 1977-78 are given below :—

Year	Number of schemes approved by the Central Government under AWSP	Budget provisions	Central assistance released	Actual expenditure
(In lakhs of rupees)				
Upto 1979-80	77	5,17.00	5,96.00	6,21.75
1980-81	33	3,20.00	3,55.00	3,75.00
1981-82	5	3,35.00	3,35.00	4,61.00
1982-83	—	2,54.00	2,73.00	2,89.00
1983-84	—	6,51.00	7,50.00	4,19.00
Total	1,15	20,77.00	23,09.00	21,65.75

Central assistance amounting to Rs. 1,43,25 lakhs was lying unutilised upto end of March, 1984.

4.9.3. Out of 4,690 problem villages in the State, 1,250 villages (population: 18.70 lakhs) were provided with safe drinking water facilities under MNP and AWSP schemes upto the end of 5th Five Year Plan at a cost of 34.38 lakhs. During the 6th Five Year Plan, 1,900 and 1,000 villages were to be covered under the MNP and AWSP respectively.

Total number of villages/population targeted to be covered and achievements made during first four years of 6th Five Year Plan under MNP and AWSP are as under :—

Year	Targets fixed				Targets achieved			
	MNP		AWSP		MNP		AWSP	
	Villages	Population	Villages	Population	Villages	Population	Villages	Population
(Population in lakhs)								
1980-81	175	2.30	65	0.90	158	1.77	82	1.13
1981-82	200	2.75	100	1.50	213	3.38	82	1.23
1982-83	214	2.30	106	1.57	280	3.72	70	1.08
1983-84	355	4.62	20	0.26	355	4.22	82	1.06
	944	11.97	291	4.23	1,006	13.09	316	4.50

Percentage of villages covered during first four years of the 6th Five Year Plan, under MNP and AWSP was 52.94 per cent and 31.6 per cent respectively, of the targets envisaged in the 6th Five Year Plan.

Out of 36.29 lakhs population benefited by the programme, the number of scheduled castes and scheduled tribes was 6.86 lakhs, i.e., 18.90 per cent.

Scheme-wise physical targets were neither included in the State Plans nor were available with the department. Even the quarterly progress reports submitted by the department to the State/Central Government indicated only village-wise targets/achievements. However, the total number of schemes (both under MNP and AWSP) taken up, completed and remaining incomplete at the end of the year 1983-84 as per records maintained in Divisional Offices were 595, 344 and 251 respectively.

#### 4.9.4. Results of audit

Findings as a result of test check conducted (February to April 1984) in four districts (Ambala, Bhiwani, Gurgaon and Mohindergarh) are contained in the succeeding paragraphs.

##### (a) Delay in completion of scheme

Individual water supply schemes were targeted to be completed in a period of one/two years. In addition to executing the schemes through Public Works Department, a lump sum was placed annually at the disposal of Sanitary Board for approval, sanction and executing the schemes.

Rural water supply schemes numbering 166 were sanctioned by the Sanitary Board, Haryana, Chandigarh during the years 1980-81 to 1983-84 under the MNP in four districts (Ambala, Bhiwani, Gurgaon and Mohindergarh) at an estimated cost of Rs. 17,83.14 lakhs. Funds to the tune of Rs 7,68.14 lakhs only were, however, released against these schemes till 1983-84 resulting in delays in completion of 88 schemes (March 1984) ranging from 4 to 5 years besides increase in cost due to price escalation.

A few cases of delay in completion of schemes resulted into extra liability of Rs. 1,00.66 lakhs, as detailed below:—

Serial Number	Name of Division	Name of scheme	Original estimated amount	Revised estimated cost	Difference	Expenditure upto March 1984
1	2	3	4	5	6	
(In lakhs of rupees)						
1.	Public Health Division, Bhiwani-I	Providing water supply scheme to Kakroli Hukmi Group of 9 No. villages.	20.79	47.53	26.74	93.16

1	2	3	4	5	6
2. Public Health Division, Bhiwani-I	Providing water supply scheme to Badhra Group of 7 No. villages	18.00	32.90	14.90	N.A.
3. Public Health Division No. II, Bhiwani	Providing water supply scheme to Chapar Ragan	8.86	18.50	9.64	12.44
4. Public Health Division No. II, Bhiwani	Providing water supply scheme to Thelor Group of 4 No. villages	10.86	18.80	7.94	11.37
5. Public Health Division No. II, Bhiwani	Providing water supply scheme to Tosham Group of 8 No. villages	8.12	27.37	19.25	7.08
6. Public Health Division, Rewari	Providing water supply to Mori Group of 20 villages	64.89	87.08	22.19	64.52
		1,31.52	2,32.18	1,00.66	—

(b) Out of 28 divisions in the State, a test check of 9 divisions brought out that 45 water supply schemes (covering 150 villages) which were taken up in 5th Five Year Plan period were in progress at the close of 1979-80. Of these, 33 schemes covering 119 villages were completed till 1983-84, resulting in delay in completion ranging from 4 to 5 years. The remaining 12 schemes covering 31 villages were still (June 1984) under progress.

Abnormal delay in completion of these 12 schemes which are canal based was mainly due to non-completion of construction of Over Head Service Reservoir (OHSR) second storage and sediment tanks, etc., (October, 1984) for non-release of requisite funds by the Sanitary Board, Government, abandonment of the work by the contractors and time taken for fixing the new agency; and necessity for change in specification due to site conditions.

#### 4.9.5. Irregular private connections

As per rural water supply schemes, only stand Post supplies were to be given in the villages and no House Service Connections should be provided. It was, however, noticed that 360 House Service Connections were allowed in 11 villages.

The Executive Engineer, Public Health Division, Sirsa in whose Jurisdiction these villages are mainly situated stated (February 1984) that private connections were allowed by the village panchayat prior to 1970 when the maintenance of the scheme was being carried out by it.

#### 4.9.6. Inadequate supply of water

(a) As per norms, 45 and 41 litres of water was to be supplied per head per day under MNP and ASWP schemes respectively.

The working of water supply schemes under the jurisdiction of Public Health Divisions No. I & II, Gurgaon revealed that in 20 out of 45 schemes, the quantity of water supplied ranged from 15 to 39 litres; short supply was attributed (March 1984) to less discharge of tubewells and non-availability of electricity.

As no water meters were installed on any scheme, the actual supply of water was worked out by the department on the basis of working hours of pumps.

(b) In Public Health Division, Rewari, a scheme "Providing water supply to Jarthal group of 29 villages" with a population of 18,200 was taken up in 1977-78 (estimated cost: Rs. 36.00 lakhs) and commissioned in 1978-79 at a cost of Rs. 30.03 lakhs.

Due to receipt of complaints in October, 1982 about inadequate supply an estimate for Rs 7.87 lakhs was prepared in April 1983 for providing a boosting station at village Salwas for augmenting supply to 11 Such villages having a population of 5,776, approval of the Sanitary Board for which was awaited (June 1984). Department stated (April 1983) that pressure in tail end villages had decreased due to providing of extra stand posts on public demand. As per norms of one stand post for a population of 200-250 persons maximum 91 stand posts for a population 18,200 should have been provided against 158 actually provided necessitating the additional estimate for Rs 7.87 lakhs.

(c) In Public Health Division, Narnaul a scheme "Providing water supply to Dongra Ahri Group of 2 villages" (estimated cost Rs. 6.57 lakhs) was commissioned in September 1982. The scheme based on a tubewell was designed to cater to needs of population of 5,207 persons.

Though the tubewell was expected to yield 7000 gallons of water per hour actual discharge of the tubewell was reported to have remained only 2000 gallons per hour and resultantly only 1.63 gallons of water per head/day was being supplied against the requirement of 10 gallons per head/day. The department had not taken any remedial measures to improve the working of the scheme (February 1984). The Executive Engineer intimated (October 1984) that revised estimate for providing additional tubewells were under preparation.

The Executive Engineer intimated (October, 1984) that the reasons for change in specifications were being looked into.

In their written reply the department stated as under :—

**Action taken on the recommendation of Public Accounts Committee**

The observations of the committee have been conveyed to the State Sanitary Board, Haryana and all the Superintending Engineers/Executive Engineers of Haryana, P.W.D. Public Health Branch vide Engineer-in-Chief letter No. 34-AC-58/1433-78-PH/AC(i) dated 24-4-84 and No. 34-AC-58/2622-25-PH/AC (i) dated 25-7-84 for further necessary action.



Recommendations of the Committee were conveyed to the State secretary Board, Haryana/concerned Superintending Engineers (Executive Engineers for allocation of funds/ completion of the works in question. Water supply scheme has been provided to the following villages :—

1. Plasra 9/82
2. Mathana 5/84
- 3 Bihwar 10/84

Hemlets included in Dharkhet and Malak w/s scheme have been included in main scheme for 7 Bhojes comprising 150 hemlets of Morni Area of block Raipur Rani. Funds have been allotted for execution of works. Supply of drinking water have been made available to these villages/hemlets in 3/86.

The matter was taken up with the Govt. by the Engineer-in-Chief Mr P.W.D Public Health Br. vide letter No. 3737-PH/P, dt 13-6-83, where, in it was made clear to the Govt. that the village Panchayats have expressed their inability to deposit the beneficiary shares. It was recommended to the Govt. to implement the w/s schemes under Minimum Needs Programme cent percent grant except land may be paid by the Govt. It has been decided by the Govt. vide their letter No. 7/18/83 PH(4), dated 6-10-83 that the land will be provided by the village Panchayat free of cost as being done previously. Additional expenditure will be incurred within the sanctioned scheme.

Government of India is providing cent percent cost to the rural w/s schemes under ARWS Programme. Only land is to be given free of cost, whereas, under State Plan, i.e. M.N.P. 88% grant was being provided by the State Government and remaining 12% was borne by the beneficiaries. For having single pattern from 10/83 onwards, the State Government have also approved financial pattern in rural w/s programme and now only land is to be provided free of cost by the Panchayats and whereas the balance cost is borne by the State Government. For implementing work or providing w/s facilities in rural areas, the same is covered under "20-Point Economic Programme" and all problem villages are to be provided with drinking water supply facilities upto 1990.

The para was discussed in the Public Accounts Committee meeting held on 6-10-1986 and the reply of this para given in the quarterly progress report for the quarter ending 30-6-1986 was considered and para in question was dropped.

4690 problem villages were identified by the State Government as per norms fixed by the Government of India on the basis of survey conducted in 1972 and 1979. Out of these identified problem villages approved by Government of India, drinking w/s facilities were extended to 3372 problem villages by the end of 6th Five Year Plan leaving a balance of 1318 problem villages. Out of these 567 villages were provided with drinking w/s facilities during the year 1985-86 and another 304 during the year 1986-87. Thus at the beginning of 1987-88 only 447 villages were left out of which work in 377 villages already stands

approved and is in progress. Only 70 villages have been left for which schemes are yet to be got approved from State Sanitary Board. Out of these 70 villages about 15 villages are such which have either been merged with adjoining Municipal areas or become lampless according to 1981 census figures and 10 villages for which schemes were approved, refused to provide suitable land for construction of water works. The department is already conscious about covering originally identified problem villages on priority. As per target fixed all the problem villages will be covered by 1990.

In addition to above on the basis of survey carried out during the 6th Plan period and in March, 1986, 996 villages have been approved by Govt. of India as Additional Problem villages according to similar criteria fixed. Out of these villages, 195 villages stand provided with w/s facilities upto 31-3-87 and in another 683 villages schemes stand approved and work is in progress. Only 118 villages are such for which schemes are yet to be got approved. All the above problem villages will be provided with w/s facilities by the end of 7th Five Year Plan i.e. March, 1990 as per target fixed by Central State Government.

The work of providing w/s facilities in rural areas was taken in hand in the year 1954 under National w/s and Sanitation Programme. The total expenditure of Rs. 3438 lakhs was incurred upto the beginning of 6th Five Year Plan i.e. during the period of 1954-1980 i.e. 26 years. 5th Five Year Plan was started from 1974-75 and was terminated after 4 years. Two years i.e. 1978-79 and 1979-80 Annual Plans were considered. The expenditure incurred during this period was to the extent of Rs. 2285.42 lakhs. The extra expenditure of Rs. 100 lakhs incurred is not related to the period of 5th Plan, but is spill over the last 26 years, which is between 2 to 3% and this extra expenditure was incurred to complete the works in hand and to achieve the targets.

A sum of Rs. 9.63 crores were indicated by Govt. of India, as grant under Accelerated Rural Programme during the 6th Five Year Plan and the target fixed was 225 villages. During the first 3 years, the above allocations were fully utilised. From 1983-84 onward special allocations were given by Government of India on the basis of performance of the State Government. Accordingly 46 new schemes covering 177 villages were approved at an estimated cost of Rs 4.55 crores in the month of February, 1984.

Out of the total Rs. 7.50 crores made available during the year 1983-84, Rs 4.50 crores were for schemes approved in February 1984. The spill over funds were mainly due to taking the work in hand against new schemes and these funds were utilized in the next year.

At the beginning of 6th Five Year Plan 3440 problem villages were left for providing water supply facilities and on the basis of April, 1980 price level a sum of Rs. 158.00 crores was assessed. The draft plan for Rs. 100 crores was prepared under State Plan and a target of 1900 villages was fixed for 6th Plan period i.e. 1980-85. It was expected that Government of India will provide Rs. 58.00 crores and a target of 1000 villages was fixed against the above allocations. It

was envisaged that all the problem villages will be covered during the 6th Five Year Plan period and accordingly above physical and financial targets were fixed.

Planning Commission Government of India only approved a sum of Rs. 80 crores for providing water supply facilities and target of 1700 villages was approved. Government of India only indicated a sum of Rs. 9.63 crores for the 6th Five Year Plan and target approved against this allocation was 225 villages. Thus the target for the 6th Five Year Plan period was to the extent of 1925 villages only and not 2900.

The State Government provided a sum of Rs. 77.73 crores and this amount was further supplemented by Government of India by Rs. 23.63 crores under ARP. Against Rs. 101.36 crores 2122 problem villages were provided with water supply facilities out of which 1565 were under State Plan and 557 under Centrally sponsored. Thus the targets achieved during the 6th Plan period were in accordance with the allocation of funds made available by the State/Central Governments.

It is not possible to give schemewise physical & financial progress. However, programmewise expenditure and achievements made during the 6th Five Year Plan is as under :—

<i>Sr No.</i>	<i>Name of Programme</i>	<i>Allocation</i>	<i>Expenditure</i>	<i>Achievement</i>
<i>(Amount in crores of Rs.)</i>				
1.	MNP	77.73	77.09	1565 villages
2.	ARP	23.63	19.69	557 villages

The shortfall in expenditure under AWSP was mainly due to allocation of funds at the fag of the year 1983-84 and 1984-85.

The funds are allocated in parts depending upon the actual requirements. In the first instance 50% water works components based on canal filtration are executed at site and the schemes put into operation after laying distribution lines to the villages. Second phase water works components (50% capacity) OHS Reservoir is provided later on. This is main reason that full funds are not released in the first instance. This is being done to assure availability of drinking water to maximum number of villages with the available funds. With the above proposal it is possible to meet the present requirement of water upto 70%.

The work was in progress against spill over schemes from 5th Plan under 45 schemes of 150 villages out of which 33 schemes covering 119 villages were provided with w/s facilities by the end of 1983-84 and the balance 12 schemes having remaining 31 villages work was in progress. Out of these 10 Nos. schemes covering 22 problem villages

were provided drinking w/s facilities during the year 1984-85 and 1985-86 and only 2 Nos. schemes mentioned below having remaining 9 non-problem villages were left where the work is still in progress. The work of providing drinking w/s facilities in non-problem villages is not covered under first priority and due to paucity of funds these schemes could not be completed so far :

1. P.H. Division, Hisar      1. Dangra & Nagla comprising of 6 Nos. villages.
2. P.H. Division, Sonipat      2. Larsoli gp. of 4 Nos. vls. (Larsoli has been provided with w/s)

It is stated that there was no norms for sanctioning private water connections against rural w/s schemes. Further in urban areas private water connections were sanctioned by the Municipal Committees. The programme of providing drinking w/s facilities in rural areas was taken in hand from 1954 and in the first instance i.e. upto the formation of Haryana State, drinking w/s was made available in 170 villages and these schemes were designed and executed for supplying 5 gallons per capita per day. Connections before the formation of Haryana State in villages were sanctioned by the Panchayats on the urban pattern. No connections were sanctioned by the department. The maintenance of rural w/s schemes was the responsibility of Panchayats.

Accordingly Panchayats sanctioned the connections to meet the maintenance cost at their level (From 1962 onwards the cost of maintenance in hilly and sandy areas was financed by the Panchayat Department).

Later on it was decided that all the rural w/s schemes will be maintained by the Public Health Department and considering the limited availability of water it was decided that providing water connections in general will not be sanctioned and only in special cases will be allowed with the approval of Chief Minister. Out of 360 connections, mentioned in the para only 7 connections have been approved by the Government and rest of 353 by the panchayats the record for which is not available.

There were no fixed rates for recovery of water charges. For having uniformity in policy in the State following proposal was got approved from State Sanitary Board in its meeting held on 31-10-79.

Now the recovery of water charges both for sanctioned connections by the State Government as well as by the panchayats recovery is being effected from the beneficiaries. It is also pointed out that the department found that some of water connections are unauthorised and steps were taken to disconnect the same, but later on the Hon'ble Punjab and Haryana High Court in Civil Writ Case No. 3844 of 1972 stayed disconnections. Thus for the existing connections water charges are being recovered by the Public Health Department.

It is stated that inadequate supply of water was mainly due to the reasons that electricity was not available regularly in the Rural Areas.

The biggest constraint for maintaining un-interrupted drinking water supply to problem villages is inadequate and irregular power supply. To over come this problem the State is making provision for erection of independent power feeders for group schemes and for other water supply schemes stand by arrangement in the shape of diesel engines/generating sets are being arranged/installed in a phased manner, depending upon the availability of funds. Further, Haryana State Electricity Board Authorities have also been approached to ensure adequate regular power supply to some of the major group rural water supply schemes.

It is always tried to drive home the benefits of the scheme to the beneficiaries in the minimum possible time and minimum investment and for that matter water supply is commissioned by creating minimum infrastructure. Remaining structures are kept on being added subsequently as the funds flow in to achieve the level of fixed norms.

From 1985-86 onward the State/Central Governments have provided a sum of Rs. 1.70 crores for providing Independent feeders for ensuring regular power supply to the village Water Works. For the current year i.e. 1987-88 Rs. 1.00 crore is being proposed to be utilized for providing stand-by arrangement.

From the information in respect of 20 water supply schemes, it is stated that only in two cases the supply is less than 20 litres per head/day, whereas in 5 cases the supply is between 20 to 30 litres and in remaining cases the water supply allowance is more than 30 litres. In this connection, it is stated that schemes are designed for supplying 45 litres under State Minimum Needs Programme and 40 litres for ARP sponsored by Government of India. The schemes mentioned in the list were designed and executed between 1960 and 1980 and some of the schemes were designed on the basis of 1961 population with a maximum increase of 30% as designed population. The rural population increase during the last two decades was more than 45% which also resulted in low water allowance. Moreover some of the major group schemes were designed on assuming that 16 hours pumping will be done but due to non-availability of power in some cases of the designed period, the per capita average availability has somewhat suffered. The above is also the major factor in reduction in water allowance. However, in general the position of distribution is satisfactory and as is evident from the attached statement.

The department is conscious about supply of adequate water to the villages. However in certain cases the supply being made available is on lower side. The main reasons for the same is due to reduction in yield of the tubewells on account of recurrence of successive draughts in the past. The State Government with the assistance of the Central Government have recently drilled 80 Nos. tubewells in drought affected areas to improve the quantity of water.

The scheme for Jarthal group of villages was approved in 1971 and was on the basis of 1981 census population figure. The designed population adopted was to the extent of 16091 persons whereas the

population as per 1981 census is 18131 persons and present population works out to 20500 persons and designed population is 24000 persons. 158 Nos. stand posts have been provided in 29 villages covered under this scheme. According to the Government policy separate water connection is given to schools where battery of taps with storage is provided. Accordingly 25 Nos. stand posts have been specifically provided in schools. Remaining 133 stand posts are for general public use. The department is providing stand post against the norm of 1 for 200 persons but in every village separate stand posts are to be provided for serving harijan basties. Generally location of harijan basties are in such a manner that department have to provide more taps against the norms. Separate stand posts are also provided at Harijan Chaupals, Panchayat Ghars and Anganwaris etc. Thus 158 Nos. stand posts provided against this scheme are as per site conditions and requirement. Thus 1 stand post has been provided against 152 persons. The Jarthal Group of water supply scheme is old one and due to increase in population needs augmentation.

As already stated above due to increase in population it was not possible to supply drinking water supply facilities to all the villages. To ensure regular water supply facilities in tail and villages, it was proposed to provide a boosting station at village Sahlawas for which detailed estimate was prepared for Rs. 7.87 lacs but corrected and got approved for Rs. 5 70 lacs. The provision of boosting station after a period of 10 to 15 years is justified as this scheme was designed for supplying water for 16 hours pumping. Due to availability of power for limited hours, the boosting station was needed technically as well. The boosting station estimate got approved is thus fully justified.

The water supply scheme for Dongra Ahir group of 2 Nos. villages was approved by State Sanitary Board in 3/81 for Rs. 6.57 lacs and the scheme was designed for a population of 5207 persons (1996) @ 10 gpd. The requirement was assessed as 52070 gls. The population of this village as per 1981 census is 4400 persons. The yield of the tubewell with 8 hours pumping was 7000 gls. per hour accordingly one No. tubewell was got drill at village Kalwari, and the water supply was made available to this village. The site of water works was kept on the Bank side of the River Dohan. For ensuring proper recharging of the underground area. Generally in this area due to flood of the river the underground area was recharged tubewells installed for drinking water purpose work satisfactorily But later on the Rajasthan Government constructed a dam obstructing the flow of flood water to Haryana territory, which has affected underground water table recharge adversely resulting in low yield of the tubewell. Present yield is only 2000 gls. per hour and with the tubewell already provided it is possible to supply water only between 3-4 gpd. For supplying requisite quantity of water to this village another deep tubewell has been got drilled and this tubewell is likely to be put into operation shortly with the commissioning of this additional tubewell drilled with the financial assistance through DRDA Narnaul it will be possible to supply adequate quantity of water to both the villages covered in this group.

From the departmental replies and oral evidence deposited before

the Committee, the Committee observe that scheme of supply of drinking water to problem villages was not implemented in the manner it was intended to achieve the objective, namely, problem villages which had not adequate source of water within a reasonable reach were to be provided drinking water free of health hazards like cholera of guinea worm infestation.

The Committee observe that out of 4,619 villages identified as problem villages, only 2572 were provided with safe drinking water by the end of 1983-84. Delay in completion of schemes also resulted in increase in cost due to price escalation. The Committee further note that against the norms of 41-45 litres per head/day under the scheme, the water availability ranged from 15 to 39 litres.

The Committee, therefore, strongly recommend that while launching such socio-economic programme, Government should be circumspective in ensuring that the intended benefits of such programmes percolate to the beneficiaries within the parameters of financial ceilings and constraints.

*Paragraph 4.9.7(c) Injudicious purchase*

[4] In Public Health World Bank Division, Sirsa, 5,000 metres of High Density Polyethylene Pipe 90 mm dia valuing Rs. 1.84 lakhs were received during July 1981 to September 1981, against two supply orders placed by the Engineer-in-Chief, Public Health Department, Haryana, Chandigarh, on a Calcutta based firm in March 1981. Another 3,000 metres of same pipe (100 mm dia) valuing Rs. 1.65 lakhs were procured by the division from Public Health Division (WB), Hissar in May 1982. Perusal of detailed estimates of various works executed/under-execution in the division revealed that there was no provision for the use of such pipe.

Perusal of stock accounts of the division brought out that 4,000 metres and 1,000 metres of 90 mm dia pipe issued to different works in March 1982 were taken back on stock in September 1982 and August 1983 respectively. Again in December 1983 and January 1984, 3,750 metres of 90 mm dia and 2,250 metres of 100 mm dia pipe were shown to have been issued to various works but the pipes were still lying in stock and there was no entry for its transportation to the site of works. It was further observed that neither the execution of these works was taken up nor there was any provision for the use of such pipe in the detailed estimates thereof.

The purchase of High Density Polyethylene pipe valuing Rs. 3.49 lakhs were, therefore, injudicious and has resulted in unnecessary blockade of funds.

In their written reply the department stated as under :—

The High Density polyethylene pipes of 90 mm o/d and of 100 mm o/d purchased by the department during September, 1981 & May, 1982 were required for laying the distribution system under the various water supply schemes being executed under Public Health WBP Division, Sirsa.

Schemes covered under World Bank Project Phase I were scheduled to be completed by the end of year 1981-82 and pipe work of most of the schemes under W.B. Phase-I were completed by that time where the PVC pipes were used. On certain schemes where pipes were yet to be laid, the high Density Polyethylene pipe available in the stock were issued in the year 1982 but due to scarcity of funds and other reasons as per site conditions, these pipes could not be used on those schemes and had to be taken back on stock (only a transaction). Later-on, on the inception of the Phase-II project of World Bank these HIPP were issued on various schemes where these were consumed. The considerable quantity of both sizes i.e. 90 mm o/d and 100 mm o/d were consumed.

Detail there of is given as under :—

<u>Name of work</u>	<u>Qty. utilised</u>	
	<u>90 mm</u>	<u>100 mm</u>
1. Prov. w/s sch. Vaidwala	1250 mtrs	689 mtrs
2. Do. Mathdadu	1072 mtrs	—
3. Do. Nezadelha Khurd	685mtrs	—
4. Do. Bakrianwali	600 mtrs	400 mtrs
5. Do. Kingran	—	460 mtrs
6. Do. Bhagsar	—	400 mtrs
Total	3607 mtrs	1940 mtrs

From the above statement, it is evident that the purchase of High Density & Polyethylene pipes of 90 mm o/d and 100 mm /o/d was not an injudicious purchase.

The Committee observe that injudicious purchase of high density polyethylene pipe resulted in blockade of funds to the extent of Rs. 3.49 lakhs. The departmental representatives both in their written reply and during oral evidence stated that the purchase had been made on an experimental basis. The department could not, however, give satisfactory explanation for transfer of the material to the site of works, the execution of which had neither been taken up nor was any provision for the use of such pipe in the detailed estimates.

The Committee, therefore, desire that the circumstances under which no entry for transportation of the pipes to the site of works had been made and provision for the use of such pipes did not exist in the detailed estimates may be investigated and final outcome intimated to the Committee.



## EDUCATION DEPARTMENT

### *Paragraph 6.7. Irregularities in release/utilisation of grant*

[5] Mention of some important points arising from scrutiny conducted under Section 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 of the procedure by which the Education Department satisfied itself as to the fulfilment of the conditions attaching to the grants, was made in paragraph 6.11 of the Audit Report 1982-83 (Civil)—Government of Haryana.

Further scrutiny of the sanctions to grant-in-aid disclosed that a grant of Rs. 93 lakhs sanctioned in May 1979 to a University for payment of compensation of the land acquired for it at Rohtak was deposited with Sub-Divisional Officer (Civil)/Land Acquisition Officer, Rohtak in June 1979 under Revenue Deposits. Rupees 38.30 lakhs were paid therefrom during 1980-81 and 1981-82 to land owners as compensation of land acquired. The balance of Rs. 54.70 lakhs was lying under Revenue Deposits in the treasury (December 1984). Considering that establishment of the University Campus on the land acquired was likely to involve heavy expenditure on its development and construction of buildings thereon due to the peculiar nature of the soil, Government decided in June 1980 that the University Campus be established near the Medical College, Rohtak instead of on the land acquired which was decided to be utilised for other departments.

The land could not, however, be utilised for any other department as some of the land owners challenged the land acquisition proceedings in the Court of law and the High Court quashed the acquisition proceedings (May 1981) on the ground that Government could not change the purpose of the acquisition. Government decided (December 1983) to return the land to the land owners after recovery of the compensation paid. Neither the land acquired had been returned to the land owners nor the compensation paid to land owners has been recovered (January 1985). The Department stated (October 1984) that the matter regarding vesting of powers to Sub-Divisional Officer (Civil) or any other officer under Section 7 of the Land Acquisition Act for de-acquisition of land was under active consideration of Government.

Rupees 2.43 lakhs had been spent by the Department from 1980-81 to 1983-84 on watch and ward of the property standing on the acquired land.

Thus grant of Rs. 54.70 lakhs released in excess of the requirement was lying unutilised (December 1984). Further land acquired for Rs. 38.30 lakhs without adjudging its suitability for establishing the University campus could not be utilised for the purpose and was pending return to land owners (January 1985).

In their written reply the department stated as under :—

1. The land in question was selected by a High Powered Committee consisting of the following members :—

(i) Education Minister, Haryana	Chairman
(ii) Vice Chancelloer, MDU, Rohtak	Member
(iii) Chier Engineer PWD Irrigation (Drainage, Hr.)	Member
(iv) Chief Engineer, Public Works B & R, Haryana	Member
(v) Chief Engineer, P W.D. Public Health Br Hr.	Member
(vi) Deputy Commissioner, Rohtak	Member
(vii) Executive Engineer, MDU Rohtak	Member
(viii) Director of Public Instructions (Colleges)	Member

However, later on Govt decided to establish MDU Rohtak at a Place near the Medical College, Rohtak.

2. All the land excepting 52 acres and one Kanal has been returned to the land owners and compensation paid to them has been recovered as per Govt instructions 52 acres and one Kanal land has not been returned as the concerned land owners are not available.

3 Some of the land owners had challenged the acquisition of land in the Court of Law and they had not accepted the compensation. As such, the total amount sanctioned could not be paid. The expenditure of Rs 2.43 lakhs on watch and ward staff was necessary and justified. The staff was actually required for protection of the property standing on this land including trees, tubewells, machinery and buildings etc As already mentioned, the acquisition proceedings were the subject matter of litigation in the High Court and any damage to this property might have created complications and resulted in loss to the State Govt

4. The M.D. University, Rohtak has been established near Medical College, Rohtak.

During the course of oral examination, the Committee had desired to know the reasons of shifting of site of University Campus from Rohtak-Gohana Road and establishing it at a place near the Medical College, Rohtak together with the number of complaints received in this behalf. The departmental representative informed the committee that the file relating to this matter had been destroyed on 23-9-1986 at the Secretariat level after classifying the same as 'C' category file. After hearing the representative of the Education Department the Committee was surprised to learn that the file was classified as category 'C' and destroyed when the audit para pertaining to that case raised in 1985 was to be discussed by the Committee.

The Committee think that the matter needed a proper enquiry and the Secretary of the department concerned was therefore asked to request the Chief Secretary to Government, Haryana, to hold an enquiry in the matter and submit the enquiry report to the Committee within one month (25-1-1988) but the Committee regret to observe that despite reminders the matter had not been finalised till the drafting of this report.

The Committee recommend that action taken against the delinquent officer/officials be intimated to the Committee within one month.

## TRANSPORT DEPARTMENT

### Paragraph 7.4 Short recovery of adda fee

[6] The State Transport Controller, Haryana instructed (August 1976) the General Managers of Haryana Roadways bus depots to charge Rs. 2 after obtaining requisite permission from the Sub-Divisional Magistrate/District Magistrate concerned as adda fee per trip per bus from private operators and other State Transport agencies, originating or passing through the bus stand. These rates were further revised from June 1982 to Rs. 3 and Rs. 2 per trip per bus for buses originating and the buses passing through the bus stand respectively.

A test check of the records of Rohtak depot in March 1982 revealed that adda fee at the rate of Rs. 1 per bus per trip from buses originating and passing through the bus stand was being recovered from the private and other State Transport agencies. The General Manager, Haryana Roadways, Rohtak stated (March 1982) that it appeared from the record that no action was taken by the depot on the instructions received from State Transport Controller in August 1976. The General Manager took up the matter with the District Magistrate, Rohtak in April 1982 and on receipt of his orders, started charging adda fee at the revised rates with effect from June 1982. The depot suffered a loss of revenue of Rs 4.72 lakhs on account of under-charging of adda fee from 1976-77 to 1982-83 (May 1982). No responsibility in the matter has been fixed.

The matter was reported to Government in February 1984; reply was awaited (March 1985)

In their written reply, the department stated as under :—

1. The State Transport Controller did not issue instructions in August 1976 to charge Rs. 2/— as adda fees. In fact, the District Magistrate Gurgaon had modified his earlier orders on 30-6-76 in respect of Gurgaon depot, and refixed adda fees as Rs. 2/— irrespective of the fact whether the bus starts from the bus stand or passes through it. This order of District Magistrate Gurgaon was endorsed by the State Transport Controller to all the General Managers of Haryana Roadways vide Endst No. 2163-71/CA 3 dt. 19-8-76 for information so that the correct adda fees is paid at bus stand Gurgaon. This was not direction to the General Managers of Haryana Roadways to charge adda fees at enhanced rates in all depots. Rule 7.12 (5) of the Motor Vehicle Rules 1940 is reproduced below:—

“The District Magistrate shall from time to time fix the fees or the maximum fees at every stand of class A, B or C.”

The rule clearly lays down that District Magistrate has to fix the adda fees. In this case the District Magistrate Rohtak had revised the adda

fees vide his order No. 6989/PLB dated 2-6-82.

2 There is no under charging of adda fees as the District Magistrate enhanced the adda fees only on 2-6-82.

3 As stated above, S.T.C. did not issue the instructions for enhancing adda fees. These are statutory powers and vest only with the District Magistrate. During review, it came to notice that District Magistrates of various Districts had revised adda fees at the [different intervals.

As adda fees could not be charged as rates higher than those fixed by the District Magistrate, therefore there is no loss of revenue. Hence para may please be dropped

The Committee had already given recommendation in this regard in its Twenty Sixth Report as under:—

"The Committee strongly recommend that the entire system of prescribing/enhancing Adda fee should be streamlined to ensure that occasions of short recovery of adda fee by the depots is obviated altogether.

The Committee further desire that as far as possible there should be uniformity in the rate of Adda fee and its enhancement is made simultaneously in all the depots."

The recommendations of the Committee should be complied with immediately and the Committee be informed about the action taken in the matter within three months.

## FOOD AND SUPPLIES DEPARTMENT

### *Paragraph 7.3 Loss in milling of paddy*

[7]. Under the price support scheme, the department purchased 3,165 quintals of paddy at Jind and Narwana centres, (Jind district) in November/December 1981 at a total cost of Rs. 6.02 lakhs through *Paeca Arhtiya Association*. The paddy was accepted after weighment.

The department invited tenders for custom milling of paddy during March and April 1982 but there was no response as the terms and conditions of NIT were not acceptable to the local millers.

On the basis of amended terms and conditions of NIT (October 1982), viz., delivery of paddy to millers on actual weight basis instead of at book weight as stipulated earlier, the milling contract was awarded to two local firms of Jind and Narwana in November 1982 at the rate of Rs. 4 per quintal. Against the quantity of 3,165 quintals of paddy purchased and stored, the department could issue only 4,624 quintals by actual weighment from December 1982 to March 1983 to the firms for milling resulting in shortage of 438 quintals (after allowing 103 quintals at 2 percent allowance for drriage) valued Rs. 0.52 lakh. In addition, the department had to incur avoidable storage charges of Rs. 0.09 lakh due to delay in issuing paddy.

The department stated (November 1983) that reports regarding shortages were under examination and necessary recovery for abnormal shortages would be effected from the concerned staff. Final reply was awaited (March 1985).

In their written reply the department stated as under :—

In the Kharif procurement season 1981-82, the food and Supplies Deptt. purchased paddy for the first time under the price support scheme. The Deptt. had not purchased paddy in earlier years and on this account no norms of shortages were fixed in the P.R. Manual. The paddy was given for milling on content basis in March, 1983.

Since there were no norms for this commodity, the deptt. examined the matter and laid down norms for shortage of paddy in the year June, 1985.

After fixing the norms individual cases were processed and show cause notices have been issued to the defaulting officials and their replies are being examined. Final decision is likely to be taken shortly.

Draft para was sent by the A.G. under letter No. Report/1-2-83-84/DPI-Comp-18, 25-4-84. This draft para originally received by the procurement branch and copy forwarded by that branch to this branch. which was received on 24-5-84.

The action on this para was started on 15-6-84. It is further added that this department purchased paddy for the first time and no norms for shortages were fixed in the P.R. Manual. Before receiving the draft para this branch already was taking action for fixing the norms. The norms are to be approved by the F.D. and accordingly FD was requested and FD approved the suggestion during the month of June, 1985.

This deptt. has already initiated to audit that no norms were available in the P.R. Manual. The norms for shortages of paddy was finalised during the month of June, 1985. The cases of shortages of paddy have being/are being examined in the light of norms. No enquiry is needed.

There are two cases for the shortage of 438 quintals. The show cause notice to the defaulters have since been issued for explaining their position in regard to the shortages. Out of two, one case which is 161-45-500 quintals the responsibility for 53-60-500 have been fixed on the defaulters after allowing i.e. 107-85-500. As regard second case of 275-57-200 of shortage the responsibility would be fixed after examining the reply to show cause notice.

The department while submitting additional reply to the questionnaire stated that out of total shortage of 54,10,0,00 quintals of paddy, a quantity of 3,51,23,660 quintals of paddy was considered as normal shortage according to the difference of moisture contents found at the time of purchase and at the time of despatch/auction, considering the merit of the case according to norms fixed for paddy, and the residual shortage of 190-34-840 quintals had been considered as abnormal shortage and fixed the responsibility for the shortage and recovery orders of Rs. 25125-98 had been passed against defaulting official/officers. The final out-come of the recovery orders had however, not been intimated to the Committee till the drafting of this report.

The Committee would therefore, like to know whether the final recovery has been made from the defaulting officials/officers and if not, the reasons thereof be intimated to the Committee.

## HOUSING DEPARTMENT

### *Paragraph 3.3 Rural house Sites-cum-house construction programme*

#### **3.3.1. Introductory**

[8] In order to provide dwelling sites/houses to the scheduled castes, backward classes and to other economically weaker sections of the society living in rural areas, the State Government took up various housing schemes from time to time right from 1973-74 as detailed below:—

- (i) to allot free of cost house sites to scheduled castes, backward classes and landless labourers who had no land of their own for building a house (taken up in 1973-74);
- (ii) to construct houses for beneficiaries on plots allotted to them through the state Housing Board (taken up in 1978-79);
- (iii) to give loan/subsidy for construction of houses through Co-operative Societies (taken up in 1981-82);
- (iv) to give subsidy to scheduled castes beneficiaries both in rural and urban areas who either opted to construct houses with their own resources or had their houses built through the State Housing Board (General scheme in force prior to formation of Haryana State).

Expenditure incurred on the schemes (i) to (iii) upto the end of 1983-84 was Rs. 3,92.17 lakhs. Figures of subsidy paid to the beneficiaries in respect of scheme (iv) in rural areas were not separately available with the department

A test check of records conducted in four districts, viz., Karnal, Sonapat, Faridabad and Hisar during the period February 1984 to April 1984 revealed the following :—

#### **3.3.2. Allotment of house sites**

(i) The main object of the scheme (formulated in January 1974) was to provide, free of cost, house sites in rural areas of 100 square yards per family to members of scheduled castes, backward classes and labourers who had no land for construction of a house of their own. The land was to be provided from Shamlat land with panchayats and where such land was not available, the Government was to acquire the same. The beneficiaries were expected to construct houses within a year from the date of taking possession of site and could raise loans from banks for this purpose by mortgaging the land. In June 1978, the scheme was extended to cover all other communities in the rural areas who were economically weaker/



backward having family income of Rs 3,600 or less, per annum.

**(iii) Targets and achievements**

The targets regarding construction of houses, *vis-a-vis*, houses constructed/allotted and, actually occupied during 1980-81 to 1983-84 were as under :—

Year	Beneficiaries registered	Targets for construction of houses	Houses constructed	Houses allotted/possession given	Houses actually occupied
1980-81	653	1,500	Nil	Nil	Nil
1981-82	534	1,500	78	Nil	Nil
1982-83	3,656	1,500	1,427	294	99
1983-84	336	1,100	865	988	197
	5,179	5,600	2,370	1,282	296

Non achievement of targets was attributed to (i) sites allotted to the beneficiaries being outside the villages *abadli*, (ii) sites having depressions and (iii) non-handing over of land by panchayats which should have been taken into consideration by the Board before selecting a village for raising a colony.

Non-allotment of 1,088 houses (cost Rs. 45.29 lakhs) and not occupying 986 houses by allottees (Cost Rs 46.73 lakhs) was attributed to (i) small size of houses, (ii) lay-out plan being not liked by the beneficiaries, (iii) localities being far away from *village abadli*, (iv) non-availability of water, electricity, etc., It was, however, noticed during audit that poor response for allotment/occupancy of houses was also due to substandard construction as per instances given below—

(a) Out of 200 houses constructed during 1982-83 (130) and 1983-84 (70) in village Rāmbha, district Karnal at a cost of Rs. 9.10 lakhs (approximately), not even a single house could be allotted to the beneficiaries because they were reluctant to accept the same owing to sub-standard construction, such as use of inferior material, poor workmanship, leakage of roofs, incomplete wood work, etc.

Further, a Committee appointed by the State Government to review the implementation of the scheme, during the course of their inspection of houses in August 1983 observed that construction work was not properly supervised by the Board's officials and recommended that departmental action should be taken against them. Final report was awaited (May 1984).

(b) In five villages, 352 houses (Mohana : 78; Mithathal : 38; Behal : 50; Fatupur : 66, Punhana : 120) were constructed during 1981-82 and 1982-83 at a cost of Rs 16.70 lakhs. Out of these 282 houses (Mohana 78; Mithathal : 16, Behal : 4; Fatupur : 66, Punhana : 118), were allotted but only 75 beneficiaries of village Mohana (55) and Punhana (20) occupied

the same. Non-occupation of the remaining houses was due mainly to sub-standard construction, collapsing of two houses (valuing : Rs. 0.11 lakh) in village Punhana and blowing of A.C.C. sheets of verandah roofing of certain houses in villages Fatupur and Mithathal. Some minor repairs to damaged houses had since been carried out in village Fatupur at a cost of Rs. 0.07 lakh but the beneficiaries were still reluctant to occupy them.

(c) The Superintending Engineer and ex-Officio Director Government of India, Ministry of Works and Housing, New Delhi pointed out (February 1984) while collecting material for compandium being prepared by Nation Building Organisation that in Chakrapur village out of 75 allotted houses, only 35 beneficiaries were actually living in the houses. Non-occupation of the remaining houses was attributed to non-providing of infrastructural facilities such as water supply, drainage, street light, paved streets etc.

In their written reply, the department stated as under :—

(i) The to date expenditure (upto March, 1987) incurred on the scheme  
(i) Allotment of house sites is Rs. 186.16 lacs.

(ii) The rural Housing Scheme was formally initiated in the year 1978-79 but construction of houses was started in 1980-81 after the scheme was approved by the State Govt. in October, 1980. The Board continued construction of houses upto March, 1985 and constructed 3033 Nos. houses on which an upto dated expenditure of Rs. 167.03 lacs has been incurred. The year-wise expenditure is given as under :—

Year	Expenditure incurred
1980-81	Rs. 0.36 lacs
1981-82	Rs. 8.75 lacs
1982-83	Rs. 59.87 lacs
1983-84	Rs. 41.33 lacs
1984-85	Rs. 33.87 lacs
1985-86	Rs. 17.77 lacs
1986-87	Rs. 5.08 lacs

Total Rs. 167.03 lacs

(iii) Year Expenditure incurred by Haryana State. Co-operative Housing Federation

	Loan	Subsidy
1981-82	Rs. 4.00 lacs	Rs. 4.00 lacs
1982-83	Rs. 4.00 lacs	Rs. 4.00 lacs
1983-84	Rs. 8.00 lacs	Rs. 4.00 lacs
1984-85	Rs. 20.00 lacs	Rs. 10.00 lacs
1985-86	Rs. 20.00 lacs	Rs. 10.00 lacs
1986-87	Rs. 20.00 lacs	Rs. 10.00 lacs

Total: Rs. 76.00 lacs Rs. 42.00 lacs

- (iv) Housing Board has constructed 3033 houses in rural areas. It has paid a subsidy of Rs 36 34 lacs to 1817 beneficiaries of scheduled caste category upto 31st March, 1987. No subsidy was to be given in urban areas. The subsidy has been paid @ Rs 2000/— per beneficiary against the cost of houses ranging from Rs. 5000/— to Rs. 7000/—. The year-wise details of the amount of subsidy paid is as under :—

Year	No. of beneficiaries	Amount of subsidy Paid
1982-83	267	Rs. 5.34 lacs
1983-84	607	Rs. 12.14 lacs
1984-85	628	Rs. 12.56 lacs
1985-86	172	Rs. 3.44 lacs
1986-87	143	Rs. 2.86 lacs
	1817	Rs. 36 34 lacs

From 1985-86 subsidy of Rs. 3000/— has been made available to all E.W.S. allottees without distinction of scheduled castes and others. However, non E.W.S. house was constructed or allotted during 1985-86. 454 Nos. E.W.S. houses have been constructed during 1986-87. No subsidy has been paid as the E.W.S. houses are yet to be allotted.

The impact of the scheme, extended in June, 1978 to cover economically weaker sections was that additional 24,932 persons more were identified as eligible for allotment of house sites, out of whom 24,698 have been allotted plots till the end of July, 1987.

House sites are allotted free of cost to the eligible persons at Govt./Panchayat land. Where no such land is available it is required for the purpose.

Land Acquisition Collector is required to make payment immediately when an aware is announced by him. Obviously, necessary amount as intimated by the Land Acquisition Collector, has to be withdrawn by the Deputy Commissioner from the treasury a few days in advance so that it could be sent to Land Acquisition Collector, well in time, for making the payment.

\* \* \* \* \*

(vi)(a) As per the list of the villages obtained from the office of the Accountant General, Haryana, the detail of the houses which could not be constructed at the site of work probably due to depressed land is given as under but the actual position of the depression in the land is yet to be verified by the Joint Committee consisting of Secretary, Housing Board, Haryana and the concerned Tehsildar of the Revenue

## Department :—

Sr. No.	Name of villages	District	No. of houses not constructed as shown in the Audit Report on the de-pressed land	No. of houses actually not constructed on the site of work
1	2	3	4	5
1.	Balsamand	Hisar	25	25
2.	Kharak-kalan	Rohtak	20	20
3.	Kadma	Bhiwani	13	13
4.	Chang	Do	13	13
5.	Achina	Do	69	69
6.	Kalinga	Do	50	50
7.	Kheri Dhattar	Do	50	50
8.	Badrai	Do	60	60
9.	Pali	Faridabad	72	28
10.	Allapur	Do	52	52
11.	Tigaon	Do	4	—
12.	Meoka	Gurgaon	42	—
			470	380

As regards construction of houses on 509 plots in eleven villages, the Housing Board neither surveyed the villages nor registered the applicants and as such the question of not constructing the houses on these plots because these were away from village abadi does not arise. However, the Revenue Department is ascertaining the position from the Deputy Commissioners as to whether these plots were far away from village abadi and in depression.

(b) There is no village named Madina in Sonipat District. There is, however, one village named Baliana in Rohtak District. According to report of Deputy Commissioner, Rohtak, there is no unauthorised possession of any body on plots allotted to the beneficiaries and the allottees are actually in possession of their plots.

(i) The details of short-fall in the construction of houses and in utilisation of loans are shown in Table I & II below :—

**Table I : Physical Short-fall :**

Year	Target	Achievement	Shortfall	Excess
1	2	3	4	5
1980-81	1500	—	1500	—
1981-82	1500	78	1422	—
1982-83	1500	1431	69	—
1983-84	1000	866	134	—
1984-85	500	658	—	(+)158 more houses were cons- tructed.
Total :	6000	3033	2967	Over all shortfall

**Table II : Financial Short-fall :**

Year	Loan received	Loan utilised	Shortfall	Excess
1	2	3	4	5
(In lacs of rupees)				
1978-79	50.00	—	50.00	—
1979-80	60.00	—	60.00	—
1980-81	52.00	0.36	51.64	—
1981-82	59.00	8.75	50.25	—
1982-83	64.00	59.87	4.13	—
1983-84	—	41.33	—	41.33
1984-85	40.00	33.87	6.13	—
1985-86	50.00	17.77	32.23	—
1986-87	30.00	5.08	24.92	—
	405.00	167.03	237.97	(Over all short-fall)

The reasons for the short-fall in the construction of houses and in the utilisation of loan as shown in the above tables I & II were due to the following reasons :—

(a) The Rural Housing Scheme was formally initiated in the year 1978-79 and the Board also started receiving loan from G.I.C. through Government from that year but actual construction of the houses could be started only in the year 1980-81 after the scheme was approved by the Government in October, 1980. Due to late start of the construction of houses, there was a fall in the construction of the houses as well as in the utilisation of loan in the initial years i.e. from 1978-79 to 1980-81.

(b) During the initial years 1980-81 and 1981-82, the demand of the houses from the beneficiaries was quite inadequate to achieve the target. The registration of the houses was 653 and 534 during 1980-81 and 1981-82 respectively. In 1981-82, 388 houses were taken up for construction.

(c) The Housing Board, Haryana did not have adequate infrastructure to take up the construction of the houses in full scale and as such it was not possible to achieve the target.

(d) The scattered nature of work

(e) Initially the work was attempted to be executed through contractors. It was found that contractors were not coming forward to undertake the work and it was decided to execute it all departmentally or on labour contract. It took time to create organisation for construction.

(f) The houses had to be constructed within the cost ceiling of about Rs. 5,000/- within which only one room accommodation with cheap specifications could be possible which by and large was not liked by the beneficiaries and due to this reason the construction programme was slowed down in 1983-84 and no construction was done in 1985-86 and thereafter.

(ii) The Rural Housing Scheme was formally initiated in the year 1978-79 but actual construction of the houses could only be started in the year 1981-82 after approval of the scheme from the State Government in October, 1980, but the Board started receiving the loan annually from the G.I.C. through Government from 1978-79 and by 1981-82 the unutilised loan had accumulated with the Board to the extent of Rs. 211.89 lacs. Besides this, sufficient funds amounting to Rs. 166.58 lacs were also available with the Board out of its own resources during March, 1982. It cannot, therefore, be said that the loan given to H.S.M.I.T.C. was out of G.I.C. funds. It remained with the H.S.M.I.T.C. for about twenty six months at  $9\frac{1}{2}\%$  interest.

As per scheme, the Rural houses were to be constructed on the plots allotted to the beneficiaries free of cost under 20 Point Programme.

and Housing Board had no option but to construct houses on such sites. The houses were constructed for the beneficiaries to whom such plots were allotted and who had registered their names with the Board. In order to achieve the target of construction of rural houses under 20 Point Programme, mainly the criteria of registration was adopted. However, the beneficiaries did not take these houses after the same were constructed.

There is no case where construction was not taken up due to non-handing over of lands by Panchayats.

Explanation of the concerned officers/officials were called for but they failed to submit their explanation inspite of repeated reminders. A senior officer has been deputed to investigate the matter and submit a detailed report within a month. The Committee will be informed of the action taken against the defaulters within three months.

(b) In five villages namely Mohna (78 houses) Mithathal (38 houses); Behal (50 houses); Fatupur (66 houses) and Punhana (120 houses) 352 houses were constructed out of which 282 houses have been occupied by the beneficiaries as per details given below :—

Sr. No.	Station	No. of houses	Houses allotted	Possession taken
1	2	3	4	5
1.	Mohnā	78	78	78
2.	Mithathal	38	30	16
3.	Behal	50	37	4
4.	Fatupur	66	66	64
5.	Punhana	120	120	120
		352	331	282

The non occupation of houses at Mithathal and Behal were due to the following reasons :—

- (i) The houses were far away from the main village abadi.
- (ii) The beneficiaries did not have the financial capacity to pay the monthly instalments.
- (iii) The size of the house and cheap specifications adopted were not liked by the beneficiaries.

Regarding collapsing of two houses at Punhana (valuing Rs. 0.11 lacs), a Committee had been constituted by the Board in its meeting held on 19th November, 1984 for conducting enquiry in to the matter. The report of the Committee pointed out that mud mortar should not be used in stone masonry as the damage was caused by gushing water due to rains near the culvert. It also recommended the construction of protection work by villagers/Panchayats. These two houses were repaired and allottees felt satisfied about the repair work done by the department.

The report of the committee was put up before the Board in its 90th meeting vide item No. 90.30 for information of the Board and the matter was noted by the Board

Regarding Fatupur, it will be seen from the above table that almost all the houses have been occupied by the beneficiaries after minor repairs and relaying of the A.C.C. sheet roofing which were blown due to storm.

(c) 72 houses instead of 75 houses were constructed at Chakarpur and all the houses have since been occupied by the beneficiaries.

(a) The details of houses constructed during the year 1982-83 and allotted in nine villages are as under :—

Sr. No.	Name of village	District	No. of houses constructed	No. of houses allotted in 1982-83	No. of houses allotted upto 1986-87	Remarks
1	2	3	4	5	6	7
1.	Lohari	Bhiwani	96	—	—	
2.	Bahali	Bhiwani	64	63	—	In the audit report 140 houses have been shown as constructed whereas only 64 houses have been constructed.
3.	Mehrana Phase I	Bhiwani	66	—	66	
4.	Kural	Bhiwani	64	—	64	
5.	Behal	Bhiwani	50	—	37	In the audit report 48 houses have been shown as constructed whereas 50 houses have been constructed.
6.	Mithathal	Bhiwani	38	8	22	
7.	Bapora	Bhiwani	82	—	79	
8.	Rambha	Karnal	200	—	200	
9.	Uchana	Karnal	34	—	34	
			694	71	591	



The position given in the table above will show that 694 houses have been constructed in nine villages instead of 768 houses mentioned in the audit report. Out of these 694 houses, 662 houses have already been allotted upto 1986-87 and as such the houses left un-allotted are small in number.

(b) As regards the construction of houses in flood affected sites, and that of incurring of infructuous expenditure, disciplinary action had already been initiated against the officers/officials and the action against the defaulters will be intimated to the Committee within three months.

(c) In case of Village Balsamand District Hisar, only 29 beneficiaries of scheduled castes category got their names registered with the Board and all of them were provided with the houses. However, the Board has allotted 1817 houses to the scheduled castes out of total 2824 houses allotted so far which works out to about 64.3%. It is further submitted that no beneficiary of schedule caste category has been left without the allotment of a house who registered his name.

(viii) Report of E.S.A. was received after March, 1985 vide E.S.A. Haryana letter No. 7310 dated 5th April, 1985. However, the scheme was abandoned by the Board by order of the Government dated 30th May, 1985. Question of any follow up action, therefore, does not arise.

While examining this matter the Committee noted that the department failed to achieve the fixed target of construction of houses and the design and construction of the houses was so poor that it wasted the public money on a large scale. The department also admitted that at certain places the houses were far away from the village abadi, the size of houses was very small, the construction work of houses was poor and several sites were on uneven and low lying area. The site of houses and cheap specifications were not liked by the beneficiaries. The house sites were allotted at Government/Panchayat land or land acquired for the purpose by the Revenue Department but before the allotment of sites the senior officers of the Revenue Department viz. Revenue Officers/ Tehsildars concerned did not actually see the sites before allotment to the beneficiaries and the people were not coming to accept the houses. The Committee observe that the Revenue Department played a major role in this regard and the officers concerned should have sorted out the whole position at initial stage. The Committee further observe that when the Housing department had anticipated such like possibility the officers of the department should have investigated before construction of the houses as to whether the houses were acceptable to the beneficiaries or not.

In the allotment of 286 plots to ineligible beneficiaries the department stated that two patwaris and two kanongos were responsible and the officials had since retired from Government service. During the course of oral examination, the Committee had desired to know whether some other senior officer was also responsible for this lapse. In this regard, the Committee was intimated that the list was verified by the then Tehsildars, who had later been promoted. In H.C.S. and Chief Secretary to Government, Haryana was requested to take suitable disciplinary action against the said officer for this lapse. The action taken

by the Government against the said officer had not been intimated to the Committee till the drafting of this report. The information in regard to allotment of these plots to other eligible persons had also not been furnished to the Committee till the drafting of this report

**The Committee desire that the above information be supplied to the Committee within three months.**

In regard to sub-standard construction of houses the department stated that action against the defaulting officers/officials was initiated and show cause notices were being issued to them. The department further stated that the enquiry was being conducted in the cases of houses constructed in flood affected sites and assured that the Committee would be informed of the action taken in the matter by 30-9-1988. The department informed that on the basis of enquiry report, the explanations of the following officers/officials were called and latest position in each case till the drafting of this report was as under :—

Name of the officer/official	Latest position
Sh. R.S Gupta, Executive Engineer	Charge-sheeted under rule 7 of Haryana Civil Services (Punishment & Appeal) Rules, 1987
Sh. Mukesh Gupta, Asstt. Engineer	Charge-sheeted under rule 7 and reply has been received which was being examined.
Sh. A.K. Sarin, A.T.P.	Reply to the charge-sheet under rule 7 had been received and was being examined
Sh. H.L. Chopra, Jr. Engineer	Explanation of the official had been received and was under process
Sh. V K Kapoor, Ex. T.A. & A	Officer was on deputation from Town & Country Planning Department, Haryana. The explanation was still awaited from his parent department and matter was being pursued with the department for expenditure the reply.

**The Committee regret to observe that the matter was considerably delayed by the department and strongly recommend that disciplinary action against the delinquent employees be finalised immediately and the Committee be informed within three months.**

## IRRIGATION DEPARTMENT

### *Paragraph 4 1. Construction of Ujina Diversion Drain and Remodelling of Ujina Drain*

#### **4.1 1. Introductory :**

[9] Mewat area of Haryana (districts Gurgaon and Faridabad) comprising 688 villages had been facing severe flood problem through Landoha Nallah which flows into Haryana from Rajasthan. The natural outlet of this area is through Ujina Drain (400 cusecs) falling into river Yamuna after passing through areas of Rajasthan and Uttar Pradesh. The area experienced heavy rains consecutively during the years 1975, 1976 and 1977 when 1077 mm, 905 mm and 1,111 mm of rainfall respectively was recorded. On the three days of heaviest rains in 1977, the storm recorded was of the order of 200-210 mm which affected 1 25 lakh acres of Mewat region. The Central Government appointed (January 1977) a Committee (including the representatives of Rajasthan and Haryana) under the Chairmanship of Member, Central Water Commission which after considering several proposals recommended (September 1977) the construction of an independent diversion drain with a capacity of 1800 cusecs at its off-take at RD 22750 of the existing Ujina drain and running completely through Haryana territory and out-falling (capacity 2800 cusecs) into river Yamuna to serve as a comprehensive and fool proof drainage scheme. The existing Ujina Drainage system was also proposed to be remodelled for higher capacities

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#### **4 1.5. Control of floods**

The project was formulated taking into account the maximum 3 days rainfall in a year upto the year 1976. It was envisaged that the maximum rainfall of 3 days will be cleared in 7 days and this would save annual damages of Rs 8,31 80 lakhs (on an average). There were serious drought conditions during the years 1979-80 to 1982-83 and thus the benefits, if any, derived from the coming up of the project remained potential. Though as per the department, the project was nearly completed in monsoon 1981 and had stood the test of passing 2 days (29th and 30th June 1981) maximum rainfall of 300 mm, 65 and 83 villages in Nuh and Ferozepur Jhirka tehsils were affected by floods upto 1982-83. During monsoon, 1983, when the maximum 3 days rainfall in the project area ranged from 40 mm to 162 mm, there were again floods in the project area (Palwal, Nuh and Ferozepur Jhirka tehsils) and an area of 0 40 lakh hectares comprising 350 villages was flooded causing loss to crops/property worth Rs. 3,50.00 lakhs.

The Superintending Engineer, U.D.D. Circle No. II Gurgaon stated (November 1984) that flood damages were due to heavy rainfall and non-clearance of water accumulated in low lying pockets and depressions because of non-construction of inlets

#### 4.1.6. Raising of multiple crops

It was proposed to raise more than one crop from an area of 1.60 lakh hectares, which in the pre-project period remained under floods for several months thereby making Rabi sowing impossible. In 1977-78, when worst floods were experienced, the net area sown was 3.36 lakh hectares of which 1.63 lakh hectares was sown more than once. In the post project period from 1981-82 and 1982-83, although the net area sown rose from 3.36 lakh to 3.70 lakh hectares, the area sown more than once came down from 1.63 lakh hectares to 1.61 lakh and 1.55 lakh hectares respectively, thus, making the project gains in terms of raising more than one crop unidentifiable. The Director, Land Records, Haryana, intimated (November 1984) that area sown more than once has decreased because of shortage of water in canals, inadequate supply of electricity for running the tubewells and scarcity of rainfall.

#### 4.1.7. Excess payment

(a) In the Hodel Division, U.D.D., Faridabad, the departmental through rates for the construction of aqueduct at K.M. 5.56 of U.D.D. were approved by the Chief Engineer in March 1979. There was no provision or stipulation for grant of extra payment for washing of stone ballast/sand and screening of *bajri*. The Departmental through rate of washing of stone ballast/sand and screening of *bajri* incorporated in the detailed estimate prepared by the Superintending Engineer in October, 1979 was rejected by the Chief Engineer and hence these items were deleted from the estimate sanctioned by the Government in April 1983. Nevertheless, the contractor was paid Rs. 0.52 lakh during the period September 1979 to May 1980 for this item of work. On this being pointed out in audit (September 1983), the Superintending Engineer, U.D.D. Circle No. I, Faridabad wrote (November 1984) to the Chief Engineer that the payment being not admissible was required to be recovered from the contractor. The Executive Engineer, Palwal Division, was also advised to place the amount of excess payment in Miscellaneous P.W. Advances pending recovery. The amount has not been recovered so far (January 1985).

#### 4.1.8. Extra expenditure of Rs. 4.75 lakhs

The designed bed width of the Ujna Diversion Drain as per project estimate was 77 feet (offtake) to 190 feet (outfall). In the first instance Pilot Section of 25-28 feet width (against 40 feet design) was excavated. In reach KM 7 to 9 and K.M. 11.6 to 13, earth excavated was partly disposed of within the designed cutting of the drain (77 feet to 190 feet) instead of dumping it to spoils. As a result, 43.46 lakhs C.F.T. earth work was rehandled by incurring an expenditure of Rs. 4.75 lakhs during April 1980 to September 1983. The department attributed this rehandling to acquisition of land after construction of Pilot Section, construction of dowels, construction of paths for bringing of draglines and rehandling of sloughed earthwork. The quantity dumped within designed width of the drain and subsequently removed to spoils could not be worked out as it was merged with earthwork done on construction of dowels, paths for bringing draglines, etc.

#### 4.1.9 Avoidable expenditure —Rs. 9.83 lakhs

The first stage of the project envisaged construction of a Pilot Section capable of passing 600 cusecs of flood water, which was completed on 11th August 1978. Out of the maximum of 398 cusecs of water flowing in the existing Ujina Drain between 11th August 1978 and 13 August 1978, 300 cusecs were diverted in the newly constructed Pilot Section. It was noticed in audit that the pilot section was not excavated as per the design as there were deviations both in the bed level and bed width as shown below :—

K.M. of the drain	(As per approved L—Section)		(Actually obtained)	
	Bed level	Bed width	Bed level	Bedwidth
36.2 of U.D.D.	606.12 ft.	40 ft.	607.41 ft.	25 ft.
28.6     "	604.28 ft.	40 ft.	605.64 ft.	28 ft.
5.8       "	599.23 ft.	40 ft.	606.14 ft.	25—28 ft.

As can be seen from the above, a maximum slope of 1.27 feet over a length of approximately 30 km. could be attained against 6.89 feet envisaged. Also the bed level at KM 5.8 was higher than the upstream bed level at KM 28.6 of the Pilot Section. The Executive Engineer stated that due to urgency of work and limited time available bed width achieved varied from 25 to 28 feet in the Pilot Section and bed levels were attained on a bit higher side.

The defective execution of works resulted in heading up of water in the Pilot Section of the drain and consequently, the earth from the banks KM 6 to 7 of U.D.D. slipped in and blocked the drain. For the restoration of the drain, a sum of Rs. 9.83 lakhs was incurred during the period November 1978 to November 1979. According to the approved programme, water in excess of 400 cusecs was only to be passed through diversion drain and thus the release of water in the Pilot Section without attaining the designed bed width and proper slope and even in the absence of existence of flood water exceeding 400 cusecs in the existing Ujina drain warranting its forced passage through incomplete Pilot Section has resulted into this avoidable expenditure. The Executive Engineer, Hodel Division, U.D.D. Monitoring Inspection and Control, Faridabad suggested (August 1984) to Superintending Engineer that the case needs investigation by State Vigilance Department.

#### 4.1.10. Expenditure on maintenance of bunds, cunnets and de-watering operations—Rs. 0.95 lakh

The project envisaged automatic clearance of flood water by way of gravity flow from the entire catchment area comprising Nuh, Ferozepur Thirka and Palwal Tehsils through construction of link drains, sub-link drains and inlets at different points,

The existing six link drains falling in the catchment area of diversion drain from KM 39-23 with a run-off factor of 5 cusecs per square mile were designed to be remodelled with a run-off factor of 7.50/10 cusecs per square mile as stipulated in the project estimate as these existing link drains did not function effectively in the low lying pockets of their catchment area. As the link drains were not remodelled (November 1984) to the increased designed capacity the department had to resort of flood relief works of maintenance and repair of ring bunds, digging cunnets and de-watering operations by pumps on which and expenditure of Rs. 0.95 lakh (ring bund : Rs. 0.69 lakh and cunnets : Rs. 0.26 lakh) was incurred from 1981-82 to 1983-84.

#### 4.1.11. Extra Expenditure

The L-section for earth work in reach KM 23-19 of the U.D.D. was approved in February 1978 fixing full supply depth at 8.20 feet. The work was however done on the basis of revised L-sections approved in November 1978, according to which the full supply-depth was 7.20 ft. in reach KM 23—19. The L-Section were again revised in April 1982 fixing 8.20 ft. as full supply depth. The relevant data are given below.—

Particulars of specifications (Unit)	As per L-Sections of		
	February 1978	November 1978	April 1982
Full supply discharge (Cusecs)	2400	2400	2400
Water Surface slope (1000 ft.)	0.12	0.07	0.045
Velocity (ft. per second)	2.69	1.96	1.73
Fully Supply Depth (feet)	8.20	7.20	8.20
Bed Width (feet)	102	163	163

The department stated (July 1984) that the further revision of L-Sections in April 1982 was considered essential because after observing hydraulic functioning of the U.D.D. during the floods of 1981 it was felt that due to one feet rise of bed level at KM 23, there has been some difficulty in proper discharging of designed floods through the drain.

In reach KM 23—19 additional earth work of 0.60 lakh cums required to be executed to reach the desired depth resulted in an additional expenditure of Rs. 1.18 lakhs, as the rate at which the works were being executed now was ranging from Rs. 620 to Rs. 690 per hundred cum against Rs. 470 per hundred cum at which the work was got done earlier. It was further noticed that quantity of earth work actually excavated was 1.29 lakh cums which was attributed by the department to slipping of loose earth work, sloughing and sedimentation/silting. This involved further additional expenditure of Rs. 4.62 lakhs (on additional 0.69 lakh cum earth work.)

#### 4.1.12. Under utilisation of machinery

Manufacturing accounts in respect of each machinery should be maintained on the principle of no profit no loss basis. However, the performance of 21 such manufacturing works test checked in Mechanical Division, U.D.D., Gurgaon revealed that the machinery remained under-utilised varying from 50 per cent to 93 per cent whereas full operational charges to the extent of Rs. 7.09 lakhs were incurred against the permissible charges of Rs. 4.68 lakhs worked out on the basis of machinery utilised resulting into unnecessary expenditure of Rs. 2.41 lakhs on the operational charges. The Executive Engineer, Mechanical U.D.D. Division, Gurgaon stated (October 1984) that the machinery remained idle for want of work, non-availability of funds and non-sanction of some of the estimates.

#### 4.1.13. Additional expenditure on Hamilton bridge—Rs. 2.74 lakhs

The work of temporary diversion facilitating the construction of High Level Bridge at 11.332 of National Highway No. 2 was completed in December 1978 by Construction Division, B&R, Palwal on behalf of Irrigation Department. Percentage rate tenders based on departmental designs or lumpsum tenders based on 'firms' designs for construction of main bridge, were invited in November 1978. The work was allotted to a firm which submitted its own general layout plans of designs in January 1979 with a time limit of 6 months. The designs in phases submitted by the firm from January 1979 to December 1979 were approved by the department from April 1979 to May 1981. After December 1979 some technical problems such as tilting of few foundation wells cropped up which delayed the finalisation of designs.

In the mean time, Irrigation authorities started work of widening the U.D.D. for increasing its capacity as per their time scheme. The non-completion of High Level Bridge in time by Buildings and Roads Department and keeping in view the un-interrupted flow of the traffic on the National Highway No. 2, a temporary Hamilton bridge to serve as an extension to the existing temporary bridge was procured and erected at site in 1979-81. This involved an additional expenditure of Rs. 2.74 lakhs on carriage, erection, construction of abutments. Protective works dismantling which was due to the fact that the B&R Department could not keep pace with the time schedule of construction work by Irrigation Department. The B & R Department stated (January 1985) that delay in approval of designs was due to normal tendency of the firm to economise the designs with in the stipulated lumpsum cost, subsequent changes as suggested by Engineer-in-Chief/Ministry of Transport and delay in routine correspondence.

#### 4.1.14. Wasteful expenditure on damaged in let—Rs. 0.54 lakh

An inlet at KM 445 of the Diversion Drain designed for a discharge of 3.75 cusecs catering to the needs of 0.50 square miles of the catchment area was completed in August 1980 at a cost of Rs. 0.59 lakh by Hodal Division. Due to use of huge pipe of bigger diameter, the inlet was overbuilt for a discharge of 17 cusecs. In June 1981, the said

inlet collapsed which was attributed by the department to heavy rains in the catchment area in June 1981, over flowing of the distributary of Agra Canal in the catchment area, and non-construction of another inlet at KM 3.70 as a result of which the flow of 0.35 square miles which otherwise would have passed through that inlet also accumulated in the catchment area of inlet at KM 4.45.

Resultantly, the inlet was re-designed for 50 cusecs and constructed at an extra expenditure of Rs. 0.81 lakh (June 1983). The intensity of rainfall and over flowing of distributary of Agra Canal were not taken into account while designing the inlet, which was built for more than four times the designed capacity, collapsed. This has resulted into wasteful expenditure of Rs. 0.54 lakh.

An enquiry to investigate the causes for damages to the inlet was entrusted by the Chief Engineer to the Executive Engineer, Gaunchi Division. Results of enquiries were awaited (January 1985).

In their written reply the department stated as under :—

Work on the project was initiated in January 1978 and after acquisition of land and completing other formalities. Actual execution of work at site commenced in April, 1978 with the target of completing pilot section of the U.D.D. before flood of 1978 in a record period of three months. As per construction schedule, the project was to be completed within three years i.e., before flood 1981, when major part of the project was completed. But since the width of the drain was quite high and the drain had simultaneously been taking discharge and running every year, the project could not be completed in time and certain parts of the projects were still to be completed. The drain had a silting tendency due to lesser slope available and soil condition. It had to be desilted along with execution S.S.W.L. conditions also aggravated the conditions and hampered early completion. During 1981, 1982, 1983 constraint in the allotment of budget and LOC also contributed to the delay in the completion.

The works have now been completed as per date of completion and expenditure incurred against each work shown below :—

S. No.	Name of Work	Date of completion	Expenditure incurred after 6/84
1	2	3	4
1.	V.R. Bridge K.M. 2.1 of U.D.D.	3/85	5.14 lacs
2.	V.R. Bridge K.M. 7.1 of U.D.D.	11/84	1.47 lacs
3.	Inlet at K.M. 3.7/L of U.D.D.	10/86	0.90 lacs
4.	Link Drain/New Kot Drain	3/85	0.90 lacs
5.	Link Drain North Possar Drain	1/85	1.02 lacs



1	2	3	4
6.	Link Drains } Earth Work }	1985-86	30.23 lacs
7.	Water Courses	—	— lacs
8.	Inlet (C. Works)	1985-86	54.63 lacs
9.	G-Bridges	1985-86	12.00 lacs
10.	Head Regulators	—	— lacs
11.	Buildings	1985-86	9.69 lacs

The proposal for 2 Nos. link Drains Head Regulators and Water Courses are being re-examined on the basis of their actual requirement. The buildings could not be constructed due to paucity of funds.

The upto-date expenditure incurred on UJina Diversion Drain project is given as under :—

Year	Budget allotted	Expenditure incurred	Remarks
1977-78	133.24	403.54	Excess is on account of booking of Rs. 267.49 lacs by WJC Feeder/G.C. Circle for procurement of machinery.
1978-79	1062.30	798.06	The saving is mainly on account of less allotment of L.O.C.
1979-80	804.16	718.89	
1980-81	445.33	415.94	
1981-82	403.67	408.61	
1982-83	209.03	191.25	
1983-84	274.36	154.25	
1984-85	177.25	171.32	
1985-86	163.58	157.52	
1986-87	221.78	197.21	

Most appropriate location of an inlet into a drain can only be decided after some field experience of actual floods. As such it becomes the last item in the construction of the Drainage system. So some damages are bound to occur in the initial stages. It will not be out of place to mention that demands of inlets are still being received and processed even though the project practically stands completed.

Before execution of this project, vast areas in Mewat remained under flood making Rabi sowing impossible. After its completion, it is now an admitted fact that practically no area remains uncultivated in Rabi due to floods. The decrease in the area sown more than one from 1.63 lacs hectares to 1.55 lacs hectares can not be attributed to any faulty function of the drain. This is due to the other natural factors including shortage of water in canals, and in adequate supply of electricity for running the tubewells and scarcity of the rain falls. The effectiveness of the drain to drain out the flood water is beyond any doubt. However, the figures collected in respect of areas sown in the pre-project and post project period reveal substantial increase as under :—

S. No.	Name of Tehsil	Area sown (in hectares)						Net increase
		1974-75			1983-84			
		Rabi	Kharif	Total	Rabi	Kharif	Total	
1.	Palwal	30794	22938	53192	34093	27102	61195	8003
2.	Nuh	35393	30985	59298	37300	26243	63543	4245
3.	Ferozpur Jhirka	51324	29440	80765	54914	37442	92356	11592
4.	Hathin	20749	13429	34178	26675	21776	48451	14273
	Total	138260	89172	227432	152982	112563	2665545	38113

From the above figures, it is evident that there has been substantial increase in the areas sown inspite of other factors i.e., shortage of irrigation waters, electricity and rainfall etc

Expenditure of Rs. 51,993/— on account of washing/Screening of bajri and washing of sand has now been approved by the Competent Authority and the excess payment stands regularised.

Expenditure of Rs. 4.75 lacs was not avoidable at all as explained herewith. Due to the High S.S.W.L. and difficult working condition, the bed width were increased and the full supply depth was decreased for achieving the progress and to minimise the effect of S.S.W.L. The S.S.W.L. was about 14 higher in the year 1978 and the excavation was done by

machinery i.e., Dragline in water depth of 14' to 6'. In the year 1978, the earth was placed as per existing design which was later on shifted due to change of design and difficult working condition in certain reached. The audit has also not accounted for the earthwork done by Dragline in some reaches also above S.S.W.L. and as explained earlier the excess is only 12% in these reaches which is negligible and also justified and unavoidable on account of the following reasons.

1 Work was done in stages/phases spreading over 4-5 years. The drain has been simultaneously running in the portion/width completed.

One phase used to be of about 50' width due to the limitation of boom of the Dragline. Only about 50' width was available in first year and then every year width was increasing by about 40' - 50' till 190'. Due to running of the Drain, silting and sloughing have also occurred which was also re-excavated every year along with next phase.

2 There has been soil erosion and particularly in the reaches of poor & spoil strata. The spoils are about 25' higher than the N.S.L. and the bed is 25' lower than N.S.L. and there was heavy erosion due to 50' high spoils.

3. The drain is passing against contours in the Haryana Territory and in some reaches, the strata of soil was very poor. The soil is cohesionless and does not contain clay. The sloughing has also increased the excavated quantity every year as it was re-excavated.

4. The dragline used to work above S.S.W.L. after excavation of the E/Work manually above S.S.W.L. The Dragline used to work by taking dry soil for putting underneath the track which was also later on rehandled. This quantity under the track acted as pad and was unavoidable due to high S.S.W.L. condition and particularly during the rainy season.

5. The Dragline had worked below S.S.W.L. and slush removed was deposited on the berm/excavated portion due to berm taken off boom of Dragline. Dowels were constructed by the machinery to avoid back flow of slush in the drain. This quantity also was later on rehandled.

6. Ramps were made at number of places as required according to working space and reaches which were later on also removed and this quantity also increased the rehandling quantity.

As such, there is no failure on the part of any officer/official on this account and the rehandling of the earthwork was required to be done as per difficult site condition, high S.S.W.L. and the limitation of the Dragline boom etc. and as such the expenditure is totally unavoidable.

As already explained the soil was cohesionless with very less quantity of clay. Due to high S.S.W.L. all round, the soil used to become liquified and started flowing in the drain. The problem was put up to the Central Water Commission and the Central Soil Material Research Station in the year 1979. The Central Soil Material Research Station conducted the field tests in various reaches at site for about 3 months.

According to their report the soil was found cohesionless with very fine grain of silt and fine sand and with very less quantity of clay. Based on the investigations by Central Soil Material Research Station, the problem was tackled by Central Water Commission and remedial measures like pitching at side slope with filter at the back, increasing of side slope etc. etc. was recommended which was subsequently approved by the Chief Engineer/Drainage. Thus the expenditure incurred was not avoidable and it is not correct at all that Pilot Section had checked on account of faulty construction. The Pilot section did not behave well due to the very poor strata of soil as explained above.

The link drains are designed to drain off the field areas as per contours to the maximum depression. There are still some pockets which are quite low depressions for which small cunnettes are excavated to the point where dewatering has to be done in a cannal or drain.

The expenditure of Rs 0.95 lacs incurred cannot be attributed to the fact that remodelling of the link drains had not been done. This was otherwise necessary and justified. The expenditure was incurred on account of maintenance and repairs of bund to save village abadies life and property; digging cunnettes for clearing low lying pockets and dewatering operation by pumps.

However, these link drains have now been remodelled to the increased capacity.

In order to decrease the excavation depth in tibba reach in K.M. 16.6 to 15.8 and high cutting in K.M. 13 to out fall and to achieve better results this action was necessary under the prevailing conditions of high S.S.W.L. Later on, with the stabilisation of the regime of the drain and depletion of the S.S.W.L. it became possible to attain greater depth which was also essential for better working of drain on technical grounds and hence the expenditure incurred during the periods is quite justified and therefore it can not be attributed to defective planning.

Manufacture accounts are prepared for the working machinery on probable basis just to find out the working rate of the machinery every year. The number of working hours assumed in the estimate have nothing to do with the actual working of the machinery on the site of work which depends upon the availability of funds. Actual expenditure on the operational charges is strictly dependent upon the number of working hours put in by the particular machine and as such the question of any projected loss in the para given by the audit does not arise. The machine are the property of the department and are put to use depending upon the constraints of budget and availability of work.

National Highway No. 2 is very important road linking Delhi Capital with Bombay, Agra and other important cities in South and Central India. Traffic on Highway has to flow unrestricted. U.D.D. had to cross this Highway at Km. 11.323 for which a temporary diversion bridge on pilot section was constructed by P.W.D. (B & R) as a deposit work till completion of permanent bridge. Design of the main bridge had to be referred to Ministry of Transport

which delayed the finalisation. Further during actual execution there were so many constraints on the construction schedule e.g. labour, stores, lining of well foundations arrangement of high tension cables (an import item) and other natural causes beyond human imagination which delayed the completion of the main bridge. There was, however, full coordination with B & R Department. Excavation of the drain at this side had also to proceed to complete it simultaneously with other reaches. In order to keep the traffic flow un-restricted on the National High Way a temporary Hamilton bridge had to be added to the existing temporary bridge and the expenditure on this account was unavoidable and Justified.

The design of any hydraulic structure is based on the available data (Rainfall data in this case) for the past one decade or so and the worst or peak factors are kept into consideration while designing. Apart from this, a reasonable factor of safety is further added to provide for unforeseen contingencies. Under similar consideration, the present inlet was designed for a discharge of 17 Cs. against the assumed contribution of 3.75 Cs. discharge from the catchment. But at times, the human's planning look so small in face of un-measurable forces of nature that things which could not be imagined to happen, actually happen. Such unprecedented and exceptional circumstances happened in the present case when about 70 Cs. peak discharge forced its way through the inlet, which was under no circumstances ready to face it. The fact that nature would break all its previous records of rainfall could never occur to any human brain. The irrigation channels of Agra Canal System would over flow the banks and add to the flooding of areas could not strike to any human brain.

The remodelling of the Inlet was necessitated by the circumstances beyond human control and imagination thus justifying the expenditure incurred on this account. However enquiry has not been conducted in this case.

#### **Construction of Ujina Diversion Drain and Remodelling of Ujina Drain.**

The Committee observe that the project, which was scheduled to be completed before the start of the monsoons of 1981, has not yet been completed. The department has attributed the delay due to lack of funds.

The Committee, however, observe that things were not taken seriously right from the beginning. The delay escalated the cost of the project. Even against the envisaged raising of more than one crop in an additional area of 1.60 lakh hectares, the area sown more than once went down from 1.63 lakh hectares to 1.50 lakh hectares in 1983.

The Committee further note that pilot section of the Diversion Drain choked having not been constructed according to approved design and on its restoration Rs. 9.83 lakhs had to be incurred.

The Committee further observe that as a result of building and roads authority not keeping pace with the construction schedule of Irrigation Department, and additional expenditure of Rs. 2.75 lakhs on cat-

age, construction of aboutments and dismantling of Hamilton Bridge, was incurred.

The Committee desire that while implementing such big project, care should be taken to strictly adhere to the time schedule so that such projects are completed within the stipulated time and expenditure does not exceed the approved outlay.

### **Excess Payment**

In their written reply as well as during oral evidence the departmental representatives admitted the excess payment but, however, explained that the matter was being looked into and it would take some time before the entire position was placed before the Committee.

The committee desire that the matter may be investigated, and final out come intimated to it within three months.

### **Avoidable expenditure of Rs. 9.83 lakhs**

During oral evidence, the departmental representatives could not give any satisfactory reply for incurring avoidable expenditure of Rs. 9.83 lakhs and promised to investigate the whole matter. The Committee therefore, desire that the results of investigation may be furnished to it within three months.

### *Paragraph 4.2 Masani Barrage Project*

[10] 4.2.1. Sahibi Nadi, a seasonal nallah, flows into Haryana from Rajasthan at Masani bridge near the village Jarthal in Rewari tehsil. During rainy season, it falls into river-Jamuna after passing through districts of Rohtak and Gurgaon in Haryana and Nazafgarh drain in Delhi.

The hydrological studies of the Sahibi basin were conducted by Central Water Commission (CWC) who reported (March 1978), that the antecedent rainfall in all the years except 1977 was deficient to meet the potential evapotranspiration loss and that the floods of magnitude of August 1977 might occur once in more than 100 years. The discharge ranged between 4,948 cusecs to 29,772 cusecs during normal rainy seasons of the years 1973 to 1982 except in the heavy rainfall in 1977 and 1978 when a flood of 1.07 lakh cusecs and 0.50 lakh cusecs respectively was recorded by the Irrigation Department, and caused colossal damage in Mohindergarh, Gurgaon and Rohtak districts of Haryana and Union Territory of Delhi.

A committee appointed by the Government of India, under the Chairmanship of Central Water Commission in consultation with the Governments of Rajasthan, Haryana and Union Territory of Delhi, recommended (October 1977) construction of a barrage on the nadi up stream of bridge on Delhi-Jaipur national highway, with embankments to store water so as to moderate the floods by providing regulated releases. The committee further recommended that some irrigation be planned by Haryana for Kharif crops and one or two watering for Rabi crops.

#### 4.2.2. Project Estimate

The project estimate (September 1979) for Rs. 35,96y00 lakhs (sanctioned by the State Government in June 1980) consisted of two units. Unit-I (Rs. 31,58.00 lakhs) provided for construction of a barrage (173 metres long) with embankment on right and left sides (4 172 K.M. to 13 9 K M.) across the Sahibi nadi to create a reservoir with a capacity of 19,012 H.M. and Unit-II (Rs 4,38.00 lakhs) provided for construction of Masani Canal (19,750 K.M.) with it four distributaries (43,100 K.M.) and one minor 7.500 KM) on the left side of the barrage and a Masani feeder channel (8.750 K.M.) to feed Jawahar Lal Nehru Lift Irrigation system and also to bring extra water from JLN system during Rabi for utilisation of stored water for irrigating 50,275 acres of land.

Initially, the cost of works of Unit-I was to be shared equally by the beneficiary States of Haryana and Delhi on the basis of flood damage occurred in 1977, but subsequently it was decided by the Central Water Commission and Ministry of Irrigation (May 1984) that entire cost of the barrage would be borne by Haryana State and that of the Nazafgarh supplementary drain by Delhi State as it falls under its jurisdiction.

The project estimate was stated (May 1984) by the superintending Engineer, Masani Barrage to be under-revision to Rs. 55,83 00 lakhs (Unit -I Rs. 51,54.00 lakhs and Unit-II Rs. 4,29.00 lakhs). The comparative break-up of the original estimate, revised estimate (under finalisation) and expenditure of Rs. 27,19 40 lakhs incurred upto March 1984 was as indicated in Annexure 'A'. Although the project was scheduled to be completed in 1982-83, the progress of work upto June 1984 varied from 0 per cent (lining) to 91 per cent (earth work.)

The increase in cost was attributed to change in design of the barrage and allied works which resulted in price escalation.

#### 4.2.3. Result of audit

Test check of records conducted during June-August 1983 and March-May 1984 revealed the following :—

##### Execution of project

(1) The work on the construction of embankment (Unit-I) was taken up in January 1979 in anticipation of sanction of the State Government to incur expenditure of Rs. 3,00 lakhs on the project (March 1979) which was increased to Rs. 5,00 lakhs (January 1980) without obtaining clearance of the project by the Central Water Commission, as required. The department stated (July 1984) that sanction of CWC was awaited.

(2) The work of construction of main barrage (tendered estimated cost-Rs. 3,00 lakhs) consisting of spillway portion bays 7 to 12 and under-sluices bays 13 to 18 was allotted to Haryana State Minor Irrigation (Tubewells) Corporation Limited (HSMITC) in September 1981 at the rates offered by the lowest tenderer (Rs. 3,90.73 lakhs) though HSMITC was not a tenderer,

considering it to be a reliable party expected to give both quality and speed in execution. The HSMITC, however, further allotted the work to sub-contractors for execution.

No contract agreement, stipulating time schedule for completion of work, was executed with HSMITC. The work was allotted on work order basis, wherein time schedule for completion of the various items of work were not specified. The department intimated (June 1984) that the project was now likely to be completed by 1985-86 provided funds were made available.

The year-wise quantities of various items of works targeted to be executed upto March 1982 and that actually executed upto June 1984 were as under :—

Year	Earth work		Concreting		Stone Pitching		Lining	
	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement
	(In lakh cums)				(In lakhs sq m)			
1978-79	30.46	12.75	—	—	—	—	—	—
1979-80	34.46	34.98	0.41	—	5.24	0.65	—	—
1980-81	7.62	1.76	0.81	0.01	5.24	5.42	2.69	—
1981-82	7.62	3.49	0.40	0.14	—	0.83	2.68	—
1982-83	—	2.01	—	0.52	—	0.14	—	—
1983-84	—	0.62	—	0.24	—	0.01	—	—
1984-85 (upto June 1984)	—	3.36	—	0.23	—	0.51	—	—
Total	76.16	58.97	1.62*	1.14	10.48	7.56	5.37	—
Percentage of achievement	91		70		77			Nil

The slow progress in the works executed by the HSMITC was attributed by the department to :—

- (i) Non-supply of the required quantity of Stone-Ballast of size 20 mm—40 mm by the sub-contractor.

\*As per original project estimate, it was 0.35 lakh-cums but as per subsequent tentative estimates, it is 1.62 lakh cums.



- (ii) Inadequate arrangement for placing reinforcement in position and its welding by the sub-contractor
- (iii) Inadequate arrangement for shuttering for abutment, piers and barrel portion.
- (iv) Insufficient labour for pouring concrete.
- (v) Dependence of HSMITC on a single sub-contractor.

The progress of work done was slow and the department could not exercise any control nor levy any penalty in the absence of any contract agreement.

The construction of Masani Canal with distributaries and Masani Feeder channel was not undertaken as irrigation of area on the eastern part of Masani Canal was proposed to be irrigated by Mewat Canal system. The department was also of the view (September 1982) that provision only for one distributary (Lohari) of the Masani Canal for irrigating the Western Part of area might be made but the commencement of the work thereon was to be taken up after observing and monitoring the behaviour of the river after the construction of the barrage. Final decision in the matter was awaited (November 1984).

#### 4.2.4. (i) Undue financial aid to HSMITC

(a) Though no contract was entered, stipulating grant of advances, an advance of Rs 50 lakhs (March 1981. Rs. 40 lakhs; May 1981. Rs. 10 lakhs) free of interest was given under the sanction of Government to HSMITC to meet initial expenses on machinery, etc. Neither HSMITC had furnished nor the department enquired into the details of machinery purchased, out of this advance. The advance is being adjusted against the payments due for work done at the rate of one eighth of the total payments. Rupees 26.18 lakhs has been adjusted upto September 1984.

(b) Further, advances of Rs. 97.92 lakhs free of interest were made to HSMITC (August 1981 Rs. 10 lakhs; August 1982 : Rs. 14 lakhs and March 1983 . Rs. 73.92 lakhs) for manufacturing and erection of gates and gearing without entering into any agreement, laying the time schedule and penalties for non-execution.

The department intimated (October 1984) that the value of the work executed by the HSMITC against this advance was not known as the accounts for the work done were not rendered by the latter

#### (ii) Avoidable expenditure

According to the programme approved by the Chief Engineer-Drainage-II, Irrigation Department and agreed by HSMITC, six bays of under-sluices and six bays of spillway were to be completed by HSMITC by June 1982 upto the top level and head level respectively. For achieving this target, the department fixed month-wise target in consultation with the HSMITC for excavation of earthwork in spillway portion. The earth work

excavated was 0.45 lakh cums and 0.96 lakh cums upto 15th December 1981 and May 1982 respectively against the targeted quantity of 1.26 lakh cums upto 15th December 1981.

The progress of the work was reviewed by the department and it was held that unless the HSMITC radically change their methods, aptitude and organisation for handling job, which needed detailed and better planning and mechanical agreements, it seemed impossible to complete the barrage even in next two years. It was also held that getting the work done through some other agency at this stage was not considered feasible because of the prevalent higher rates. No concrete steps were taken for speeding up the execution of the work.

Due to non adherence to the schedule by the HSMITC, the department instead of approaching them before taking up the work, incurred an expenditure of Rs. 8.15 lakhs during 1981-84 on the construction of protective bunds to save the work-in-progress in the pit area during the rainy season of 1982 and 1983 though no such provision existed in the project estimates or in the work order executed with the HSMITC. Similarly, the pits of spillway portion (bays 7—12) excavated during years 1981-82 were to be filled with concrete by June 1982. But the concrete filling in pits 7 and 8 could not be completed by the HSMITC within the stipulated period. Consequently, the pits had to be refilled with earth in order to protect the already placed raft from scouring during the monsoon of 1982. The filling of the pits with earth and their subsequent re-excavation were done at a cost of Rs. 1.07 lakhs which could have been avoided had the works been completed before the onset of the monsoons (as scheduled).

### (iii) *Excess payments*

The departmental through rate for the item of "Mild Steel reinforcement" work was worked out at Rs 282.60 per tonne which included the cost of electricity charges for welding, etc. Against this, rate of Rs. 240/- per tonne was the lowest quoted by a contractor. The work was allotted to the HSMITC at this lowest rate. Although full rate as per work order were paid to the HSMITC for steel work, the department also incurred an expenditure of Rs. 11.15 lakhs for the electricity consumed on welding of steel works executed by the HSMITC. On HSMITC claiming extra rate for this item of work during execution, the Executive Engineer re-assessed the rates as Rs. 193.10 per tonne, (excluding electricity charges of Rs. 105 per tonne) the basis of which was not available. On the recommendations (April 1983) of the Superintending Engineer for non-recovery of electricity charges, the Chief Engineer (Floods), Irrigation Department decided (May 1983) that nothing extra was payable to that HSMITC on account of welding over and above the sanctioned rate and that the Corporation would not be charged for electricity consumed for welding and reasons therefor were not intimated. Since the rates payable to the HSMITC included the element of welding and electric charges as per scheduled of rates, non-recovery of electricity charges resulted in excess payment of Rs 11.15 lakh to the Corporation.

### (iv) *Loss due to non-recovery of Rs 0.59 lakh*

The department provided diesel/electric concrete mixers alongwith the crew as per condition of the work order. There was no provision for laying charge/penalty for the period mixers remain idle. According to the schedule

and requirement given by the HSMITC, the mixers were to run at least for six hours a day for getting optimum utilisation of manpower. It was, however, noticed in audit that against the requisitioned hours of 24,995 the mixers and crew remained idle for 7,286 hours during December 1981 to February 1983 for which operational charges of Rs. 0.59 lakh were incurred. The under-utilisation of machinery/manpower was mainly due to operating the machinery according to the convenience of the sub contractor of HSMITC.

The proposal for recovering the amount of idle hours from the HSMITC made by the Superintending Engineer, Masani Barrage Circle (January 1983) to the Chief Engineer, was not accepted, on the plea that there was no practice for charging idle hours and the excess might be explained in the manufacture estimate of the machinery.

As per rules, the increase in the operation charges will be a loss on the running of the machinery.

- (v) P.W.D. Specifications provide that total quantity of boulder stacked compactly on level ground in stacks not more than 3 feet in height or such other height as may be prescribed by the Executive Engineer shall be reduced by one seventh for voids for making payment to contractor.

Test check of the records revealed that the works of filling G.I. wire crates with stone of size 12"x18" (including supply and carriage, etc. and stone pitching on embankments were executed during the period from August 1980 to November 1983 at a total expenditure of Rs 78.99 lakhs and entries of stacks of stone boulders were not recorded in the measurement books and the quantity of the entire content of the wire crates/measurement of the stone pitched area, etc., was taken for making payment without deducting the quantity by one seventh on account of voids as per codal provisions.

On this being pointed out in audit (September 1983), the Executive Engineer Masani Barrage Division No. I, Gurgaon stated (October 1983) that it has since been decided that the tenders for the supply of stone be called/received separately and that the stone be used after its measurement in stacks and quantity reduced by one seventh on account of voids to arrive at the net quantity for payment.

Against the total quantity of stone boulders work of 1.54 lakh cums and boulders valued Rs. 20.11 lakhs, the quantity after deduction of 1/7th of voids worked out to 1.32 lakh cums for which Rs. 17.24 lakhs were admissible. The excess payment involved was thus Rs. 2.87 lakhs. No action had been taken to recover the same (June 1984).

*(vi) Misappropriation of material*

Masani Barrage Division NO. I, Gurgaon had a balance of 2.21 lakh bricks (as per Bin Card No. 1554) in September 1979 when additional requirement of 3.5 lakh bricks was worked out by the Division. Quotations were invited from 10 kiln owners to be opened on 13th September 1979. Work order for the supply of bricks was issued on 5th October 1979, in favour of one, being not a kiln owner at the lowest quoted rate of Rs. 270 per thousand F.O.R. at the site.

The contractor supplied 2.98 lakh bricks at kiln site till May 1980. (recorded in new Bin Card No. 1587) and was paid Rs. 0.75 lakh at a part rate of Rs. 250 per thousand bricks. The balance payment at Rs. 20 per thousand was to be paid to the contractor on transportation of bricks to the Store.

No shortage of bricks was reported as a result of physical verification conducted during the years 1980 and 1981. However, the physical verification conducted in October 1982 revealed that 3.16 lakh bricks valuing Rs. 0.85 lakh (at Rs. 270 per thousand bricks) were found short. The Superintending Engineer while making report of shortage to the Chief Engineer observed (February 1983) that all the bricks stated to have supplied against work order dated 5th October 1979 were shown in a new bin card No. 1587 though bin card No. 1554 with balance of 2.21 lakh bricks was in operation for which no payment for the balance amount has been made to the contractor. There was no entry in the measurement book for the carriage of 2.98 lakh bricks from kiln site to the stores or to any other work and no payment for the balance amount has been made to the contractor. Bricks numbering 2.98 lakhs said to have been obtained from the contractor had thus not been received at all, the remaining (0.18 lakh) were short out of stocks shown on bin card No. 1554 (against earlier supplies) from the contractors).

The charge-sheet against the Junior Engineer (for recoverable amount of Rs. 0.96 lakh including supervision and storage charges) was submitted to the Superintending Engineer, Masani Barrage for approval (February 1983). The Executive Engineer, Masani Barrage Division No. I, Gurgaon intimated that the case was under investigation by the vigilance cell of the department (October 1984).

(vii) *Avoidable crop compensation*

Notification under Section 6 of the Land Acquisition Act (declaration that land is required for public purpose) for acquisition of land for the work 'Construction of Right and Left embankment of the Barrage' was issued on 30th March 1979. The work was, however, undertaken in February 1979 without obtaining sanction to commence work and incur expenditure (March 1979). As the landowners were not prepared to hand over the land before the payment of crop compensation, the Superintending Engineer asked (January 1979) the Executive Engineer of Masani Barrage Division No. II to pay crop compensation to the affected persons after considering *inter-alia*, the crop actually destroyed on the basis of the latest yield supplied by the Project Officer (Agriculture) and the rates supplied by the Revenue authorities.

On 13th March 1979, the Superintending Engineer issued instructions that no crops should be destroyed after February 1979 as these were nearing maturity and would be harvested within a month and further work should be started after the crops were harvested. Against the estimated cost of Rs. 10.38 lakhs for compensation of crops, Rs. 9.62 lakhs were paid to the cultivators for the crops destroyed during January to March 1979. The percentage of earth work executed was, however, 27 (12.51 lakh cums were excavated against the estimated quantity of 45.56 lakh cums)

Worked out on proportionate basis, the Department could have saved destruction of maturing crops in 3/4th of the acquired land and consequential payment of Rs. 7.20 lakhs as compensation to landowners, had it planned destruction of crops only on the land actually required for execution of works upto February/March 1979.

*(vii) Injudicious purchase of slack coal/machinery*

(a) Superintending Engineer, Drainage Circle, Rohtak sent (July 1978) a requisition for supply of 1400 tonnes of slack coal for burning of bricks required for construction of works of Masani Barrage. Against this requirement, 787 tonnes slack coal (valuing Rs. 4.06 lakhs at issue rate) was purchased in August 1980 by Masani Barrage Division No. I, Gurgaon. The division did not start any departmental kiln for burning of bricks. The division, however, procured 98,000 bricks direct from market at the prevailing market rates during January to August 1981.

Out of 783 tonnes slack coal, 362 tonnes were transferred to two divisions (Sohna Division, Faridabad—62 tonne and Canal lining Division No. 6, Sonapat 300 tonnes) in February 1981 and February 1983 respectively, leaving a balance of 421 tonnes. Proposals for utilisation thereof were invited from various divisions of the Irrigation Department in October 1982. There being no demand, the Division sought instructions (January 1983) from the Superintending Engineer for the disposal of the coal by auction as its caloric value was reducing with the passage of time. Final action for the disposal of 421 metric tonnes of coal valuing Rs. 2.18 lakhs has not been taken and the coal was lying in the store of Masani Barrage Division No. I, Gurgaon (October 1984).

(b) In November 1979, an indent for supply of 15 well-point dewatering sets was sent by Superintending Engineer, Masani Barrage Circle, Gurgaon to the Superintending Engineer, Procurement Circle, Chandigarh for dewatering of sub-soil water by the Masani Barrage Mechanical Division, Rewari. In the meantime, 30 Kirloskar make monoblock pumping sets of 5 horsepower (Rs. 0.95 lakh) were directly purchased by the same Superintending Engineer in June 1980 for dewatering of sub-soil water by conventional method, commissioning one pumping set on each bore. The reasons for urgent purchase of 30 Kirloskar pumps are not available. Subsequently, 15 well-point dewatering sets, already indented for, were received (November 1980) for Rs. 8.42 lakhs with the result that 30 Kirloskar pumping sets of 5 H.P. purchased in June 1980 were rendered surplus.

On this being pointed out in audit (August 1983), the Masani Barrage Mechanical Division, Rewari after ascertaining the demand from other divisions, transferred 20 pumping sets by October 1983 to another division and issued 4 sets to its works in August 1983 and February 1984. Six sets were still lying in the store of the divisions, Besides 2 well-point dewatering sets being not required were transferred to another division in May 1982.

The purchase of 30 Kirloskar pumping sets of 5 H.P. valuing Rs. 0.95 lakh was, thus, injudicious.

(c) One Motor Grader Model 440 was procured (January 1979) for

making the boundary road, and gridding, etc., by the Masani Barrage Mechanical Division, Rewari from Sutlej Yamuna Link Mechanical Division, Ambala at a cost of Rs. 2.52 lakhs.

The Motor Grader was originally purchased in B.N.C. Mechanical Division, Hisar in December 1976 and subsequently transferred to SYL Mechanical Division, Ambala. The Machinery worked for 100 hours in 1976-77, six hours in 1977-78 and forty seven hours during 1979-80 including thirty eight hours working during transportation from Ambala to Rewari, i.e., the machinery worked for nine hours only in May 1979 on two works in the division after its procurement in January 1979. During 1980-81 an expenditure of Rs. 0.31 lakh was incurred on repairs of the Motor Grader. The machinery was declared surplus in December 1982 and was lying idle (August 1984).

*(ix) Re-invitation of tender extra expenditure*

In Masani Barrage Division No. 2, Gurgaon, tenders with a validity period of 90 days, (upto 24th July 1979) were received on 26th April 1979 for the work 'Providing Stone Pitching in six reaches of 0.50 KM each from KM 2 to KM 5 on the inner slope (nadi side) of left embankment of Masani Barrage, (tendered cost : Rs. 43 lakhs). As a single tender for reach 2.50 KM to 3.00 KM was received, tenders were re-invited and received on 19th May 1979 with validity period upto 17th August 1979. As the expiry date of validity period was approaching, allotment letters were issued to the lowest tenderers for five reaches on 24th July 1979 and for one reach on 17th August 1979 in anticipation of approval of the rates by the Superintending Engineer. The contractors, however did not start the work and desired the refund of their earnest money on the plea that allotment letters were not received within the validity period of the tenders, rates tendered by them has not been specifically approved by the competent authority.

Tenders were then re-invited for the third time on 14th July 1980 by splitting up the works in 12 reaches of 0.25 KM each. These were received and opened on stipulated dates (26th August 1980 and 3rd September 1980). The works were allotted and got executed on lowest tendered rates. Computed with reference to the rates tendered in April/May 1979, the extra expenditure involved was Rs. 14.21 lakhs, i.e., 33 per cent of the tendered cost.

*(x) Under utilisation of manpower*

As envisaged in the project report, the department had opened one circle (December 1978) with four divisions (January 1979) for the execution of the project. The work of constructing the main barrage was entrusted to HSMITC in September 1981. Of the four divisions, Masani Barrage Division, No. 2, Gurgaon, which was entrusted with the work of (i) constructing Masani Canal system, (ii) Link Canal from Jawahar Lal Nehru to Masani Canal and Ring bund; and (iii) Reservoir area at the left embankments as existing, had started the work "Construction of Barrel and well sinking complete under foundation of Head Regulator" but other works were not taken up due to the reasons indicated in Para 3. The work expenditure of this

division during 1982-83 was exhibited in accounts as Rs. 21.31 lakhs, out of which an expenditure of Rs. 11.07 lakhs related to the cost of material issued to various works during January 1983 to March 1983 (the job for 'procurement of stores was with Masani Barrage Division No. 1, Gurgaon). Thus, the actual expenditure on works worked out to be Rs. 10.24 lakhs.

The expenditure on pay and allowances of the establishment of the division amounted to Rs. 6.81 lakhs which was more than 66 per cent of works expenditure as against the provisions of twelve and a half per cent in the project estimate. The establishment engaged remained under-utilised.

In their written reply the department stated as under :—

The appointment works of Sahibi Barrage have almost been completed and the piers and abutment have been raised to an average level of 245.450 mtrs. The Civil structures catering to the requirement of stage 'I' storage are likely to be completed by December, 1988 except installation of gates and gearings subject to availability of funds.

Yes, the Project Estimate has been revised to Rs. 64.49 Crores and is under sanction.

The work on the construction of Embankment was taken up in anticipation of its sanction keeping in view the disaster caused by floods during 1977 & 1978 in the Area and to avoid losses by floods in subsequent years which was also discussed in various inter-State meetings.

The work of construction of M.B. was allotted to HSMITC by the Government at the lowest tendered rates. It was allotted to HSMITC considering a more reliable party and also that it will maintain quality of works, being a Government undertaking. The quality checks were being exercised on the contractor by HSMITC and then on HSMITC by Irrigation and there is no doubt we have certainly ensured quality of works at Sahibi barrage.

Had the work not been allotted to HSMITC the Irrigation department would have got it done through the Contractor and that too on work order basis as all the works in Irrigation are being got executed from contractors on work order basis as per prevalent practice, wherein no clause of time limit exists. Moreover keeping in view the budget allotment made for execution of this work it would have not been in the interest of the Government to enter in any contract agreement.

Slow progress of work is as a matter of fact attributed to the paucity of funds non-availability of material in time as the Budget demanded during 1983-84, 1984-85, 1985-86 was 622.42 lakhs, 649.60 lakhs and 393.12 lakhs whereas allotment made was only 334.52 lakhs 334.55 lakhs and 220.22 lakhs respectively.

The area to be served/commanded by Massani Canal already stands decided. However the Massani Barrage Project consists of two units viz Unit-I & Unit-II. Unit-II consists of only Massani Canal system amounting to Rs. 533 lakhs.

However, keeping in view the tight financial position the execution of Unit-II has been deferred for the time being. Moreover it comes under stage-II storage which is only to be taken up after observing the stage-I storage.

Work of Massani Barrage was already being executed by the Deptt. When it was allotted to HSMITC. The Machinery already working there was handed over in the same condition to HSMITC. It was not advisable to spend money in the purchase of machinery while the same in working order was available with the department. The HSMITC utilised the amount on the purchase of other Misc. store required for execution of works. Out of the amount of Rs. 50.00 lacs pertaining to the recovery of advance Rs. 33.00 lacs have already been recovered and the balance will be recovered subsequently from the pending bills of the MITC.

Against the advance of Rs. 97.92 lakhs made to MITC, the amount has been spent on the manufacturing of Gates and Gearings.

The accounts have not yet been rendered.

The amount of Rs. 9.22 lakhs incurred for constructing protection Bunds is justifiable keeping in view the apprehended damage to the constructed structure of Sahib Barrage. Moreover, such unforeseen expenditure cannot be avoided in such large scale projects in spite of the best efforts taken by the executing authorities in planning and executions of the works.

Owing to heavy rise in prices of Steel, the HSMITC lodged heavy claims on the department, Considering all the merits and demerits of the case and vis-a vis the legal position, the competent authority has decided that no extra payment on account of welding for the items of bending, binding and placement of reinforcement needs to be paid to the Corporation and the electricity for the purpose of welding will be supplied free of cost.

The recovery on account of the idle hours of diesel electric conc. Mixture was not to be effected. The work was being done by the Department & while the work is executed by the department, no recovery is made for idle hours.

As explained above no extra payment has been made and thus the question of any recovery does not arise.



The DTR/estimate were made as per finished items complete & no extra supply had been taken. While contract is on finished item basis, no deduction of voids is made. Necessary provision for voids were made in the D.T.R.

As the payment to the agency has been made as per provision, no extra payment had been made. Hence there is no loss to the Govt.

As no excess payment has been made the question of recovery does not arise.

The report submitted by the Departmental Vigilance Cell is presently under process with the Govt.

The Chargesheet has not yet been served upon the defaulters for want of final decision of the Govt.

As per construction schedule the embankment work was to be started by February 1979. The peak period for taking up of E/W is January, February, March. So, the earth work was started in February 1980. Earth cannot be taken from the field unless the whole amount for crops compensation is given to the owner of the land. It would have been very difficult to collect labour for earth work execution because of coming harvest season. Had the work of laying earth been postponed till harvesting season, the entire work of M.B. would have been delayed? The heavy damage caused by the floods in Sahibi during 1977 & 1978 forced the authorities even to start the Earth Work in anticipation of the sanction (as explained in para) and delay in execution of works merely for avoiding paying crop compensation would not have been in the fitness of the things, particularly keeping in view the havoc caused by floods during the year 1977 & 1978 after which the construction of M.B. was envisaged. The estimated cost of Earth Work is Rs. 9.62 lakhs. Crop compensation was given for the land which was required for embankment on which the Earth Work was to be executed. Therefore, there is no avoidable expenditure involved in this case.

In the scope of the project Masani Canal (II unit of the project) was to be constructed for proper utilisation of water stored in the Barrage. Therefore, these Canals were to be provided with bricks lining to avoid seepage of water. It was proposed to have brick kilns near by the project. Therefore, the coal was purchased. But during the year there was very little rain-fall in the catchment area of Sahibi River. Therefore, the proposal of construction of Canals has been deferred to avoid wastage of coal and also to utilise the money blocked by purchasing the Coal. Thus it was

decided by the Govt. to dispose off the coal, as described below :—

1. Receipt : Slack Coal SW III	735.670 MT
	@517/01 PMT
(II) Slacks coal SW II.	47.360 MT
	@524/51 PMT
	<hr/> 783.030 PMT <hr/>

#### Issued

- (i) Canal Lining Divn. No. 18. Sonipat 300 mt. @517.01+SC.
- (ii) Sohana Divn. FBD 62.080 @517—01+SC.
- (iii) Disposal through DS&D HRY. 420.950 @560/—  
Chandigarh 783.030

Hence there is no loss to Govt.

The slack coal has already been disposed off with the sanction of HR. Govt. and other machinery is in use on the project for which the work is under progress.

The causes leading to re-invitation of the tenders have not been discussed while drafting the review para where in it has been alleged that re-inviting of tenders involved an extra expenditure to the tune of Rs. 14.21 lacs as compared with original tenders. At the earlier stage an attempt was made to obtain tenders for the works mentioned presuming that the entire works will be proceeded. Since the earth work could not be completed by that time it was practically not possible to go ahead with these works and at the same time it was practically/legally not possible to keep pending the original tenders for indefinite period. Besides according to codal instructions the validity of the tenders exists only for 90 days. There is no actual loss involved in such cases.

The work load of Massani Barrage Divn. No. II, Gurgaon was kept low due to paucity of funds during 1982-83 but during 1983-84 when full funds were allotted the position for the year 1983-84 is as per below:—

1. Expenditure on works during 1983-84	75,30,713
2. Expenditure on Establishment	7,27,359
3. Cost of Material charges to different works during 1983-84	44,03,457

Thus the % age is just 9.65 % as such it is intimated that establishment never remained under utilised further.

### Massani Barrage Project

The Committee note that no contract agreement stipulating time schedule for completion of work was executed with HSMITC. The work was rather allotted on work order basis, wherein no time schedule for completion of various items of work was specified. This resulted not only in tradry progress in execution by the HSMITC but the department could also not exercise any control or levy any penalty in the absence of any contract agreement. The Committee think that allotment of the construction of the barrage to the HSMITC in the manner it was done was not in conformity with the financial prudence.

The Committee, therefore, desire that department should exercise special care in allotting such huge project so that such a situation does not recur.

### Misappropriation of Material.

During oral evidence the departmental representatives informed the Committee that Vigilance Report in this case had been received in June, 1988 and that the action against the two officers held responsible in the matter, was underway and expected to be finanlised within a month.

The Committee, however, observe that till the drafting of this Report the final out come of the action on the Vigilance Report had not been furnished to the Committee.

The Committee, therefore, desire that action taken against the defaulting officials in pursuance of the Vigilance Report may be intimated to the Committee within three months.

### Avoidable Compensation

Both in their written reply and during oral evidence the departmental representative admitted that crop compensation was rightly avoidable and department could have waited till the normal harvesting season. The Committee strongly observe that out of Rs. 9 62 lakh paid as crop compensation, an amount of Rs. 7.20 lakhs could have been avoided had the department planned destruction of crops only on the land actually required for the executive of works. The fact was that the entire land was not required at that time.

The Committee, therefore desire that department may investigate the matter and fix the responsibility on the officers who were instrumental in restoring to destruction of crops and consequential payment of compensation.

### *Paragraph 4.3. Excess payment*

[11] In Canal Lining Division No. 23, Rohtak, the work of lining of various reaches of Bhiwani Sub-Branch (RD 30 to 107.2) was allotted to 23 contractors in April 1980, at the lowest atendered rates on the basis

of advertised departmental rates for single layer tile lining and cement concrete coping which included consumption of sand to be carried for RD 91,000 of Butana Branch and involved an average lead of 45 KM from Bhiwani Sub-Branch.

To check the quality of the material used Executive Engineer (Inspection and Control Division, Rohtak) Alongwith Executive Engineer. Sutlej Yamuna Link (Vigilance) inspected the work done in reaches 74-76 and 102-105 of the Bhiwani Sub-Branch in December, 1981 and found that local sand from the bed of Bhiwani Sub-Branch was being used by the contractors. In earlier inspection conducted in June 1981, this was also pointed out, but no action was taken.

The claims of the Contractors were settle at the accepted rates and the corresponding reduction for carriage on consumption of sand from the local bed of Bhiwani Sub-Branch was not made. Taking an average rate of Rs. 1.57 per sq meter and Rs. 18.80 per cum on account of cost and carriage of sand for alining and coping respectively as provided in the sanctioned departmental through rates, excess payment involved was Rs 6.17 lakhs (Rs. 5.88 lakhs for carrying 3,74,462 sq m of lining works and Rs. 0.29 lakh for 1557 cum of coping work.) Later, in June 1982, the revised departmental rates for lining RD 0.30 of the Sub-Branch Provided for supply of sand from local bed level of the Sub-Branch.

The case was referred to Government in March 1984, reply was awaited (March 1985).

In their written reply the department stated as under :—

Before the execution of Works of lining of various reaches of Bhiwani Sub-Branch RD 30 to 107200, the source of sand was provided in D.T. Rs. from Butana Branch RD 91000 because the sand available in bed of Bhiwani Sub-Branch was found below the required F.M. and was not usable on the lining works as per results of tests carried out by Irrigation Research Laboratory Karnal on 26-11-79. On pointing out by S.E. Chakbandi Circle, Irrigation Branch Haryana, Chandigarh that there is possibility of availability of sand of better F.M. in the bed of Bhiwani Sub-Branch the same was got tested from Regional Engineering College, Kurukshetra. The flow in Yamuna was high in the monsoon of 1980 (21,33,729 Cs. days) as compared to 1979 (15,46,879 Cs. days). This may have resulted in deposit of some coarse sand in bed of canals. The results received in 8/81 showed suitable sand. But by then 41.73 lacs sft of lining had already been got executed against the estimated quantity of 48.04 lacs sft taking into account the approved source for sand of Butana Branch RD 91000.

Amount of Rs. 6.17 lacs had ben worked out assuming that whole of local sand should have been used. However, change of source was possible only after 8/81 when testing indicated the suitability of sand in RD 0 to 30,000 of Bhiwani Sub-Branch. At this stage 85% of work had already been done

and for balance if the source had been changed to RD 0 to 30,000 Bhiwani-Sub Branch the amount would have reduced in thousands as against in lacs. Secondly with this change in source execution of work would have suffered as it would have resulted in disruption of work.

With the above background, no extra payment is involved to the contractor on this account. The extra expenditure is nominal as compared to magnitude of work of Bhiwani Sub-Branch lining RD 30 to 1072 which cost Rs. 2 crore approximately and which had been planned after getting the tests conducted from Irrigation Research Laboratory Karnal.

During the oral evidence, the departmental representatives informed the Committee that action against 3-4 Junior Engineers and one S.D.O was under way in consultation with the State Government and final out come would be initiated to the Committee within three months. The Committee, however, regret to observe that the requisite information had not been furnished to the Committee till the drafting of this Report.

The Committee, therefore, desire that action taken against the defaulting officers may be reported to the Committee within three months.

*Paragraph 4.4. Avoidable expenditure on breach*

[12] The Executive Engineer, Mohindergarh Canal Division No. 1, Rohtak on noticing weak position of the right side bank in reach RD 223 to 224 of Jawahar Lal Nehru Feeder, where the width at top of lining at some places was only 14 to 16 feet instead of designed width of 24.43 feet reported the matter to the Superintending Engineer in March 1982. The Superintending Engineer in turn referred the matter to the Chief Engineer. On receipt (April 1982) of Chief Engineer's order to strengthen these reaches, an estimate for Rs 0.36 lakh was submitted (May 1982) to the Superintending Engineer, which was received back unsanctioned (July 1982) stating that the work was not required to be executed. However, after inspecting the site on 9th October, 1982, the Superintending Engineer desired re-submission of the estimate. The same estimate re-submitted to him on 12th October, 1982 was sanctioned by the Superintending Engineer for Rs. 0.33 lakh on 10th December 1982.

On 24th October, 1982 a breach occurred in right bank of JLN Feeder at RD 223.550 to 263.620. The Executive Engineer reported (November 1982) that the lining in the vicinity of the breach had steeled, sandwich plaster and joints were disturbed and backfill and the lining had no contact. It was further stated that the site was weak for which an estimate for strengthening had already been submitted. Report of the one man Committee (Chief Engineer, Drainage) appointed (November 1982) by the Engineer-in-Chief, Irrigation to investigate the cause of breach was awaited (June 1984).

An expenditure of Rs. 0.91 lakh on plugging the breach and Rs. 0.81 lakh on dewatering of water from the fields of affected villages was incurred. A further expenditure of Rs. 0.38 lakh was incurred upto June

1983 on earth work to strengthen the right side bank against the estimate for Rs. 0 33 lakh.

Non-sanctioning of estimates for strengthening of the weak bank resulted in avoidable expenditure of Rs. 1.72 lakhs.

The matter was referred to Government in July 1984; reply was awaited (March 1985)

In their written reply the department stated as under :-

The estimate for completion of balance earthwork RD 223250-223500 Right bank/JLN Feeder, was initially submitted by Executive Engineer, Mohindergarh Canal Division No I, on 5-5-1982. After personal discussion with the Executive Engineers, the estimate was returned by the Superintending Engineer, JLN Canal Circle No. 2 on 1-7-82 unsanctioned with the remarks that the work was not required to be execute at site. Executive Engineer again submitted the estimated on 16-7-82 for immediate sanction, but was again returned back on 6-8-82 pending inspection of site.

The site was inspected by the then Superintending Engineer on 9-10-82 and estimate was received in S E.'s office again on 12-10-82. While the estimate was under process of its sanction, breach occurred on 24.10-82.

It is not out of place to mention here that JLN Feeder was constructed in 1979 and since then it has been running satisfactorily. It is a chance that the breach occurred near village Bisān on the right bank of Feeder on 24-10-82, for which none can be held responsible

The one man enquiry by Sh. B. C. Malhotra, the then Chief Engineer Drainage, concluded that hydraulic gradient on the right bank of JLN Feeder was not fully covered, for which be recommended provision of pushtas specifically in filling reaches. The recommendations of the Enquiry Officer has been accepted and in the critical reaches, the pushtas are being provided. Also investigation with regard to provision of clay core to check procolation through the bank is under study through the piezometers already installed.

No one can be held responsible for this unexpected mishap/breach in this particular reach.

During the oral evidence the departmental representative admitted the lapse as a result of which avoidable expenditure of Rs. 1.72 lakh had to be incurred for plugging the breach. The Committee desire that matter may be thoroughly investigated and the responsibility for non sanctioning of estimates of strengthening of the weak bank of the canal may be fixed and final out come thereof intimated to the Committee within six months.

## P.W.D (B & R)

### *Paragraph 3.12. Fraudulent drawals*

[13] A case of embezzlement of Rs. 0.98 lakh was detected by the department in the office of the Executive Engineer, Provincial Division No. 3, Karnal.

During March 1983 to December 1983, a Sub-Divisional Clerk (SDC) prepared bogus muster rolls by entering false names/progress of work and forging the signatures of the Assistant Engineer, etc, and fraudulently drew Rs 98,510. The fraud was detected in December 1983 while scrutinising petty vouchers. Rupees 28,640 out of the embezzled amount were recovered from the SDC in January 1984. Results of Police investigations in respect of case lodged in February 1984 and departmental enquiry initiated were awaited (October 1984).

Non observance of the codal provisions by the higher authorities facilitated the embezzlement.

In their written reply the department stated as under :—

Muster Rolls were issued against specific works as per requirement/demand sent by the SDE under the signature of XEN. As per procedure, the pass and payment orders are required to be recorded on the Muster Rolls and a certificate to this effect given in the M.B. The amount of imprest for making the actual payment is also required to be entered in the cash book. The J.E. can also detect this lapse in the M.B. which is maintained by him. Had the above procedure been adopted the alleged fraudulent drawal of payment by SDC could have been avoided.

The instructions regarding post-audit of Muster Rolls were issued to the field officers during 12/75. But these were not properly followed in this Division. Non-observance of the said procedure facilitated the embezzlement in this case. Now, the instructions have been issued vide this office letter No. CER/1009-1072/Plg. dated 11-4-1987 to all the Divns. that with effect from 1-4-87 no payment against Muster Rolls should be made without preaudit.

FIR against Shri Dharam Pal Mohindro SDC and Sh. K.D. Singh SDE Provl. Sub-Division No 3, Shahabad was got registered with Police Station Shahabad by Xen. Provl Division No. 3, Karnal vide his letter No. 243 dated 20-2-84. The F.I.R. was registered vide No. 48 of 25-2-84 under section 409/420 I.P.C. at Kurukshetra. As per report of S. P. Kurukshetra dated 27-12-84, Shri Dharam Pal SDC was arrested, Sh. K.D. Singh SDE could not be arrested as he is stated to have

been absconding since then. The case for tracing out Sh. K.D. Singh SDE have been filed by the relatives of the SDE vide case No. 44/84 under section 364. According to the latest report of Police, the SDE is still not traceable. The Police has submitted the Challan in the Court, at Kurukshetra on 15-1-86 Since then, the case is pending in the Court and decision of the Court is still awaited.

The case of embezzlement of Rs. 0.98 lakhs came to the notice of Divisional office during first week of January 1984 while scrutinising the vouchers of Provl. Sub-Divn. 3, Shahabad for 12/83. Necessary report in this respect was made to S.E. (N.H.) Circle, Karnal vide Xen. Provl. Divn. No. 3, Karnal letter No. 127 dated 12-1-84 and to the Audit office vide No. 226 dated 27-1-84. The matter was referred to E.I.C office vide S.E.N.H. Circle, Karnal letter No. C-19/238 dated 2-2-84. Preliminary Inquiry in this case was conducted by the inquiry Cell of E-I-C office. The following Officers/Officials were found responsible in this case. —

1. Sh. K.D. Singh, SDE
2. Sh. Dharam Pal Mohindero, SDC
3. Sh. Baldev Singh Auditor
4. Sh. Tilak Raj Bhardwaj, Divnl. Accountant
5. Sh. S.P. Nagpal, S.O.

**(1) Sh. K.D. Singh, SDE**

The SDE was placed under suspension on 21-6-84. The SDE stands charge sheeted under Rule 7. The Officer has not submitted his defence as he has been absconding since then. The Govt. has been requested vide this office D.O. No. 3134 dated 3-4-87 to appoint Sh. M.K. Aggarwal Chief Engineer (Roads) as Inquiry Officer and Sh. M.K. Aggarwal, SENH Circle, Karnal assisted by Sh. D.K. Verma SDE (Inquiry) Head Office as presenting officer. The same officer has also been proposed to be the Inquiry officer in the case of Sh. Dharam Pal SDC for which necessary instructions have been issued to S.E. NH Circle, Karnal (competent authority in case of SDC) to issue necessary appointment orders to appoint Sh. M.K. Aggarwal Chief Engineer (Roads) as Inquiry officer in the case of Sh. Dharam Pal SDC as well.

**(2) Sh. Dharam Pal, SDC**

The SDC has been placed under suspension with effect from 14-1-84 and was charge sheeted under rule 7 by the S.E.NH Karnal. Shri Dharam pal SDC has also filed a civil suit in the court at Kurukshetra which is still pending. The next date of hearing has been fixed for 12-10-87. The SDC has not given reply to his charge sheet. S.E.NH Circle Karnal has been asked to appoint Sh. M.K. Aggarwal Chief Engineer (Roads) a Inquiry Officer as explained in para (1) above.

**(3) Sh. Baldev Singh, Auditor**

Sh. Baldev Singh Auditor was charge sheeted under Rule 7. The



charge sheet case has been decided by S.E.NH Circle, Karnal. A punishment of stoppage of one grade increment with out future effect has been inflicted vide Office Order No. 172 dated 2-12-86.

**(4) Sh. Tilak Raj Bhardwaj, Divisional Accountant**

The Divisional Accountant was charge sheeted under Rule 7, by the Accountant General, Haryana and a punishment of Reduction in pay by four stages for 3 years, has been inflicted upon him.

**(5) Sh. S.P. Nagpal, S.O.**

The official stands charge sheeted under Rule 8. The defence of the official has been received. It has been kept pending till the decision of the case of Shri Dharam Pal SDC.

A sum of Rs. 28640/— was deposited by Shri Dharam Pal Mohindro SDC before the F.I.R. was lodged with the Police. No. further amount has been deposited by the SDC. The case is pending in the courts.

In order to avoid re-occurrence of such embezzlement, necessary instructions have been issued to all the Divisional Officers vide E-I-C memo. No. CER/1009-1072/Pig. dated 11-4-87 that w.e.f. 1-4-87 no payment on Muster Roll should be made without getting the bill pre-audited from the Divisional office.

A case of embezzlement of Rs. 0.98 lakh had come to the notice of the department in the first week of January, 1984, and the department lodged an F.I.R. on 25-2-1984. During the course of oral examination the departmental representative stated that the Executive Engineer concerned sent the case to the Superintending Engineer and the Superintending Engineer further referred the case to the Chief Engineer and finally the Engineer-in-Chief permitted to get the case registered against the defaulting officers/officials. The Committee observe that the officers of the department were not serious and did not properly pursue the case as a result of which one of the defaulting officers (SDE) remained untraceable.

The Committee recommend that action may be taken against the Officers concerned who evaded their responsibility and delayed the Case. The Committee feel that in future such practice be discontinued and the competent authority should take action with utmost promptness.

The Committee further desire that the case be pursued in the Court and the final outcome of the case be intimated to the committee immediately.

*Paragraph 5 3. Shortage of steel*

[14] In Provincial Division No. 2, Sonapat, four indents were approved by the Sub-Divisional Officer during March 1982 to August 1982 for issue of 46 tonnes of steel of various sizes to a contractor for construction of 100 bedded hospital at Sonapat. While receipt of full quantity of 46 tonnes was acknowledged by the contractors on the indents and entered as such in the bin card, only 37 853 tonnes were actually lifted by the contractor during March-September 1982. Goods received sheet was not prepared by

the Junior Engineer (Stores) for the unlifted quantity for entering the material on bin card as receipt.

Physical verification of stores conducted by Assistant Engineer (Design), Jind Circle in October, 1982 did not reveal unlifted quantity of 8.147 tonnes steel as excess in stock. The contractor, however, requested in February 1983 for crediting his account to the extent of the value of unlifted steel producing an undated slip of the Junior Engineer (Stores) that the said quantity was lying unlifted in stores. Credit of Rs. 0.44 lakh at Rs. 5,200 per tonne + 3 percent storage charges was afforded (March 1983) to the contractor's account by debiting the amount to "Miscellaneous Public Works Advance" as recoverable from the Junior Engineer. No action was taken to investigate the shortage of 8.147 metric tonnes of steel valuing Rs 0.44 lakh.

The Executive Engineer stated (August 1984) that the charge-sheet against the Junior Engineer (Stores) was under process.

In their written reply, the department stated as under :—

Persual of bin card of steel reveals that the JE has entered the same quantity in the bin card which was indented an approved for and acknowledged by the contractor in token of having received the material as is evident from the table given below:—

Sr. No.	Indent No.	Material	Quantity indented and approved.	Quantity acknowledged by the contractor,	Quantity issued as per bin card.	Date of issue	Qty. state to supplied less
1.	55/1173	25 MM dia	10 MT	10 MT	10 MT	9-4-82	1,501 MT
2.	64/1173	12 MM	5 MT	5 MT	5 MT	2-3-82	0.235 MT
3.	67/1173	10 MM	21 MT	21 MT	10 MT } 11 MT }	17-3-82	5.800 MT
4.	93/8939	10 MM	10 MT	10 MT	10 MT	9-9-82	0.610 MT
Total :							8.146 MT

It would be seen from above that the Qty. of steel which was indented and approved for and acknowledged by the contractor has been shown issued in the bin card by the JE as such the question of preparation of any G.R. sheet for the steel stated, to, be supplied less or lifted loss by the contractor does not arise. As a matter of fact there was no reason for lifting the less quantity by the contractual agency. for which the Deptt. can not be held responsible.

Sh Nanu Ram Goel contractor in para 5 of his letter dated 17-12-82 addressed to Xen. P.W.D. B & R Provl. Divn. No. 2 Sonipat stated as

under .—

“Regarding issue & consumption of steel was discussed in a joint meeting in presence of SDE Store, SDE P-2 and JEs concerned that G R for 8 145 MT steel will be accounted for after physical verification of the store.

It will be better that the conclusion be honoured in a dignified way. The record for proof of actual issue, of steel may be presented again if required”.

Quantity of 8.145 MT steel stated to be lifted less by the contractor was not found as excess during the physical verification of stores conducted in 10/82 by the Asstt. Engineer (Design) of Jind circle.

The case was examined in detail. There is no authentic written evidence about what transpired in the minutes of so called meeting held on 19-6-84 between the Xen, Shri K.C. Bhardwaj, SDE incharge of the work and Sh. S.N. Juneja SDE incharge of store and Shri J.C. Sharma, JE. It was premature to give credit to contractor without conclusive evidence. The Xen/SDE concerned will be called to account after the inquiry against Shri J.C. Sharma is concluded and his defence examined.

Shri J.C. Sharma JE was palced under Suspension vide office order No. 15/IC-2 dated 16-5-86. He was charge sheeted under rule 7 vide letter No. 2081/16-2 dated 21-8-86. The JE submitted his defence Shri B.L. Goel, SE NH Circle, Faridabad has been appointed as Inquiry Officer to hold the departmental inquiry under Rule 7 against Shri J.C. Sharma JE vide office order No. 24/IC-2 dated 13-5-86. The Inquiry officer has been requested to finalise the inquiry and submit his findings.

This case pertains to the year 1982. The Executive Engineer concerned intimated to the Superintending Engineer in this regard and the latter further reported the matter to the Head Office for the first time in 9/84. The department suspended the Junior Engineer concerned in 5/86 and charge sheeted him in 6/86. The department further appointed an enquiry officer on 13-5-1987. The Committee is not at all satisfied with the written reply furnished by the department and oral evidence of the departmental representative in justifying the delay in taking action. At the time of oral examination, the departmental representative assured the Committee (3-8-87) that detailed information in regard to delay would be supplied to the Committee within four months and the matter would be finally decided within six months. The Committee regret to observe that the matter was not investigated till the drafting of this report.

The Committee, therefore strongly recommend that the final outcome of the action taken in the matter be intimated to the Committee within three months.

**TOWN AND COUNTRY PLANNING DEPARTMENT—  
(HARYANA URBAN DEVELOPMENT AUTHORITY)**

*Paragraph 6.8. Loss on sale of industrial plots*

[15] Prior to formation of Haryana Urban Development Authority (HUDA) in January 1977, the Department of Urban Estates was looking after the work of development of land, fixation of its price and allotment of plots for industrial states in consultation with the Industries Department. Industrial plots (number of plots not mentioned) were advertised by the Industries Department in December 1976 for allotment at Bahadurgarh at the rate of Rs. 20 per square yard. The basis for arriving at the rate of Rs. 20 per square yard by the Industries Department was however, not on record. After all work concerning development of Urban areas (including establishment of Industrial estates) was taken over by HUDA, 2,062 industrial plots (area 11.41 lakh square yards) were allotted during 1977-78 to 1980-81 at the rates advertised in December 1976, although the rate approved by HUDA (April 1977) for such plots worked out to Rs. 23.74 per square yard. Thus, the Authority suffered a loss of Rs. 42.67 lakhs by way of difference between the price of December 1976 and that worked out in April 1977. HUDA approached the Industries Department (September 1980) to make good the loss. Specific reasons for approaching the Government late, i.e., after releasing the plots were not on record. The Government replied (November 1982) that the enhanced price of plots should have been realised by HUDA from the allottees and Industries Department cannot have any liability on that account. No action was, however, taken by HUDA to recover the amounts from the allottees though it was permissible under the HUDA Act/Rules.

The matter was reported to Government in December 1983; reply was awaited (March 1985).

In their written reply the department stated as under:—

Regarding observation No. 1, it is stated that the basis for fixing the rate of Rs. 20/— per sq. yard adopted by the Industries Department is not known to HUDA. Rather this Department had to charge the rate of Rs. 20/— per sq. yard in view of the advertisement made by the Industries Deptt. at the time of inauguration of the Industrial area at Bahadurgarh by the then Chief Minister, Haryana. In view of the advertisement given by the Industries Deptt., HUDA had to seek the approval of the Finance Committee to charge Rs. 20/- per sq. yard instead of Rs. 23.74 which was worked out. However, the Finance Committee approved the rate of Rs. 20/— per sq. yard.

No doubt, the price per sq. yard was worked out to Rs. 23.74, but in view of the advertisement made by the Director of Industries Department, Haryana HUDA had to get the rate of Rs. 20/- per sq. yard

approved. Since the rate of Rs. 20/— per sq. yard was approved by the Finance Committee, this office could not charge higher rate than that. Moreover, the difference of Rs. 3.74 per sq. yard resulting the total loss of Rs. 42.67 lacs was referred to the Director of Industries Deptt. for making good the same but neither any reply was received nor the original case has been received back so far.

In view of the position explained in Para No. 1 and 2 above, there was no necessity felt to recover the amount from the allottees for whom the rate of Rs. 20/— per sq. yard was already advertised by the Industries Department and the applications invited and consequently, allotments were made. Also there was no such conditions in the allotment letter to recover this amount from the allottees.

The Department has already approached the Director of Industries Department, Haryana, to re-imburse an amount of Rs. 42.67 lacs, but so far, no reply has been received. It is also intimated that out of 2318 plots, 1848 plots were sold @ Rs. 20/— per sq. yard at cost of Rs. 1,74,23,800/-. Further 84 plots have been sold @ Rs. 56/— per sq. yard at the total cost of Rs. 20,72,000/— and the remaining 386 plots are to be sold at the enhanced rate. Under new policy the interest @ 10% per year is charged extra. Thus, the total cost received/likely to be received is Rs. 2,95,48,920/— against Rs. 2,58,22,235/— @ Rs. 23.74 per sq. yard. Thus, ultimately, there will be no loss in the scheme.

During the course of oral examination, the Committee desired to know the break up of Rs. 20/— per sq. yard fixed for industrial plots for allotment at Bahadurgarh. The representative of Town and Country Planning Department explained that no paper/file was available with Industries Department to communicate the break up of Rs. 20/— per sq. yard. However, he assured that further enquiry in this case would be held and the Committee would be apprised of the position within one month and further stated that, if found necessary, the case would be referred to the Vigilance Department. The Committee regret to observe that no information in this regard was sent till the drafting of this report.

Though the department in its written reply stated that 84 and 386 plots had been sold on higher rates and thus, there was no loss in the scheme; yet the Committee felt that definitely there was a lapse on the part of Industries Department which had taken the decision regarding fixing the rate of Rs. 20/— per sq. yard without any basis.

The Committee desire that the matter should be investigated in the light of foregoing observations and responsibility fixed in the matter.

#### *Paragraph 6.10. Avoidable expenditure*

[16](a) The construction of "Storage and sedimentation tank No. 2 partly below ground level and partly above ground level" in Urban Estate No. 2, Hisar (estimated cost : Rs. 21.20 lakhs) was allotted to a contractor by the Executive Engineer, HUDA, Rohtak in July 1980 with a time limit of 12

months for its completion to be reckoned with effect from 5th August 1980. The work involved excavation of earth and side lining and bed lining of tank. According to the approved plan, the bed of the tank was to be laid at 8 feet below ground level but the Engineer-in-Charge was required to ensure that the tank should be so designed that it was above the sub soil water level so that construction of the tank could be done under dry conditions.

The execution of the work was transferred to the Executive Engineer, HUDA, Hisar (January 1981). It was noticed by the site engineers on 26th February 1981 that sub soil water level had risen from 8 feet to 5.33 feet below ground level due to seepage of water from adjoining Balamand distributary and old storage tank. The Executive Engineer reported (3rd March 1981) the fact to the Superintending Engineer for approaching the Chief Engineer for obtaining his approval for laying the bed of the tank at 5 feet below ground level which was accorded in May 1981.

The contractor, however, was not asked to stop excavation of earth below 5 feet ground level and he continued excavation of earth in some portion of the tank below 5 feet ground level upto 16th March 1981 and excavated 2549 cum earth below that level (involving payment of Rs. 0.20 lakh) which was subsequently (April to October 1981) filled up with 4,077 cum mud concrete with brick ballast during April 1981 to October 1981 at a cost of Rs. 3.36 lakhs. Payment of Rs. 0.11 lakh was also made to the contractor (March 1981) as wetness allowance of 10,030 cum wet earth excavated without investigating the variations in quantities of earth excavated below 5 feet which could be considered as wet earth. This resulted in an infructuous expenditure of Rs. 2.67 lakhs (Rs. 23.6 lakhs + Rs. 0.20 lakh + Rs. 0.11 lakh) on excavation and refilling of extra earth.

(b) The contract agreement *inter alia* provided that no extra payment over the rates provided in the contract was to be made to the contractor due to difficulties whatsoever encountered by him in completion of the work by 4th August 1981. In July 1981, the contractor intimated to the Executive Engineer that side lining and 6,000 square metres (actually 5,739 square metres) bed lining of tank had been completed and the remaining bed lining 21,840 square metres could not be completed due to heavy rains and rise in spring level. For completion of the balance work, time extension upto 4th March 1982 sought by the contractor was given upto December 1981. However, the contractor did not execute any further bed lining during the extended period and applied (December 1981) further time for extension upto 30th July 1982 on the same grounds. Time extension upto 30th June 1982 was allowed (March 1982) to him without enquiring the reasons for non execution of the balance bed lining work during the extended period.

Meanwhile in February 1982, the contractor represented that he was facing difficulty in lining bed of the tank due to increase in water level and demanded extra rate for lowering sub soil water level for laying bed lining. In disregard of the contractual provisions, payment of Rs. 1.25 lakhs on this account was made (July 1982) to the contractor on the basis of rate of Rs. 3.28 per square metre for 9,048 square metres and Rs. 9.77 per square metre for 12,792 square metres approved by the Executive Engineer and Superintending Engineer respectively.

Thus by giving subsequent time extension to the contractor without examining justification and by non-observing the contractual provisions, the authority had to incur extra expenditure of Rs. 1.25 lakhs on the completion of the work.

The matter was referred to Government in April 1984; reply was awaited (March 1985).

In their written reply the department stated as under :—

The storage and sedimentation tank was located within the water works premises by the side of the existing storage tank and parallel to the Bal Samand distributory which is the source of raw water. The distance of Bal Samand Distributory from the nearest site of the storage tank was hardly 100 mtrs. At the time of preparing the tender documents the spring level was more than 8' below ground level. The excavation was therefore to be carried out upto a depth of 8'-5". After calling tenders and during excavation the spring level continued rising. This abnormal rise in spring level was never predicted. It was due to this rising spring level that the depth of excavation was reduced from a figure of 8'-5" to 5'-1".

No excavation beyond 5 feet depth was done after the rise in spring level was observed on 26-2-81. As regards measurement of earth work recorded in M.B. No. 110/832 page 116-117 dated 16-3-1981, the excavation work was carried out below 5' depth before the spring level rose to above 5' depth. The record entry was made on 16-3-81. So the contractor was not allowed to execute the excavation work beyond 5' depth after Feb, 1981. Once the spring level had risen there were two alternatives with the department either to depress the spring level and plug it with rich concrete or to fill the depth between excavation and spring level with lean concrete or mud concrete. The latter was cheaper and therefore, adopted at site.

The Contractor was allowed Rs. 0.11 lacs as wetness allowance, since this was a genuine claim of the contractor. The Contractor excavated wet earth which is normally encountered above spring level due to capillary rise of moisture. The point of variation in quantities of earth excavated is, thus irrelevant.

This insubstantial expenditure as objected by the audit does not work out to be Rs. 2.67 lacs, but is Rs. 2.56 lacs as per details given below :—

(a) Earth Work	Rs. 0.09 lacs
(b) Wet excavation	Rs. 0.11 lacs
(c) Mud concrete	Rs. 2.36 lacs
Total :	<u>Rs. 2.56 lacs</u>

No excavation was carried out after the rise in spring level was observed. Therefore, nobody is responsible for extra earth work done as per item (a) above because this was done before rise in spring level was first sighted. Due to rise in spring level it was decided to lay the bottom of the tank at 5'-1" belowground level instead of 8'-5" below ground level as originally stipulated in the NIT. The extra excavation done below 5' B.G.L. had to be filled up for the proper stability of the tank. It was therefore decided to fill this extra excavation done with mud concrete and as such no person can be held responsible on account of the mud concrete poured costing Rs 2.36 lacs (as per item (c) above) as this excavation was done before spring level was first seen.

Payment of Rs 0.11 lacs made on account of wet excavation is justified as stated in para (iii) above because due to capillary action, the earth above spring level becomes wet and therefore the earth work was paid as wet excavation and no person can be held responsible.

The main reason for extension in time limit was that the site conditions differed from those anticipated and provided for in the NIT. According to the NIT the entire excavation was to be done under dry conditions and the spring level was below 8' depth but during actual excavation it was observed that there had been an abnormal rise in spring level. Due to these circumstances the time taken in excavation was much more than anticipated at the time of preparation of tender documents. According to clause -5 of the contract agreement, extension in time limit is permissible if it becomes necessary. In this particular case there were genuine grounds for granting extension in time.

The Committee observe that the rise in spring level was observed on 26-2-1981 and further excavation work was not allowed, but the record entry to this effect was made in the M.B. on 16-3-1981. During oral evidence the department had admitted that there certainly delay in the record entry and for that matter the Audit party could not be convinced at the time of audit. The departmental representative therefore, assured the Committee (18-8-87) that action would be taken against the defaulting employees and the Committee informed about that within one month. It is regretted to observe that no intimation was sent to the Committee in this behalf till the drafting of this report.

The Committee strongly recommend that the action taken in the matter be intimated to them within three months.

#### *Paragraph 6.12. Outstanding recoveries*

[17] The Haryana Urban Development Authority issued orders in August 1980 to charge with effect from 1st October 1980 water rates at flat rates depending on the size of the plot in cases where the water meter went out of order for more than one month or where it was lost and not replaced immediately. Prior to the issue of this order, the water rates in such cases were charged at rates fixed on average consumption of water for the preceding 3 months. The Executive Engineer, HUDA, Division No. 3, Panchkula however, continued to recover the water charges at old rates for the period from 1st October 1980 to March 1983 (on average consumption basis resulting in less recovery of Rs. 2.01 lakhs. On being pointed out by Audit (June 1983), notice for recovery of the amount were stated (February 1984) to



have been issued by the said officer to the persons concerned and Rs. 0.10 lakh recovered (January 1985). Non recovery of the water charges at revised rates earlier was attributed by the Executive Engineer to inexperienced/shortage of staff.

The matter was referred to the Government in December 1983; reply was awaited (March 1985).

In their written reply the department states as under .—

It is submitted that three months average was being charged prior to 1st October, 1980 in case the water meter was found defective/removed. But it is denied that same average charges were continued to recover.

In the circular circulated vide No. 13058 dated 21-8-80, a rate of Rs. 600/— per acre or part thereof has been provided for Industrial plots. In fact a rate of Rs. 120/— was charged per month in cases where meter went out of order. But Rs. 120/— instead of Rs. 600/— had been charged inadvertently previously because of inexperienced staff. Moreover, rates of Rs. 600/— for 2 kanal plots were felt on very higher side. At the most it should have been Rs. 150/— for 2 kanal plots. Accordingly, the matter was reviewed and clarification was given to the Chief Engineer, HUDA, Panchukula with retrospective effect i.e. from 1-10-80 vide this officer circular No. 23486 dated 14-10-86 and 15227 dated 14-5-87. As per these circulars, the rates provided for smaller plots is to be charged as follows.

The flat rates for Industrial plot will be charged @ Rs. 600/— per acre, per month proportionately or on the basis of pipe size, whichever is higher.

Recovery there of according to the above has been calculated and amount of para has been worked out to Rs. 65475.65 instead of Rs. 0.05 lacs. Bills for the same have been raised and are in the process of realisation.

It is intimated that the recovery of Rs. 0.05 lacs is related to two sectors i.e. sector-7 and Industrial Area Phase-I Urban Estate, Panchukula in case of sector -7 recovery of an amount Rs. 11084 has been realised out of total recovery of Rs. 13133.65 & not balance to be recovered is Rs. 2049.65.

In case of Industrial area, old recoverable amount as pointed out by audit was Rs. 1,91,648.80 Paise. Revised corrected amount as per this office circular No. 23486 dated 14-10-86 and 15227 dated 14-5-87 comes to Rs. 52342/ only. Out of this, a recovery of Rs. 5815.15 paise has already been made. Bills for the balance amount of Rs. 46496.85 have been raised and action is in the process to recover the same.

In short now this para is for an amount of Rs. 65,475.65 paise for both the sectors out of which Rs. 16,929.15 has been recovered. So balance amount yet to be recovered is Rs. 48,546.50 which is being realised.

As explained in para No. 1, it is further intimated that the recovery as per instructions contained in circular of 21-8-80 could not be made due to inexperienced staff. Rates of Rs. 600/— per acre were felt on huge side and accordingly clarification sought by Chief Engineer, HUDA, Panchukula was given vide this office circular No. 23486 dated 14-10-86 and No. 15227

dated 14-5-87. However, the bills have been raised and it is hoped that complete recovery would be effected from the consumers.

After hearing the department during oral evidence, the Committee observe that the department tried to shift the responsibility to junior staff for non-recovery of flat rates of water charges. The Committee rather consider it a gross lapse on the part of the senior Officers including the Head of the office who failed to exercise check at their levels and feel that action must be taken against such responsible officers/officials. During the course of oral examination (18-8-87), the Committee was assured by the departmental representative that they would do something in the matter and inform the Committee. The Committee was however, not informed about this by the department till the drafting of this report.

The Committee therefore, desire that final out come of the action taken against the delinquent officer/officials and latest position about of effecting the recovery of balance amount from the consumer be intimated to the Committee expeditiously.

*Paragraph 6.13. Non-maintenance of accounts*

[18] Haryana Urban Development Authority Act, 1977 provides that the Authority (HUDA) shall maintain proper accounts and the balance sheet in such form, as may be prescribed by Government and ensure that the accounts of the Authority as certified by the Accountant General, Haryana with the audit report thereon are forwarded annually to the State Government. The Authority (HUDA) has not so far (July 1984) obtained approval of Government to the form in which the accounts are to be maintained and has not prepared the accounts for any of the years ever since its inception.

The Authority appointed (August 1980) a firm of consultants for evolving financial accounting and management system on payment of remuneration of Rs. 1.10 lakhs for the job performed (paid in instalments during September 1980 to November 1982). The authority stated (September 1984) that the report submitted by the consultants in August 1981 could not be implemented due to financial implications of the staffing pattern proposed and that a revised report received from the consultants in October 1983 was under examination.

The matter was referred to Government in December 1983 ; reply was awaited (March 1985).

In their written reply the department stated as under :—

After its formation, the Authority had to evolve new accounting systems and procedure for the preparation of Balance Sheet and its onward submission to the Accountant General Haryana for audit and certification as per the requirement of HUDA Act, 1977. For this purpose, the services of M/s A.F. Ferguson and Co., a Delhi based firm of consultants, were requisitioned to study the working system of HUDA and to evolve new accounting procedures and systems. The firm undertook the detailed scrutiny of the various accounting systems at the various offices of the Authority and submitted its report during the period from October, 1980 to April, 1981. The

proposal was scrutinised in the office and it was observed that system recommended by the firm is not practicable. The firm recommended large number of registers and fromars, which are required to be fulfilled under the Company Law Act, and do not suit to the requirements of HUDA. It was also observed that the firm did not make serious efforts to study the working of HUDA but prescribed the usual systems on the basis of systems used in the big commercial organisations. Even the works accounting system suggested by the firm was not suitable as it has a large number of shortcomings and discrepancies.

The firm suggested maintenance of accounts on accrual basis whereas accounts of HUDA are required to be maintained on cash basis. If the accounts are maintained on accrual basis, interest which has not been received but accrued has to be considered as income, which results into inflated figures of receipt. The accounts of the Authority are required to be prepared on the basis of Contract Accounting system which is accepted principle of accounting for Urban Dev. Authorities. This system was not suggested by the firm in their report. Under the Contract Accounting systems, till the substantial completion, all the receipts and payments are to be taken on cash system base. However, after the substantial completion, the recoverables from the plot holders and the liabilities on account of development works has to be worked out to arrive at the profit/loss of the sector. In August, 1986, we appointed a firm of Chartered Accountants to prepare the balance sheet of the Authority for the first three years. They have prepared the balance-sheet of Panchkula on the basis of above system and the work in the other Estates is likely to be completed upto 30 Sept. 1987, after which the consolidated balance sheet for the first 3 years will be submitted to the Accountant General, Haryana for audit and certification.

The report was studied and found impracticable as it does not suit to the requirement of the contract accounting system. However, the report was useful to some extent in re-designing the budget, and revised accounting system which was implemented in 1984, 1985 respectively.

M/s Ferguson and Company suggested the Organisation of accounts staff of HUDA for the implementation of the system suggested by them. The firm had recommended the appointment of following staff in all the Subordinate offices in addition to the staff already existing

1. Pay roll section Accountant Planning, cell at Divn. Level, Senior Auditor, Accountant Cash and Bank, Accountant Sales, Auction Supervisor, Sub Divisions Cashier, Sub-Divisions Accountant, Collection Centre, Cashier Accountant (Works) Accountant Material Accounting.

The engagement of this staff would have evolved an additional expenditure of Rs. 38.85 lacs per annum.

The Committee observe that although financial position of HUDA was reportedly sound and huge funds were at their disposal, yet the accounts for any of the years even since its inception were not prepared and maintained by the authority. The Committee therefore, desire that effective steps be taken to maintain proper accounts as provided in the HUDA

Act, 1977 and progress made in this behalf intimated to the Committee within six months.

*Paragraph 6.14. Recovery of enhanced compensation*

[19] (a) As per the Punjab Urban Estate Rules, 1965, (adopted by HUDA) in case of sale of site by allotment, the allottee has to pay, in addition to the tentative price mentioned in the allotment letter, additional price, if any, determined as a result of enhancement of amount of compensation by the Court under the Land Acquisition Act

During the period from September 1965 to August 1978, compensation of Rs. 97.96 lakhs (Rs 45.24 lakhs by HUDA and Rs 52.72 lakhs by Urban Estate Department prior to formation of HUDA in January 1977) was paid to the land owners in compliance with Court's orders enhancing the compensation in respect of land acquired at Faridabad during October 1963 to August 1964. The plots carved out of this land were allotted by the authority during 1965-66 and 1966-67. The allotment letters did not impose any condition about the recovery of enhanced compensation from allottees. In May 1978, legal advice was sought by HUDA from its legal advisor who opined that recovery of enhanced compensation could be effected even though no such condition was specifically imposed in the allotment letters. No action to effect recovery was, however, initiated till January 1982 when the Chief Administrator, HUDA directed the Estate Officer, Faridabad to effect recovery from the allottees and the Estate Officer Faridabad issued notices during 1982-83 for recovery of the enhanced amount of compensation amounting to Rs 97.96 lakhs. Some of the allottees filed writ petition against the recovery in the High Court, which was dismissed (September 1983). The Estate Officer, Faridabad intimated (August 1984) that out of Rs. 97.96 lakhs, Rs. 28.98 lakhs had been recovered upto July 1984.

(b) Similarly, in pursuance of Court's decision during 1980-81 to 1982-83 in respect of land acquired for 12 Urban Estates, enhanced compensation of Rs. 18,51.98 lakhs was paid in 1980-81 to 1982-83 by HUDA in addition to legal expenses of Rs. 14.08 lakhs for defending suits filed by the land owners. The proportionate amount recoverable from the allottees of plots in various Urban Estates was not worked out by HUDA except in the case of Urban Estate, Panchkula and Urban Estate, Karnal (Sector—6) where recovery orders for Rs 2,23.86 lakhs (Panchkula : Rs. 1,97.53 lakhs and Karnal : Rs. 26.33 lakhs) including interest of Rs. 6.08 lakhs (Panchkula : Rs. 5 lakhs and Karnal : Rs. 1.08 lakhs) were issued (1983-84). The delay in working out the recoverable amount and issue of notices for recovery was attributed (March 1984) to lapses on the part of the respective Administrators of the Urban Estates. Information about recovery position/issue of notices with respect to the remaining estates is awaited (August 1984).

The matter was referred to Government (June 1984) reply, was awaited (March 1985).

In their written reply the department stated as Under :—

After the receipt of legal advice on 30-5-78 the matter was further discussed in meeting on 26-6-78 between the then Chief Administrator and

the Estate Officer, Faridabad, wherein it was decided that the recovery notices should be sent to these allottees only, in whose allotment letters there was the condition of recovery of enhanced compensation. Therefore, no responsibility can be fixed on an individual officer/official.

Recoveries amounting to Rs 62.08 lacs have been made out of Rs 68.98 lacs. The Estate Officer, Faridabad has been directed to effect the balance recovery of Rs 6.90 lacs immediately.

No responsibility could be fixed. However, notices have been issued to all the allottees of various sectors in different Urban Estates.

Upto date position of payment and recoveries of enhanced compensation is that since the inception of H.U.D.A. in the year 1976-77 upto the year 1986-87, a sum of Rs. 6272.60 lacs was paid against which a sum of Rs 2311.18 lacs has already been recovered from the plot holders, leaving a balance of Rs. 3961.42 lacs. Out of this balance of Rs. 3961.42 lacs, Rs. 518.11 lacs relate to shopping centres, land under undertermined use and other unsold area. The amount recoverable as on 31-3-87 is Rs 2052.00 lacs and for the remaining amount of Rs. 1391.31 lacs paid during 1986-87, recovery notices will be issued during 1987-88.

The Committee feel that no action was taken to effect the recovery till January, 1982 when the H U D A. had every right to recover the amount of enhanced compensation with interest from the allottees during the course of oral evidence the departmental representative informed the committee that an amount of Rs. 62.08 lakhs with interest had been recovered and the balance amount of Rs. 6.90 lakhs would be recovered as early as possible by the Estate Officer, Faridabad

The Committee desire that action to recover the balance amount of Rs 6.90 lakhs from the allottees be expedited and final position intimated to the Committee.

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## PRINTING AND STATIONERY DEPARTMENT

### *Paragraph 7.2. Working of Printing and Stationery Department*

#### **7.2.1. Introductory**

[20] The Printing and Stationery Department is a service department responsible for the management of government presses and stationery and publication branches under it. It is entrusted with, the printing jobs of the Government including printing and supply of Gazette notifications, printing/supply of text books and procurement and distribution of paper, paper made articles, stationery stores, etc., to Government offices and distribution/sale of Government publications and purchase, repair and servicing of typewriters.

At the time of re-organisation of the State (November 1966), the Government of Haryana was left without a printing press in 1970, a nucleus printing press was established in Chandigarh at a cost of Rs. 15 lakhs. Another press at Panchkula was established in 1974 at a cost of Rs. 30 lakhs primarily for printing of text books for 1st to 8th standard. In December 1980, the Government decided to expand and diversify it to meet the full printing requirements of the State. Against the capital outlay of Rs. 161 lakhs for the purchase of machinery envisaged in the Sixth Five Year Plan (1980-85), an expenditure of Rs. 26.40 lakhs had been incurred (upto March 1983) on the purchase of the same for expansion and diversification of the press. The third press, which was taken on rental/lease basis from the Social Welfare Department in November 1977, is functioning at Madhuban.

#### **7.2.2. Organisational set-up**

The department of Printing and Stationery, viz., the press branch, the Stationery branch and the Publication branch, function under the direction and control of the Controller, Printing and Stationery. He is assisted by one Deputy Controller (Technical), three Assistant Controllers and one each Accounts Officer and Administrative Officer-in-charge of the various branches/sections.

#### **7.2.3. Financial outlay**

The table below indicates the budget provisions and actuals there against for the three years ending 31st March 1984.

Head of account	Budget			Actuals		
	1981-82	1982-83	1984-84	1981-82	1982-83	1983-84
	(In lakhs of rupees)					
Printing and Stationery	2,40.73	2,22.55	2,26.35	2,78.55	2,12.26	1,83.84
Printing of Text books	51.17	1,02.19	1,30.83	42.39	85.91	1,31.74
Capital expenditure	36.00	21.40	30.60	11.10	20.64	22.28

The excess expenditure during 1981-82 under "Printing and Stationery" was reportedly due to receipt of paper from foreign countries against the supply orders placed in 1977-78.

#### 7.2.4. Press branch

The main wings of the presses are composing, processing, machine section, proof reading, binding and stores.

##### (a) Working results

The presses have not been declared as Commercial and regular proforma accounts are not prepared. The working results, cannot, therefore, be ascertained. The total expenditure in respect of all presses was much more than the value of work done during the years 1980-81 to 1982-83 vide particulars given below :—

Name of the Press	Value of work done			Total proforma expenditure		
	1980-81	1981-82	1982-83	1980-81	1981-82	1982-83
	(In lakhs of rupees)					
Chandigarh	21.64	27.59	28.17	40.21	45.59	51.70
Panchkula	15.43	21.21	26.02	24.94	26.15	33.27
Madhuban	3.91	7.37	6.05	7.04	8.17	7.97
Total	40.98	56.17	60.24	72.19	79.81	92.94

##### (b) Execution of jobs

The number of jobs (other than text books) received, executed and pending in the various presses for the three years ending 31st March 1984 are as under :—

Year	Name of Press	Pending at beginning of the year	Received during the year	Total	Departmentally completed	Executed through outside presses	Cancelled	Pending
1981-82	Chandigarh	269	1,144	1,413	955	10	15	433
	Panchkula	27	154	181	124	—	8	49
	Madhuban	15	84	99	39	—	—	60
1982-83	Chandigarh	433	1,262	1,695	1,166	23	14	492
	Panchkula	47	77	126	87	—	9	30
	Madhuban	60	60	120	65	—	—	55
1983-84	Chandigarh	492	1,071	1,563	795	4	20	744
	Panchkula	30	126	156	92	—	—	64
	Madhuban	55	56	111	4	—	—	107

The number of pending jobs at the close of the year 1983-84 registered a considerable increase as compared to previous years. The age-wise breakup of the pending cases at the close of the year 1983-84 is indicated below :—

	Chandigarh	Panchkula	Madhuban
More than 3 years	112	15	7
2 to 3 years	51	7	34
Less than 2 years	581	42	66

It was noticed in audit that neither the reasons for non-completion of pending jobs were investigated nor were any steps taken to draw up a phased programme for their completion. The departmental had also no system of conducting periodical review of pending jobs with a view to analysing reasons for delay and taking speedy steps for their completion.

An analysis of pending jobs as on 31st March 1984 of Panchkula press showed that the jobs had been partially/party completed and an expenditure of Rs. 48.22 lakhs (upto 31st March 1984) had been incurred on 64 jobs for which bills had not been issued. The department stated (July 1984) that since these jobs were pending, bills could not be issued and the bills for the part of jobs already executed would now be issued.

(c)- Machine section

(a) The productive and un-productive machine hours, impressions required and the actual impressions during the last three years ending 31st March 1984 are detailed as Below:—

Year	Name of press	Total machine-hours available	Productive machine hours	Un-productive machine hours	Percentage of un-productive hour to total productive hours	Impressions Required	Actual	Short-fall (Percentage)
		(In hours)				(in crores)		
1	2	3	4	5	6	7	8	9
1981-82	Chandigarh	43,935	30,991	13,024	26.64	4.42	2.21	50.00
	Panchkula	21,600	13,995	7,605	35.21	7.14	3.64	49.02
	Madhuban	8,854	5,432	3,422	38.65	0.71	0.47	33.80
1982-83	Chandigarh	46,200	32,778	13,422	29.05	5.01	2.30	54.00
	Panchkula	30,855	22,284	8,571	27.78	11.36	3.88	65.85
	Madhuban	8,552	5,575	2,977	34.81	0.72	0.40	44.45



1	2	2	4	5	6	7	8	9
1983-84	Chandigarh	44,145	31,336	12,809	29.02	4.78	2.30	51.88
	Panchkula	40,072	21,696	18,376	45.86	11.45	5.06	55.81
	Madhuban	8,190	5,328	2,862	34.95	0.69	0.40	42.03

*Note : Productive machine hours include idle machine hours for want of machine men, etc.*

The percentage of unproductive hours to total available hours of the three presses during 1981-82 to 1983-84 varied from 26.64 (1981-82) to 45.86 (1983-84). The percentage of idle hours to total hours available was to the extent of 32.33 in 1981-82, 29.17 in 1982-83 and 36.84 in 1983-84. Reasons for increase in the unproductive hours and the shortfalls in the quantum of impressions were not on record. An analysis in audit revealed the following as the main reasons for shortfalls:—

(i) Machines could not be operated in Panchkula Press for 2,159 hours in 1981-82, 5,117 hours in 1982-83 and 6,412 hours in 1983-84 due to shortage of one machine man in 1981-82 and 3 machine men in 1982-83 and 1983-84. Due to shortage of machine men in Chandigarh press machines remained idle for 6,199 hours, 6,301 hours and 5,640 hours for three years ending 31st March, 1984. The reasons for not filling the posts of machine men were awaited (January 1985).

(ii) There is no provision for leave reserve for machine men as a result absence hours during the last three years ending 31st March 1984 were 3,195, 4,129 and 6,112 of Panchkula Press and 7,948, 10,266 and 10,543 of Chandigarh Press

(iii) In Chandigarh Press, productive hours numbering 914 (1981-82) 474 (1982-83) and 1,750 (1983-84) were utilised in other Sections, viz. read-ind and binding sections.

(b) An analysis of the unproductive hours is given below:—

Year	Name of Press	Machine defects oiling and other defects	Electrical defects	Power of Make ready hours	Total
(In hours)					
1981-82	Chandigarh	472	102	625	11,825
	Panchkula	3,583	668	2,619	735
	Madhuban	468	212	2,240	502
1982-83	Chandigarh	553	111	983	11,775
	Panchkula	3,993	832	2,726	1,020
	Madhuban	760	74	1,747	396
1983-84	Chandigarh	941	128	548	11,192
	Panchkula	7,920	2,733	6,445	1,278
	Madhuban	823	143	1,604	292

The reason for increase in unproductive hours at Panchkula Press in 1983-84 was due to the fact that two Robust machines, which went out of order in August 1983, had not been repaired (January 1985).

Though the available productive hours were not fully utilised, the department had been getting the work done through outside presses on grounds of urgency. The value of work executed by these presses was to the extent of Rs. 92.84 lakhs, Rs. 69.16 lakhs and Rs. 83.48 lakhs during the three years ending 31st March 1983.

(d) *Mono section*

The Chandigarh press has seven mono machines which run for two shifts a day. The position of utilisation of these machines for the three years ending 31st March 1984 is indicated below:—

Year	Available working hours	Productive hours utilised	Unproductive hours	Utilisation of mono operators in other sections	Percentage of hours utilised to working hours available
					(In Hours)
1981-82	29,610*	15,727*	8,781	5,102	53.11
1982-83	30,135*	10,046*	11,085	9 004	33.34
1983-84	30,235*	11,723*	11,722	6,790	38.77

The unproductive hours include 4,866 hours (1981-82), 5,753 hours (1982-83) and 4,912 hours (1983-84) for which these machines were not operated for want of mono operators.

Similarly, mono machines during the three years ending 31st March 1984 could not be operated for 2,600 hours, 3,895 hours and 5,183 hours respectively because the mono operators remained on leave or were absent from duty. No provision for leave reserves for mono operators, however, existed.

(e) *Utilisation of plates*

Norms for impressions per plate had not been prescribed. The number of plates issued for printing and prints covered during the last three years ending 31st March 1984 at Panchkula press are indicated below :—

Year	Number of plates issued	Total impressions obtained	Impressions per plate
		(In lakhs)	
1981-82	569	3,64.20	0.64
1982-83	884	3,88.01	0.44
1983-84	1,473	5,05.77	0.34

\*Including work on holidays.

The number of impressions per plate had been decreasing from year to year, reasons for down-ward trend had not been investigated.

The press had also three graining machines of which only one was in working order. The plates could be used and re-used after, graining. The graining unit had, however, not maintained any record to show the number of plates grained and used/re-used after graining.

(f) *Performance of workers*

Norms of out-turn for the workers employed in various sections of the presses have been laid down for each type of work. The quantum of work done by each worker is compared with the fixed norms to determine the profit or loss (excess or short out-turn) which is adjusted against the worker's future out-turn. The short out-turn (progressive net figures) of workers in various sections of the presses at the end of each year during 1981-82 to 1983-84 is indicated below :—

Name of the press	Composing Section		Mono Section		Printing Section		Binding Section		Monetary value (in lakhs of rupees)
	Num-ber of wor-kers	Short out-turn in hours	Num-ber of work-ers	Short- turn in hours	Num-ber of work-ers	Short out-turn in hours	Num-ber of work-ers	Short out-turn in hours	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Chandigarh as on									
31-3-1982	8	3,155	Nil	Nil	10	4,968	4	870	1.40
31-3-1983	12	4,074	Nil	Nil	11	5,768	4	817	2.02
31-3-1984	13	6,520	1	142	11	6,437	6	276	1.33
Panchkula as on									
31-3-1982	N.A	N.A.	N.A.	N.A.	5	655	5	819	0.23
31-3-1983	N.A.	N.A.	N.A.	N.A.	5	1,202	5	878	0.38
31-3-1984	N.A	N.A.	N.A.	N.A.	8	1,419	14	2,145	0.58

It was noticed that short out-turn in all the sections except mono section in Chandigarh press was very high. No remedial measures had been taken by the department to check the short out-turn nor could any specific period be fixed within which the profit/loss could be adjusted.

Due to heavy accumulation of short out-turns (Rs. 0.15 lakh) upto July 1976, a compositor was removed from service from April 1979 and subsequently re-instated (March 1981) on the acceptance of his appeal by the Government. The period of his absence from duty

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N.A.—Not applicable.

from April 1979 to March 1981 was treated as period spent on duty for all purposes and a sum of Rs. 0.17 lakh was paid to him (November 1983) on account of arrears of pay and allowances.

A test check of records of Panchkula press further disclosed that the out-turn of workers of the various sections as recorded in the job-sheets was different from the actual work involved in the printing section as indicated below :—

<i>Name of the book</i>	<i>Job number</i>	<i>Number of copies printed</i>	<i>Gathering</i>	<i>Scissoring</i>	<i>Stitching</i>	<i>Pasting</i>	<i>Cutting</i>	<i>Despatched</i>
				(Number in lakhs)				
Science-3	580	1 25	1.74	—	1 38	1.57	1 26	1 18
Samajik-4	532	2.00	2 40	1.89	1 87	1.82	1.40	1.94
Samajik-5	531	0.80	0.76	0 98	1 13	0 10	0 79	0.77

The discrepancies had not been investigated (November 1984).

(g) *Consumption of machine ink*

Norms for consumption of ink had not been fixed by the department. There was large variation between the quantity of machine ink consumed and the impressions (prints) taken out as indicated below :—

<i>Year</i>	<i>Name of Press</i>	<i>Ink consumed (in kg.)</i>	<i>Actual impressions (Number in crores)</i>	<i>Impressions per Kg. of ink consumed (In lakhs)</i>
(1)	(2)	(3)	(4)	(5)
1981-82	Chandigarh	728	2 21	0 30
	Panchkula	1,957	7.14	0.34
	Madhuban	91	0.47	0.52
1982-83	Chandigarh	756	2.30	0.30
	Panchkula	2,475	11.36	0 41
	Madhuban	67	0 47	0 60
1983-84	Chandigarh	1,103	2 30	0 21
	Panchkula	2,999	11.45	0.26
	Madhuban	76	0.47	0 52

Reasons for variations had not been investigated for taking remedial measures. The department stated (July 1984) that the utilisation of ink

depended upon the printed area. No records had, however, been maintained to work out the area printed in each job

(h) *Other topics of interest*

(i) *Idle machinery*

The following machines had been lying idle with the department for want of repairs from the dates indicated against each. The case for repairs was under protracted correspondence with the supplying firms who had maintained that there was no manufacturing defect in the machines and that these were having operational problems due to mishandling by the operators of the department.

<i>Name of machine</i>	<i>Value (Rupees in laks)</i>	<i>Remarks</i>
Gathering	1 27	Since installation in April 1972, the machine worked for short spells and ceased to function, from 26th March 1979
Gripping	0 43	Since its installation in April 1983, the machine is lying idle due to some mechanical defect
Robust offset Printing Machines (2)	6 24	The machines received in March 1982, functioned for 496 shifts against the normal expectation of 1,876 shifts and went out of order from August, 1983.

\* \* \* \* \*

In their written reply, the department stated as under :—

\* \* \* \* \*

The Government has fixed norms for each type of work being done in the presses. The actual work done by the worker is recorded daily and then compared with the norms. There are some workers who fail to come up to the standard norms, some times on account of poor health, personal domestic circumstances etc. The department adopts various remedial measures to check the short out-turn like :

- (i) The Incharge of the Press reviews the profits/loss performance which is later on conveyed to the concerned worker and those who fail to make up the deficiency are proceeded against under the provisions of Civil Service Rules.
- (ii) The good workers with plus work or profit are given incentive at the end of the year.
- (iii) During the last one year, explanations of 38 workers have been called for this lapse and 7 workers have been charge-sheeted. As a result of periodical reviews of profit and

loss charts, most of the workers have started making up the past deficiencies resulting into encouraging trend as compared to the past.

The Compositor was reinstated by the competent authority

The Enquiry Officer has been appointed to find out the causes

Since the use of ink is directly related to the printed area and not to the number of impressions it is not possible to work out any standard norm unless the jobs are of similar nature. The consumption of ink thus varies from job to job. However Text Book Press, Panchkula has been directed to fix up norms of total impressions per kg. ink used. It is not possible for the miscellaneous jobs like posters/Calendars etc. to have any standard norm.

- (i) The Gathering Machine was installed in the year 1974 and not in the year 1972 as pointed out by the audit. The machine is working mechanically but its electric system has gone out of order with the result that safety and error detecting devices are not working. The concerned firm has assured to get the requisite parts imported from West Germany.
- (ii) This graining machine was purchased in 1983. Due to some manufacturing defects this machine could not be put into full production. This department is in constant touch with the firm. The firm has agreed to replace the machine.
- (iii) Robust Offset printing Machine remained out of order for a pretty long time and now the machine has been repaired.

During the course of oral examination, the departmental representative informed the Committee in the States of Madhya Pradesh and Himachal Pradesh the work of the Government Printing Press had already been declared as commercial. He assured to study the matter and, as and when the reply would be received from other States the Committee will be informed accordingly. He further stated that the impressions capacity had been increased from 26 crores to 40 crores against the total requirement of 74 crores impressions. Due to shortage of Machines and staff, the remaining work was got completed from U.T. Printing Press and other Presses. The departmental representative assured the Committee that if the additional funds and machines/staff was provided to them, all the work could be completed by them in their own Printing Press.

The Committee feel that the required funds/machines and staff should be provided to cover the total requirement of 74 crores impressions in Government Printing Press to avoid unnecessary payment given to U.T. Press or Private Presses. However, the department did not send the out-come of their study in regard to declaring the Government Printing Press as commercial till the drafting of this Report. The departmental representative assured the Committee that action to fix the responsibility of defaulting officers/officials was being taken in regard to non-maintaining the record to the number of plates grained etc. and idleness of Gathering machines, which were lying idle with the department from 26-3-79. But the department did not inform the Committee in this behalf till the drafting of Report.

The Committee recommend that action taken against such delinquent officers/officials be intimated to the Committee within three months.

*Paragraph 7.2.5. Text book scheme*

[21] Text book scheme, a commercial wing of the department, was introduced in 1953 by the erstwhile Punjab Government and the work relating to printing, storage and sale of text books upto eighth standard was entrusted to it. The scheme was transferred to Education Board in April 1981 but the same was again entrusted to the department in December 1981. The printing of text books is done under the directions of the Education department and printing is arranged by the Department through Government presses (Haryana, Union Territory of Chandigarh and Government of India presses).

*(i) Working results*

(a) As per price fixation formula laid down by the composite Punjab Government in 1962 (as amended in 1966) books for classes I to V and VI to VIII are required to be sold on 'no profit no loss' basis and on 5 per cent profit on the sale price respectively. No separate accounts for these two categories of books had been maintained nor any scientific system of costing evolved to know whether all elements of cost had been covered or not. As such, whether the sale of these two categories of books has been made on no profit no loss basis could not be ascertained. The proforma accounts for the years 1981-82 to 1983-84 had also not been finalised (June 1984). The working results of the scheme based on provisional figures for three years upto 31st March 1984, are given below :—

	1981-82	1982-83	1983-84
	Provisional	Provisional	Provisional
	(In lakhs of rupees)		
<i>Receipts</i>			
(a) Sale of books (net)	44.71	1,06.80	1,04.86
(b) Miscellaneous Income	0.02	0.02	0.02
(c) Decrease in stock (Text book)	—	—	—
Total	44.73	1,06.82	1,04.88
<i>Expenditure</i>			
(a) Cost of paper	18.11	45.61	61.76
(b) Printing and incidental charges	19.61	27.61	26.17
(c) Payment of royalty	—	0.60	0.81
(d) Establishment and distribution charges	3.76	13.32	13.42
(e) Depreciation	0.02	0.05	0.05
(f) Interest on capital	0.15	1.25	1.25
Total	41.65	88.44	1,03.46
Profit	(+)3.08	(+)18.38	(+)1.42

The department attributed profits to the following reasons —

(i) The price fixation formula provides for element of bad debts, discount to agents but actually no discount was allowed on direct sale to non-agents nor any bad debts were written off.

(ii) Royalty on the books was allowed only where recommended by the Education Department but this was taken into account while fixing the sale price of the text books.

(b) A test check of the records of the press cell branch revealed that in respect of 9 books printed during October 1980 to May 1983, the department suffered a loss of Rs 2.65 lakhs on their sales due to fixation of selling prices on an estimated basis before completion of jobs/release of books for sale.

(ii) *Execution of job orders*

The position of print orders in respect of text books for the last three years ending 31st March 1984 is as below :—

	1981-82	1982-83	1983-84
1. Print orders pending at the beginning of the year	2	20	47
2. Print orders received during the year	35	72	35
3. Total	37	92	82
4. Printed departmentally	3	27	7
5. Printed from outside Government press/ private presses	7	8	5
6. Total (4+5)	10	35	12
7. Cancelled	7	10	1
8. Print orders pending at the close of the year	20	47	69

The above table shows that the number of pending jobs increased from year to year (20 in 1981-82 to 69 in 1983-84). The percentage of jobs executed to total jobs was 8.1 in 1981-82, 29.3 in 1982-83 and 8.5 in 1983-84. An analysis of pending jobs showed that out of 69 jobs pending as at the end of March 1984, 7 jobs pertained to the year 1981-82, 35 to 1982-83 and 27 to 1983-84. Neither had reasons for non-completion of pending jobs been investigated nor any steps taken to draw up a phased programme for their completion. The department stated (July 1984) that these jobs were pending due to some inter branch/section disputes.



(iii) *Shortage of books*

A test check of 33 jobs completed during 1981-82 and 1982-83 revealed that books worth Rs 7 47 lakhs printed during these years were short delivered to the Text Book Cell. These shortages first pointed out by audit in November 1983 has not been investigated so far (June 1984).

(iv) *Sale of Text Books*

The position of the comparative stock of saleable books for the three years upto 1983-84 was as indicated below :—

Year	Opening stock	Receipt	Sale	Closing stock	Percentage of closing stock to sale
(Number of books in Lakhs)					
1981-82	—	61 12*	24 83	36 29	68 4
1982-83	36 29	45 10	50.36	31.03	61 6
1983-84	31 03	36 56	41 49	26 11	62.2

\*Including receipts from Education Board when the scheme was re-transferred to the department in December 1981

No reconciliation was being conducted between the figures of books maintained in the Text book Cell with those maintained/available with the depots.

(v) *Obsolete books*

(a) Eighty five books (2.08 lakh copies) valued Rs 1 96 lakhs printed during 1968-69 to 1977-78 became obsolete due to change of syllabus. No action to review the stock of old and obsolete text books had been taken by the Education Department (June 1983) though the departmental rules require review and disposal of unsold copies of old and obsolete books from time to time.

The department stated (July 1981) that the lists of obsolete books had been sent to Director, Public Instructions, Haryana in November 1980 and March 1981 for taking necessary steps for the disposal of these books. Further outcome was awaited (June 1984).

(b) Nine middle class non-detailed books (books not meant for detailed study) printed during the years 1969-72 were lying in stock for 11 to 14 years due to meagre sale. Out of the stock of 6,10,427 copies (value Rs 3 43 lakhs) as on 31st March 1980, 5,35,281 copies (value : Rs 3 08 lakhs) were lying in the store (November 1984) as on 31st March 1983.

(vi) *Wastage allowance of paper*

For printing text books, one per cent wastage of paper is allowed. In case of jobs undertaken by the Panchkula press on Web machines 3 per cent wastage was allowed. Computed with reference to the average cost of procurement of paper, the extra wastage allowed for the jobs completed on Web machines from 1980-81 to 1983-84 worked out to Rs. 2.27 lakhs (approximately). The account of actual wastage was, however, not maintained.

(vii) *Non-issue of bills*

According to provisions of the Punjab Printing and Stationery Manual, bills are required to be sent to indenting officers soon after the completion of the jobs and the indenting officers are required to make payment of such bills within 15 days of their receipt. It was noticed in audit that bills for Rs. 55.53 lakhs required to be issued during 1976-77 to 1981-82 had not been issued (May 1984). Further, in cases where bills had been issued, the delay in the issue of bills ranged from 7 months to 78 months.

(viii) *Non-utilisation of gift paper*

Out of 15,477 reams of gift paper received during 1975-76 to 1979-80 under UNICEF aid scheme, Education Programme for Science books for middle school level, 1,618 reams valued at Rs. 2.57 lakhs could not be utilised. At the instance of the Education Department (February 1982), attempts were made to utilise this paper but it affected production and resulted in excessive wastage due to loss in strength. The paper had not been disposed of so far (November 1984).

(ix) *Shortage of stores*

At the time of handing over charge (April 1980) by the Store-keeper shortage of stores worth Rs. 0.47 lakh was noticed. The store-keeper was charge-sheeted in January 1981. Further developments were awaited (January 1985).

In their written reply, the department stated as under :—

It is not practically possible to maintain separate accounts for both the schemes i.e. 1st to 5th and 6th to 8th standard on account of the following reasons :—

- (i) Budget allotment and staff working under text books scheme is common.
- (ii) It is not possible to segregate the different items of expenditure.

The proforma account for the year 1981-82 has since been submitted to A G Haryana vide No. 4254/Cell dated 5-1-87.

and the proforma accounts for the years 1982-83 and 1983-84 are under preparation. The tentative working results of the proforma accounts for 1981-82 is as under :—

<i>Sale</i>	<i>Expenditure</i>	<i>Profit</i>
	<i>(In lakhs of rupees)</i>	
43 61	35.57	8.04

The element of royalty and bad debts @ 5% each, is included at the time of fixation of price of books but it can not be ascertained at that time whether the royalty has to be paid or not as the royalty is paid after the sale of Books on the advice of D.P.I. The percentage of royalty is also intimated by the D.P.I. after executing the agreements with the authors. While preparing the proforma accounts for the years 1982-83, 1983-84 and onward, the element of bad debts and royalty will be shown as outstanding liability which will automatically reduce the profits.

Since the price of a Text Book is fixed before the completion of the entire printing and binding process and is based on the estimated cost, the actual cost is likely to vary.

These pending jobs were not in fact pending and the various Text Books shown as pending jobs were in the process of final preparation. As of now only 19 jobs are pending.

The audit has pointed out the shortage of books worth Rs. 7 47 which were short delivered. Actually the books were printed short in comparison to No. of books shown in the job order.

Audit has taken the figures of closing stock of 31st March of the year which is the peak season of storage of books as the sale starts during April, and stock reduced in July of the year. In order to reduce the % of stock the department also holds meetings with D.P.I. after informing him of the latest stock position and the No. of copies for the next year are printed accordingly.

The reconciliation is being done with the figures of sale depots every year at the time of posting of store accounts.

Regarding disposal of old obsolete books a committee was constituted under the Chairmanship of Smt. Pushpa Abrol, Director, Resources Centre of Education Department, Haryana by the High Powered Committee on 21.8.1986. The final report of the Committee is still awaited.

1% wastage as mentioned in marginal para is meant for Sheet Fed Machines only. As regards Web Machines 5% to 7% wastage is allowed in the Government of India Press and U.T. Press, Chandigarh. However, after examining the matter in depth the Panchkula Press has been allowed wastage upto 3% only with regard to its Web Rotary Machines.

As the wastage varies from job to job and hour to hour, it is not possible to maintain accounts

Printing & Stationery Department is a service Department and in fact the work done for the non-Commercial Departments is not to be billed for. However, bills worth Rs 55.53 lacs were issued by the Panchkula Press to the O.P. Branch in pursuance of the Audit but no budget is available with the Department for this purpose.

The full quantity of gift paper lying in Panchkula Press has since been utilised. The permission for using the Gift Paper in Text Books other than science books was obtained from D.P.I. vide letter No. 8/81-82/NIC(1) dated 5-3-1982.

The shortage of Rs. 46,478.20 and excess of Rs 4,039.35 come to the notice of this department on 6-1-81. Shri Jagdish Lal the then Store Keeper, Panchkula responsible for this loss was charge sheeted u/r 7 on 27-1-81. Shri L.N. Grover the then Assistant Accounts Officer was appointed as an Enquiry Officer on 29-8-81 after reply from Shri Jagdish Lal was received on 26-8-81, but Shri L N Grover left the department without completing the enquiry and consequently the enquiry was entrusted to Shri R.S. Saini, Assistant Accounts Officer on 25-8-82 who could not make much progress in the case. The enquiry had to be withdrawn from Shri R.S. Saini and entrusted to Shri B.S. Beniwal, Assistant District Attorney who was later on transferred from the department in May, 1986.

As a result of the above changes the case was ultimately entrusted to Shri K.S. Mathur, Deputy Controller, Press on 23-9-1986.

The Store-keeper was charge-sheeted in January, 1981, in regard to shortage of stores and the matter was not finalised till the drafting of this report. The Committee is not at all satisfied with the written reply furnished by the department and oral evidence of the departmental representative on the delay in taking action against the defaulting employees.

The Committee strongly recommend that the final outcome of the action taken against the employees be intimated to the Committee within three months.

*Paragraph 7.2.6 Stationery branch*

[22] The stationery branch is a centralised agency for procurement and distribution of stationery and other articles to various Government Offices on the basis of indents received. The purchases are made by inviting press tenders and through rate contracts executed with the prior approval of the Purchase Selection Committee. Orders for the purchase of paper are, however, placed direct on the mills on DGS&D rate contract basis.

*(i) Non-receipt of paper*

The department had received paper worth Rs. 24.21 lakhs from Sweden, Korea and Greece against the debit of Rs. 24.68 lakhs raised by DGS&D in respect of the above consignments during the period from August 1979 to March 1981. Paper worth Rs. 0.47 lakh was stated to have been lost in transit for which the matter was being pursued with insurance company (November 1984).

Besides, imported paper worth Rs. 4.87 lakhs payment for which was made by the department in 1980-81, was delivered by the carriage contractor to Union Territory Press, Chandigarh which has not returned (November 1984) to the Printing and Stationery department.

In their written reply, the department stated as under :—

The shortage of 4 Reels came to the notice of the department during 5/81 and the matter was referred to Assistant Director, Shipping and Nav Bharat Corporation vide this office No. 1134-36 dated 2-6-81, Assistant Director, Shipping vide letter No 5011/Ship-30/NOC-288 DD/3 dated 11-9-81 lodged the claim with the Shipping Agency and also informed the Nav Bharat Corporation to get the claim lodged with the Steamer agents and also apply for the extension of period as the claim will become time barred on 5-12-81. The Nav Bharat Corporation had not applied for the extension of period in time.

M/s. Oriental Fire & General Insurance Corporation Ltd., New Delhi vide their letter No. 2/80/82/05324 dated 13-8-84 has intimated as under .—

“As already informed to you the claim has been allowed to become time barred and no recovery at this stage is possible from carriers unless you have obtained extension from carriers till date in case extension has been obtained and liability under the claim will be difference of C.I.R. value and provisional value”.

The department has taken timely action but the Nav Bharat Corporation, Bombay has not moved the case in time. Matter has been referred to D.G.S.&D. to take legal action against the Nav Bharat Corporation.

100 reels weighing 22 M. T. were received short and delivered in U. T. Press. Against this, 83 reels weighing 22 M.T. have been delivered in Ranchkula Press. In this way reels of the same weight have been exchanged, resulting in no loss to the department.

The Committee observe that the matter was not pursued seriously by which the claim has become time barred. The Committee desire to know the outcome of the legal action taken by the D.G.S.&D. against the Nav Bharat Corporation, Bombay in this behalf and whether the claim has been recovered and, if not, the responsibility be fixed.

*Paragraph 7.2-8. Printing and issue of forms (Forms Branch)*

[23] This branch arranges the printing, storage and supply of forms, viz. (a) departmental forms (Non-standard and standard), (b) accounts and treasury forms and (c) Universal forms and registers to various Government offices and Commercial departments. Test check of records of Madhuban Press revealed the following :—

(a) Against five lakh flying covers sent in April and May 1983 to the Deputy Controller of Printing and Stationery Department Haryana, Chandgarh, 4.26 lakh forms were acknowledged. 0.74 lakh forms valuing Rs. 0.20 lakh remained un-acknowledged (November 1984).

(b) Delay in the completion of print orders ranged from 1 year to 3½ years (July 1979 to March 1983). Jobs completed between August 1982 and March 1983 were awaiting despatch (November 1984).

(c) The department supplies the forms on credit instead of on cash basis as required under rules, as a result the amount recoverable from 1974-75 to 1982-83 accumulated to Rs. 5.70 lakhs. The bills were also not being issued promptly as required. The time lag between issue of forms and bills ranged from one year to five years. The reasons for non-issue of bills was attributed to non-receipt of job cost sheets from Government presses and non-fixation of rates of forms in time.

In their written reply the department stated as under :—

With regard to (a) the department has initiated enquiries against the officials for the alleged loss. The Assistant Controller working as Enquiry Officer in this case has reported that out of 74,000 flying covers, 6,225 flying covers are still available in Madhuban Press. This means that there was some mistake in despatching the flying covers. Further probe is going on and the final enquiry report is awaited.

(b) The jobs mentioned in sub para (b) were quite long term and heavy jobs like ration cards. Madhuban Press is very small press with only 2 manually Fed Machines and 2 other small machines. It was but natural that the completion of the jobs took unusual time for their completion.

- (c) The Rules in the Printing and Stationery Manual are silent regarding the supply of forms whether on cash or credit. But as per past practice since joint Punjab the forms are supplied on bill basis to the Commercial departments and amount is recovered from the different commercial departments after the supply of forms. It is not possible for the department to raise the bills in advance because rates are fixed after the completion of jobs on the basis of actual cost which is only possible after the completion of jobs. It is also added that bills could not be raised to the departments immediately on completion of supply of forms as the revised rates were not intimated by the press. On receipt of rates in 11/82, 4/83 and 2/84 the outstanding bills issued to the concerned departments. Out of Rs. 5.70 lakhs, Rs. 2.91 lakh (3/87) have already been recovered and for the remaining amount regular reminders are being issued to the departments.

The Committee recommend that the responsibility of the officer concerned, who checked the material, should be fixed for any loss in such cases and not that of the clerks or any junior employee. The Committee further desire to know the final outcome of the enquiry of the remaining 67,775 lost flying covers.

The Committee further recommend that it should be ensured that the amount be recovered/adjusted during the year to which it pertained immediately after the completion of supply of the material.

## WELFARE OF SCHEDULED CASTES AND BACKWARD CLASSES DEPARTMENT

*Paragraph 3.4. Welfare of Scheduled Castes/Scheduled Tribes and other backward classes*

### 3.4.1. Introductory

[24] Promotion of educational and economic interests of the Scheduled Castes, Scheduled Tribes and other Backward Classes and their protection from social injustice and all forms of exploitations are constitutional obligations of the Government at the Centre and the States. According to the 1971 census, the total population of Haryana State was 1,00.37 lakhs of which 18.96 lakhs belonged to the Scheduled Castes constituting 18.99 per cent of the total population of the State. The total population of the Scheduled Castes in the State was reported to have increased to 26.64 lakhs in 1981. There are no Scheduled Tribes in the State.

Seventy seven schemes for amelioration and development of the scheduled castes and backward classes were undertaken by the State Government with their own funds and with the Central assistance in the successive Five Year Plan.

### 3.4.2. Financial

The expenditure on schemes from 1966-67 to 1983-84 including that incurred against Special Central Assistance received from 1979-80 to 1983-84 for the welfare of Scheduled Castes, denotified tribes and other backward classes in the State was as under :—

<i>Period</i>	<i>Provision of funds</i>	<i>Total expenditure</i>	<i>Amount drawn against Special Central Assistance (forming part of total expenditure)</i>
(In lakhs of rupees)			
1966-67 to 1978-79, i.e., by the end of Fifth Five Year Plan period	13,25.81	11,50.51	Nil
1979-80	2,11.25	2,78.79	15.00
1980-81	3,50.09	4,18.47	—
1981-82	6,54.53	7,47.08	2,41.71 19.29*
1982-83	8,55.49	9,59.44	2,44.56 21,10.00*
1983-84	7,66.76	7,57.30	2,84.58
	41,63.93	43,11.59	10,15.14

\* These amounts were drawn against Special Central Assistance of Rs. 2.30 lakhs received in 1980-81. Rupees 0.71 lakh remained undrawn.



### 3.4.3. Results of audit

Out of 77 schemes, 34 in 3 districts (Rohtak, Ambala and Karnal) were reviewed by Audit during December 1983 to June 1984 with reference to the records maintained by the Directorate of Welfare of Scheduled Castes and Backward Classes/Higher School Education and other departments/agencies responsible for the execution of the schemes. The details of these schemes (including targets and achievements and financial outlay and expenditure) are given in Appendix III 6. Important points noticed during the review are mentioned in the succeeding paragraphs.

### 3 4 4. Discontinued schemes

Out of 77 schemes (expenditure : Rs 43,11.59 lakhs) undertaken in the State upto 1983-84, 16 schemes on which expenditure of Rs. 1,29 91 lakhs was incurred were discontinued during 1968-69 to 1979-80, reasons for which were awaited (August 1984). The expenditure on these discontinued schemes also included subsidy component : Rs. 46 72 lakhs (10 schemes) and loan : Rs. 76 91 lakhs (3 schemes). Against the loans advanced, a sum of Rs 53 15 lakhs (including interest of Rs. 12 90 lakhs) was outstanding at the close of March 1984.

The department had neither assessed the impact of the discontinued schemes nor taken any follow up action to secure compliance of the terms and conditions in regard to maintenance of assets, etc., created by the beneficiaries with the assistance under these schemes.

### 3.4 5. Survey/action plan

The schemes aimed at economic development and social uplift of scheduled castes and scheduled tribes. Besides, the schemes implemented with Special Central Assistance intended to help 50 per cent of the scheduled castes families to cross the poverty line by the end of Sixth Plan.

The department did not conduct any survey for identifying persons/families and the areas for granting benefits and drawing priorities before actual execution of schemes in the various sectors :

#### A. Schemes implemented with the State's own finance

### 3 4 6. Supply of uniforms to girl students of Primary and Middle Classes

3 4 6 1. The scheme introduced by Education Department envisaged providing free cloth for one uniform in a year valuing Rs. 30 per student (Rs. 50 from 1982-83) to all scheduled caste girl students studying at Primary/Middle stages of education

\* \* \* \*

### 3 4.7 3. Delay in payments

According to the scheme, grant was to be given to the students by the end of July every year. The amounts were, however, drawn

after July each year. The position of delay in payments during 1979-80 to 1983-84 in the schools test checked was as under :

Year	Number of schools whose records checked	Total amount disbursed in the schools checked	Amount-disbursed			
			Upto July every year	Upto the end of academic session	After academic session	Percentage
(In lakhs of rupees)						
1979-80	92	0.49	Nil	0.05	0.45	91
1980-81	84	0.59	Nil	0.07	0.52	88
1981-82	148	1.71	Nil	1.15	0.57	33
1982-83	131	1.08	Nil	0.89	0.19	17
1983-84	82	0.78	Nil	0.22	0.56	72

The percentage of amounts disbursed after the close of the academic session to total amount disbursed each year ranged from 17 per cent to 91 per cent.

\* \* \* \* \*

### 3.4.9.5. Loans

#### (a) Outstanding Loans

The amount of recoverable loans as on 31st March 1983 under the scheme (a) Interest free loans to Post-matric and Post-graduate students for the purchase of text books and stationery and (b); interest free loans for setting up trades for the State was not known to the Directorate.

#### (b) Interest free loans to students for the purchase of books and stationery articles

(i) The total amount of outstanding loans for the State as a whole (due upto March 1983) was reported by the Directorate in January 1984 as Rs. 3.12 lakhs. This was not correct as loans due for recovery upto 1982-83 as on 31st March 1984 in seven districts alone amounted to Rs. 3.54 lakhs, as per lists of outstandings received in the Directorate. The position as on 31st March 1984 in respect of remaining five districts was not known to the department.

(ii) In the three districts test checked in 1320 cases involving recoverable loans amounting to Rs. 1.53 lakhs falling due during the period 1970-71 onwards, not a single instalment was recovered (January 1985).

(c) *Interest free loans for setting up trades*

In Ambala, Rohtak and Karnal districts, out of balance of Rs. 3.38 lakhs due for recovery on 31st March 1984, Rs. 1.86 lakhs (55 per cent) relating to the period from 1958-59 to 1978-79 was recoverable from 490 beneficiaries who had not paid any instalment (January 1985).

\* \* \* \* \*

**3.4.14 4. Utilisation certificates**

The State Government furnished utilisation certificates of SCA in January 1984 for Rs. 4.86 lakhs out of Rs. 4,86.71 lakhs received during 1979-80 to 1981-82. However, the total expenditure even upto March 1984 on all schemes was only Rs. 4,37.48 lakhs. The utilisation certificates sent (January 1984) was, therefore, not factual.

**3.4.15. Non-implementation of schemes**

Following schemes financed from the SCA had been entrusted for implementation to the HHKN/HSIDC. For this purpose, a sum of Rs. 1,50 lakhs was drawn in March 1983 and placed at their disposal. No action plan to utilise these funds had been finalised so far and consequently these amounts were lying unspent (January 1985).

<i>Serial number</i>	<i>Name of scheme</i>	<i>Amount drawn/paid</i>	<i>Agency to which funds paid</i>
<i>(In lakhs of rupees)</i>			
(1)	National Permit scheme	50.00	Haryana Harijan Kalyan Nigam
(2)	Acquisition of commercial sites in shopping centres at District headquarter and towns for SC's for carrying out retail trades	40.00	Haryana Harijan Kalyan Nigam
(3)	Margin money for support to tourist tax permit holders	25.00	Haryana Harijan Kalyan Nigam
(4)	Setting up of petrol pumps	10.00	Haryana Harijan Kalyan Nigam
(5)	Acquisition of industrial sheds	25.00	Haryana State Industrial Development Corporation
Total		1,50.00	

Department intimated (January 1985) that action plans could not be finalised as the Government of India released funds in instalments

at the end of 1982-83. The plea taken is not tenable as normally the action plan should be drawn before hand and not after receipt of funds. Action plans are still (January 1985) to be finalised.

\* \* \* \* \*

In their written reply, the department stated as under :—

The problems of Scheduled Castes are the result of thousands of years of oppression. Therefore, these problems cannot be solved in a short time. However, the impact of these schemes has been positive and improvement in the condition of Scheduled Castes has been brought about in all sphere of their life.

The reasons for each discontinued schemes is given below :—

1 to 7. The schemes namely, "Subsidy for the purchase of Agricultural land for Scheduled Castes and Denotified Tribes" were formulated to enable such persons to purchase land by subsidising the cost upto Rs. 2000 for 5 acres. However, because of increasing prices of land & shortages of funds, it was not possible to assist many beneficiaries. The land per beneficiary was also reduced from 5 acres to 3 acres because of these reasons. Further when the Land Ceiling Act came into force another scheme was formulated under the Act to enable members of these communities to purchase land declared surplus under the Act. The usefulness of the old scheme was reduced considerably as a consequence and the scheme was dropped. Schemes namely "Subsidy for Houses/Wells under Land Purchase scheme to Scheduled Castes and Denotified Tribes", "Subsidy for Purchase of Agricultural implements/inputs and Stamp Duty" were also linked to purchase of Land scheme. In view of the abandoning of Land Purchase scheme and financial constraints, these Schemes were also dropped later.

Under the scheme, "Loan for settling bad land cases under the Land Purchase Scheme", loans were sanctioned to those beneficiaries under Land Purchase Scheme who could not arrange their share of cost of land either from their own sources or by raising loans from Banks. The scheme was dropped as a consequence of abandoning the Land Purchase Scheme

8 & 9. Schemes namely "3% interest loan to Harijans for setting up different trades and professions" was discontinued after Haryana Harijan Kalyan Nigam undertook to provide finance/subsidy for this activity. Similar reasons alongwith financial constraints also lead to discontinuation of the Scheme "Subsidy for purchase of Pigs/Poultry Birds".

10 & 11. Schemes namely, "Subsidy for Houses for Sweepers and scavengers etc." and "Improvement in the working

conditions of sweepers/scavengers/tanners and flayers-provision of Wheel Barrows & Carts" were Centrally Sponsored Schemes and were discontinued by the Govt. of India.

- 12 & 13. Scheme "Subsidy for House-sites" was in operation since joint Punjab Under this scheme, Rs. 200 was given as subsidy for purchase of house sites. This scheme was replaced by another scheme under which an amount of Rs 1000 was disbursed as loan at 3% rate of interest for purchase of residential plot to members of Scheduled Castes
14. The "Construction of Houses for Harijans engaged in unclean occupation in Jayanti Villages" was to be implemented only during the Jayanti year
15. The scheme of "Community Centres" is being continued under the Non-Plan.
16. Under the training scheme, "Industrial Training Centres", two centres one each at Ambala and Pundri were set up for exclusive benefit of Scheduled Castes which were subsequent transferred on the Non-Plan budget of Industrial Training Department The scheme is still continuing

Out of Rs. 76.91 lakhs recoverable under the scheme on 23-3-86 Rs. 36.65 lakh has been recovered leaving a balance of Rs. 40.26 lakh. In addition, an amount 17.83 lakhs has also been recovered as interest out of Rs. 31.39 lakhs.

The schemes are meant for Scheduled Castes as a category and therefore, no individual beneficiary survey was considered necessary. Eligibility of a beneficiary for assistance under a particular scheme was examined at the time of considering the individual for grant of assistance.

The scheme for supplying free uniforms to girls belonging to Scheduled Caste @ Rs 15/- per student was introduced in the year 1977-78 by the Scheduled Castes and Backward Classes Welfare Department Haryana. A sum of Rs. One lakh was placed at the disposal of Director of School Education Haryana for this purpose. At the initial stage this benefit could only be provided to 6,666 Girls studying in Classes I—VIII. This was the first year and a token provision of Rs. One lakh was made

The rate of uniform for the year 78-79 was the same as in 77-78 and Rs. 30/- during the year 1979-80 to 1981-82 which was raised to Rs 50/- from the year 1982-83. In the beginning there was no provision for the universal coverage of S.C Girls studying in classes I—VIII in r/o free uniform. From the record available it appears that

due to budgetary constraints there was shortage of funds and as the impact of this incontinue on enrolment of S.C. Girls became evident and pronounced the Government was convinced of the efficacy of the scheme. The budget allocation in this regard was raised from year to year and now it stands at Rs. 73.50 lakh (87-88). So far as the inadequate utilization of funds is concerned the position in this respect is given as under :—

In the year 1981-82 the Scheduled Castes and Backward Classes Welfare Department made provision of Rs. 4.40 lakh at the initial stage and on 31-3-82 Rs. 1.95 lakhs was provided to this Department. In addition to the original allotment. Out of the additional allotment Rs. Rs. 1.68 lakh could not be utilized at the fag end of the year as the supplier failed to supply the total quantity of cloth indented for.

During 1982-83 the order for supply of cloth was placed through the Director Supplies and Disposal. The supplier did offer 1.71 lakh metres of cloth for uniform but on inspection it was found substandard and as such had to be rejected. There was not sufficient time at the fag end of the year for the supplier to offer fresh supply of cloth and thus a sum of Rs. 8,05,140 had to be surrendered during 1982-83. Similarly during the year 1983-84 the supplier did not supply indented cloth. Therefore total funds could not be utilized. Since 1985-86 the provision for the supply of uniform cloth is being made in the budget of the Education Department, on the basis of enrolment as on 30th September of the proceeding year. This ensures total coverage of Scheduled Castes Girls in this regard.

In the initial stage of the scheme total coverage of eligible students was not planned and whatever funds provided were actually utilized. Upto the year 1981-82 the DEO was required to supply cloth worth Rs. 30/- per eligible girl student belonging to the Scheduled Caste. In the subsequent years the limit of 4 metres of cloth for uniforms per student was prescribed. The position pertaining to the Districts referred to in para has been studied and it is found that cloth measuring 3—4 metres has been distributed amongst the beneficiaries on the basis of their actual requirements.

2. The variation in the budget granted for the school under Audit is that of the distribution . Points, the Headmistress and DEO's took their own decision keeping in view the local conditions and availability of cloth. Of course in rare cases the distribution of cloth worth Rs. 4.50 or 0.75 metre is quite absurd. In some institutions cloth measuring more than 4 metres was found to be distributed amongst

the beneficiaries. These cases are very rare, Action against officials responsible for distribution of cloth in contravention of the norms has been initiated.

\* \* \* \* \*

Admissions generally continue up to the month of August/September. After the completion of admission, bills are prepared at school level which are moved through DEO/SDEO for sanction. Due to this procedural implication. Delay results in payment of this incentive at Institutional level. However, instructions are issued from time to time to all the field officers every year to make the payment to beneficiaries well in time.

From this year the situation has been reviewed and a New procedure has been introduced empowering the Head of Institutions to work as DDOs.

\* \* \* \* \*

#### Utilisation Certificates.

This has been normal practice through out and Government of India did not object to it

\* \* \* \* \*

Several schemes for amelioration and development of the Schedule Castes and Backward Classes were undertaken by the State Government with its own funds and with the Central assistance to overcome the poverty line. Various Schemes needed co-ordination with other departments especially Education Department in providing facilities to students belonging to Scheduled Castes/Backward Classes communities.

Having gone through the written reply and oral evidence placed before the Committee by the department, the Committee recommend that before actual execution of schemes in various sectors, the department should undertake individual beneficiary survey for giving priority to the people living below poverty line. The Committee also desired that the department should issue guidelines to all departments concerned to ensure that schemes are strictly executed in letter and spirit and separate staff provided at various levels to improve the efficient implementation of the schemes.

In regard to special central assistance on various schemes the Committee desire that the utilisation certificates should be furnished on the basis of factual utilisation of funds.

The department could not give specific reasons to the committee for non-recovery of recoverable loans from the beneficiaries, given for the purchase of test books/stationery, setting up trades etc. The Committee desire that efforts should be made to recover the loan under intimation to the Committee.

## SOCIAL WELFARE DEPARTMENT

### *Paragraph 3.2. Accelerated Programme of Welfare for Women and Children and Nutrition Programme*

#### **3.2.1. Introductory**

[25] For the socio-economic upliftment of women and children of weaker sections of society in tribal and backward areas, the Government of India, during Fifth Five Year Plan, launched "Accelerated Programme for Women and Children and Nutrition Programme." The objectives of the schemes are :—

- (i) to improve the nutritional and health status of children in the age group of 0—6 years ;
- (ii) to lay the foundation for proper psychological, physical and social development of the child ;
- (iii) to reduce the incidence of mortality, morbidity, malnutrition and school dropouts ;
- (iv) to achieve co-ordination of policy and implementation amongst the various departments to promote child development ; and
- (v) to enhance the capability of mother to look after the normal health and nutritional need for the child through proper nutrition and health education.

These objectives were to be achieved with the Packages of services like supplementary nutrition, immunisation, health check up, referral services and non-formal education. The Scheme Functional Literacy for Adult women (FLAW) aimed at providing non-formal education to illiterate women in the age group of 15-45 years was also linked to ICDS project.

In November 1966, when Haryana was formed, three schemes for the welfare of children only were in operation. Eight new schemes were taken up between November 1966 and March 1979. The programme was further expanded during 6th Five Year Plan with the inclusion of 19 more schemes with a view to providing comprehensive package of welfare services.

#### **3.2.2. Organisation**

At the State level, overall responsibility for administration, coordination, monitoring and implementation of the scheme rested with the Social Welfare Department. In the rural and urban areas, the execution of the schemes is either directly under the District/Block Level Officers or through the voluntary organisations against grants-in-aid.



### 3.2.3. Financial

Central Sector projects under ICDS and FLAW schemes were 100 per cent Centrally assisted. The expenditure on supplementary nutrition component of the I.C.D.S. was entirely met by the State Government under Minimum Needs Programme. The UNICEF, provided assistance in kind by supplying equipment, vehicles and cash for meeting expenses on training, etc.

A sum of Rs 9,80 37\* lakhs was spent during the period 1979-80 to 1983-84 against the budget allotment of Rs. 10,80 22 lakhs as under :—

Nature of activity	Number of scheme	Provision			Expenditure		
		State sector	Central assistance	Total	State sector	Central assistance	Total
(In lakhs of rupees)							
A. Nutrition	2	4,32 93	—	4,32.93	3,77.04	—	3,77 04
B Children Welfare	20	1,87 93	2,79 41	4,67 34	2,06.10	2,40.33	4,46.43
C Women Welfare	8	95 77	84 18	1,79.95	98 93	57 97	1,56.90
		7,16.63	3,63.59	10,80 22	6,82.07	2,98 30	9,80.37

Shortfall in expenditure was attributed by the Department to late setting up of certain welfare projects and non-availability of suitable staff.

Year-wise details of allotment and expenditure are given in Appendix III-4. Against the allotment of Central assistance of Rs. 3,63 59 lakhs, only a sum of Rs 3,08 26 lakhs was released by the Government of India, the State Government, however, utilised only Rs 2,98.30 lakhs.

The unspent balance of Rs. 9 96 lakhs has not been refunded to the Government of India.

### 3.2.4. Physical

Most of these schemes were launched by the Department in the Women's/Children International year (1979 and 1980) without conducting any survey to find out the number of widows, destitute women, orphans, blind and physically handicapped children requiring help or to locate particular areas which had largest concentration of such population. Wide publicity was also not given to these schemes.

No physical targets were fixed in 14 out of the 30 schemes executed. Achievements in terms of total number of beneficiaries covered was also not available with the Department in respect of all the thirty schemes

\*Includes grants-in-aid amounting to Rs 1,73 76 lakhs paid by the Government to 44 voluntary organisations for the execution of 19 schemes (Appendix III,4.)

Important points noticed were :—

(i) *Health check-up and Immunization*

A minimum of 4 medical examinations of a mother during pregnancy were provided in the scheme. It was, however, noticed that the coverage of pregnant women during pre-natal and post-natal care was 49 per cent during the period 1975-76 to 1983-84

Against the targeted coverage of 3,84,710 children in five projects test checked, only 1,56,940 (40 per cent) could be covered for health check-up during 1975-76 to 1983-84. Overall data was not maintained by the Department. Reasons for shortfall in coverage were awaited (October 1984)

(ii) *Immunisation*

Immunisation of all children was to be so arranged that a child before reaching six year's age should have received one dose of BCG, 3 doses of DPT and 3 doses of Polio Vaccine. Immunisation against tetanus for all the expectant mothers was to be done in the project area. As against the cent per cent immunisation of children and expectant mothers envisaged, the coverage in respect of children ranged from 0 to 15 per cent during 1975-76 to 1983-84 and in respect of expectant mothers, it was 26 to 32 per cent during 1975-76 to 1981-82. In 5 projects test checked, 7 to 24 per cent of the children below 6 years of age and 21 to 79 per cent of expectant mothers were taken up for immunisation during the period 1975-76 to 1983-84. Since the stipulated doses of DPT, DT and TT vaccines were not administered to the same set of children and only one or two doses were given, the immunisation by administering 29,927, 9,008 and 5,187 doses of DPT, DT and TT vaccines could not have been effective. Health cards were not maintained by Auxiliary Nurse Midwives (ANMS) in any of the five projects. The shortfall was attributed to non-supply of vaccines in time and shifting of beneficiaries from one project to another

(iii) *Nutrition and health education*

Nutrition and health education was to be arranged to all women in the age group of 15-45 years, through specially organised courses and campaigns in project areas. This activity was reportedly undertaken by *Anganwadi* workers during daily home visits but no data indicating such activities in the projects was maintained by the Department nor any evaluation of the programme was conducted. In five projects test checked, it was seen that no record indicating the targeted number of women, number of women covered and services rendered was maintained. Reasons therefor were not on the record.

(iv) *Non-formal pre-school education*

About 40 children between the age of 3-5 plus years were to be imparted non-formal pre-school education at the *Anganwadis* in addition to supplementary nutrition with the aim of reducing the incidence of school drop-outs and laying the foundation for proper psychological, physical

Home Science College, Hisar and Kasturba Gandhi National Memorial Trust, Radaur (to whom total grant of Rs. 7.35 lakhs was paid during 1981-82 to 1983-84) were to conduct 7 courses each to train 700 *Anganwadi* workers during 1981-82 to 1983-84 no details with regard to the training actually imparted and *Anganwadi* workers trained were available with the department.

Requisite statements and audited accounts for Rs. 7.35 lakhs had not been submitted by the training Centres to the department to enable the Government of India to claim reimbursement from the UNICEF.

### 3.2.12. Nutrition

#### A. Supplementary Nutrition Programme

The scheme provided for supplementary nutrition to mal-nourished children below 6 years of age and expectant nursing mothers from low income families under ICDS. The aim of the Programme is to supplement nutritional intake by about 200 calories and 8.10 grams of protein for children between one and six years of age and about 500 calories and 20 grams of protein for pregnant women and nursing mothers. Upto 1983-84, the programme was to be implemented in 36 Integrated Child Development Services (ICDS) projects. Supplementary nutrition is to be given for 300 days in a year. The average cost per beneficiary is estimated at 25 paise per day per child and 50 paise for pregnant and nursing mothers per day. Children suffering from third degree mal-nutrition are to be provided therapeutic food at the rate of 60 paise per day per beneficiary.

Against provision of Rs. 3,07.04 lakhs an expenditure of Rs. 2,28.70 lakhs was incurred during the years 1975-76 to 1983-84. The year-wise break-up of physical targets and achievements are given in Appendix III.5. The level of coverage of beneficiaries at the end of March 1984 was 1.51 lakhs (49 per cent) as against the expected coverage of 3.08 lakhs at the end of 1984-85.

Important points noticed during test check (March 1984) of the records of five projects and Directorate of Social Welfare are as under :—

1. Out of 36 projects, nutrition was not taken up in 25 and 17 projects upto 1982-83 and 1983-84 respectively. In the projects where nutrition was undertaken, the average number of feeding days in a year ranged from 24 to 237 (24 to 85 days : 5 projects; 138 to 187 days : 6 projects and 205 to 237 days : 8 projects). The time lag between the sanctioning of ICDS programme in a project and the commencement of the nutrition programme ranged from 6 to 25 months. Shortfalls were attributed to non-supply of food material by co-operative stores, non-availability of transportation facilities, late setting up of projects and non-availability of suitable staff.

2. In 63 *Anganwadi* centres (Madhosinghana : 10, Raipur Rani : 11; Rewari : 16; Ganaur : 16; Kathura : 10) occasional and irregular feedings (less than 20 days in a month) ranged from 6 per cent to 58 per cent during 1975-76 to 1983-84. The intermittent feeding was attributed to poor attendance by the beneficiaries.

3. Double diet in lieu of therapeutic food was given to 14,893 children identified as mal-nourished during 1975-76 to 1983-84 except in Kathura and Raipur Rani projects where therapeutic food was supplied intermittently (supplies made in March 1978, February 1979, June 1979, March 1980 and February-March 1981). No targets for coverage of malnourished children were fixed by the department. Non-supply of therapeutic food was attributed by department to non-receipt of raw material.

4. Children below six years of age whose weight fell below the second curve on the growth chart were only to be enlisted for supplementary nutrition. Out of 1,25,862 children, 92,842 ineligible children whose weight was above the second curve on the growth chart were provided with nutritional food (Value : Rs. 40.39 lakhs) in 5 projects during 1975-76 to 1983-84.

5. In four projects (Rewari, Madhosinghana, Kathura and Ganaur), the income criteria had not been kept in view for identifying beneficiaries. The income of families was not indicated either in survey registers or attendance registers maintained by the *Anganwadi* workers. Thus, though expenditure of Rs. 20.30 lakhs was incurred on the supplementary nutrition, it could not be assessed whether benefit had actually flowed to deserving beneficiaries from lower socio-economic strata as aimed at in the scheme.

In Raipur Rani project, the recording of income of the beneficiaries was left to the *Anganwadi* workers. No record was available to show the basis on which the income was so recorded.

6. No periodical analysis of these recipes was done to ensure their nutritional standards.

The programme has not been evaluated for assessing its impact upon the health of the beneficiaries.

\* \* \* \* \*

In their written reply, the department stated as under :—

### Introductory

The ICDS programme was started in the State in Kathura Block in 1975-76. By the end of 1983-84, 35 more projects were sanctioned as per details given below —

Year	No of blocks opened
1975-76	1
1978-79	2
1979-80	3
1980-81	2
1981-82	4
1982-83	5
1983-84	19
	<hr/> 36 <hr/>

The Kasturba Gandhi National Memorial Trust Radaur was already having one centre at Radaur and it trained 244 Anganwadi workers at its training centre from August '82 to April, '84.

The unspent amount of Grant-in-aid paid to the said organisations was adjusted in the amount of the grants paid afterwards.

3. The U.C.S. of the entire amount for Rs. 7.35 lakhs have since been received from these organisations and submitted to A.G. Haryana for adjustment.

#### A. Supplementary Nutrition Programme

1. According to the departmental record, supply of Supplementary Nutrition had started in 13 projects upto 1982-83 where as only 21 projects had started by the close of the year 1983-84. The average no. of feeding days in a year as projected in the report of the PAC does not exhibit any appreciable shortfall, as per table given below :-

Sr. No.	Norm	As per PAC Para.	No. of projects	Remarks
1.	300 Days	205 to 237	8	Only 8 projects had become operational by the end of 1980-81 and as such the average feeding days are normal.
2.	300 Days	138 to 187	6	9 projects were sanctioned during 1981-82 & 1982-83, but SNP was started in 5 projects in the month of November, 1982 to March 1983 and in the remaining 4 in April, 1983 to June, 1983. Thus 5 projects operated for 15 months and 4 projects for 9 months only. The total gap being 12 months for all the 9 projects, the SNP could not be supplied for more than 150 days in a year on an average. Thus, the interruption occurred due to these reasons but still it has covered about 50% which is rather normal.
3.	300 Days	24 to 85	5	SNP was started late in 1983 in 3 projects and in Oct. '83/Jan. '84 in 2 projects which explains the lesser no. of feeding days.

2. The prescribed feeding days are 25 in a month but in the 5 projects, test checked by Audit, it was reported that there was irregular feeding which was less than 20 days in a month. The position was not so in all the Anganwadis but the intermittent feeding was observed only in 63 Anganwadis.

The reasons given by field officers for intermittent feeding can be broadly classified as under :—

- (i) Due to harvesting season, the beneficiaries did not attend the Anganwadis.
- (ii) Non-availability of ration articles from the Co-operative stores.
- (iii) In the initial stages, acceptability of the scheme by the community at large was less.

3. The number of severely malnourished children varies from time to time and no target can be fixed in this respect and nor is it desirable to do so. All the malnourished children are, however, to be covered as per instructions dated 30-7-82 from the Govt. of India. In the absence of Halamul which was to be supplied by the Govt. of India (therapeutic food), double the normal diet was given to malnourished children as per Government of India's instructions.

4. According to the instructions of the Govt. of India besides 2nd Grade and severely malnourished children all the children in the age group of 3-6 years attending the Anganwadis for non-formal pre-school education are eligible for supplementary Nutrition and should be enlisted for that purpose.

5. Though the income of families was not indicated in Survey Registers or Attendance Registers maintained by the Anganwadi Workers but the beneficiaries were largely from poor families. The benefit had actually percolated to the deserving beneficiaries and there was no irregularity. Necessary instructions have since been issued to all Field Officers in this regard vide circular letter No. 28125-28/SA/SW/84, dated 22-8-84.

6. The CDPOs who are M.Sc. (Home Science) are specialists in nutrition. The B.M.Os are, however, also consulted from time to time. In view of this they feel any necessity of analysis.

To know the impact of the programme upon the health of the beneficiaries and evaluation is being conducted by ICC college of Home Science, H.A.U., Hissar and E.S.A. Department at Adampur and Chhachh-  
rauli respectively. Their report is likely to be received in near future.

\* \* \* \* \*

The immunisation coverage of Children and expectant mothers, during 1975-76 to 1983-84 ranged from 7 to 24 per cent and 21 to 79 per cent respectively. The department admitted in its written reply that it was due to lack of knowledge and ignorance about the importance of these services in the community. The shortfall in attendance under the Functional Literacy for Adult Women Programme was stated due to domestic problems, Social customs, harvesting, rainy season and poverty etc. In regard to shortfall in enrolment and attendance amongst the children in non-formal classes at Anganwadi centres, the department also could not satisfy the Committee in its written reply as well as during oral evidence.

**POLICE DEPARTMENT**  
*Paragraph 5.*

[26] State travelling allowance rules do not provide for the grant of daily allowance to Police constables deputed by the Police Department for the departmental training exceeding six weeks precedent to their promotion to higher ranks. During the period of such training, the Police constables are provided with lodging and boarding facilities free of charge. Instructions were issued by Finance Department in September 1978 and January 1981 laying down the admissibility criteria for the grant of daily allowance to employees sponsored by the Government and selected to undergo some courses of training.

It was noticed in Audit (July 1979 to January 1982) that in six police offices, Rs. 1.30 lakhs were paid during April 1978 to December 1981 as daily allowance to police personnel deputed for departmental training exceeding six weeks. The matter was reported to the department on several occasions between March 1980 to May 1982 who informed in May 1982 that Government had been approached in March 1982 to Make their orders of September 1978 and January 1981 applicable retrospectively to police trainees deputed for departmental training. On a reference made by audit to the Finance Department (July 1983) Government informed (February 1984) that the said instructions were not applicable to police personnel deputed for departmental training and no daily allowance was admissible to such police personnel. The over-payment made were yet to be recovered/regularised. (June 1984).

In their reply the department stated that they are persuading the Finance Department to agree to the departmental view point on this issue.

During the course of oral examination the Committee desired to know the total amount involved in the over-payment of daily allowance paid to the police personnel trainees. The department furnished a written statement showing the amount of TA/DA paid to Police personnel Trainees Rs. 19,28,006-30 from April 1978 upto the date of audit objection and Rs. 9,92,402-21 paid after the date of receipt of audit objection upto 25-6-1986. The departmental representative assured the Committee that no payment of TA/DA was made after the issuance of instructions circular by the D.G.P. on 25-6-1986. He further assured that he was trying to persuade the Finance Department to agree with the departmental view point.

The Committee observe that this matter is lingering on for a long time and strongly recommend that the department should finalise the matter immediately either to get the amount in question regularised from the Finance Department or to recover the amount from the trainees to whom the over-payment had been made. The Committee also desire that the decision taken in the matter be intimated to the Committee within three months.

**MEDICAL DEPARTMENT**

**Paragraph 3.5. National Programme for the Prevention of Visual Impairment and Control of Blindness including Trachoma**

**3.5.1. Introductory**

[27] The scheme "National programme for the prevention of visual impairment and control of blindness including trachoma" formulated by the Government of India in September 1976, was taken up in Haryana in January 1978. The programme envisaged :—

- (i) Extensive dissemination of information on eye health education
- (ii) Setting up of mobile units to reach the most peripheral parts for delivery of eye health care through an 'eye camp approach' to places where such services are not available.
- (iii) Simultaneous setting up of permanent infrastructure at peripheral, intermediate and Central levels by strengthening of Primary Health Centres (PHCs) Districts Hospitals and upgradation of Medical Hospitals respectively.

**3.5.2. Pattern of assistance**

Central assistance was to be given in cash/kind (by way of supplies and equipment). A non-recurring grant at the rate of Rs. 4 lakhs per mobile unit, Rs. 0.03 lakh per P.H.C., Rs. 0.50 lakh per divisional hospital, Rs. 5 lakhs per medical college and Rs. 10 lakhs per regional institution was given by the Centre. In addition, each mobile unit was entitled to a recurring grant of Rs. 1.50 lakhs per annum for meeting expenditure on salaries of staff and maintenance.

In order to avail of the Central assistance, the State Government was to develop the P.H.Cs./Hospitals so as to provide base for education of eye care, screening cases requiring specialised treatment etc. For this purpose, doctors in P.H.Cs. were to be trained ophthalmic assistants posted, ophthalmic specialists were also to be provided in identified hospitals, ophthalmic departments upgraded and ophthalmic beds earmarked. Fifty per cent of the cost of equipment, subject to a limit of Rs. 5 lakhs was to be met by the Central Government. The rest of the expenditure on operational cost on staff and beds was to be met by the State Governments. From 1st April 1981, all expenditure on the scheme was to be borne by the Central Government.

Test check of the working of programme conducted (October-November 1983) in four districts (Ambala, Karnal, Rohtak and Hisar) and the office of the Director, Health Services, Haryana revealed as Under :—



### 3.5.3. Finance

The position of expenditure, vis-a-vis, the budget provision from 1978-79 to 1983-84 is indicated below :—

Year	Plan			Non-Plan			Central Assistance		Variation/ Saving(—) Excess(+)
	Budget provi- sion	Expen- diture	Variation/ Saving (—)/ Excessa(+)	Budg- et provi- sion	Expen- diture	Variation- saving(—)/ Excess(+)	Recei- ved	Uti- lised	
(In lakhs of rupees)									
1978-79	14.12	5.47	(—)8.65	1.41	1.35	(—)0.06	N.A.	—	—
1979-80	1.76	Nil	(—)1.76	1.41	1.54	(+)0.13	N.A.	—	—
1980-81	5.11	3.30	(—)1.18	1.60	1.60	—	5.31	2.45	(—)2.86 (50% of 4.90)
1981-82	2.37	2.17	(—)0.20	2.28	2.17	(—)0.12	5.26	4.34	(—)0.92
1982-83	2.84	4.03	(+)1.19	2.48	7.35	(+)4.87	5.84	11.38	(+)5.54
1983-84	7.25	7.27	(+)0.02	3.28	3.24	(—)0.04	N.A.	—	—

Note ; The reasons of excesses and savings were awaited (August 1984)

### 3.5.4. Physical targets and achievements for units proposed to be set up

(i) The units proposed to be set up/developed and those actually set up/developed were as under :—

Year	Mobile unit		Primary Health Centres		District Hospitals	
	Target	Achieve- ment	Target	Achieve- ment	Target	Achieve- ment
1978-79	1	1	45	—	10	—
1979-80	—	—	20	29	—	8
1980-81	—	—	20	22	1	1
1981-82	—	—	—	34	—	2

Department attributed the delay in setting up the units to late receipt of equipment from the Government of India. It was, however, noticed that equipment (Value : Rs. 1.35 lakhs) for 45 P.H.Cs. received in October 1978 and that for 20 P.H.Cs. (Value : Rs. 0.60 lakh) in July 1979, was issued to the P.H.Cs. during August 1979 to June 1981 without justified reasons for delay.

(ii) Except for a target of 28,384 intra-ocular operations fixed by the State Government for the Year 1979-80, no targets for the years 1980-81 and 1981-82 were fixed either by the Centre or the State. However, in order to monitor the achievement regarding performance of intra-ocular operations under the scheme, a norm of 20 operations per 10,000

population was fixed by the Director-General Health Services, New Delhi in October 1981. Further, targets fixed for the years 1982-83 and 1983-84 by the Government of India for Haryana and achievements were as under —

Year	Targets	Achievements				Voluntary organisations	Percentage of achievements	
		Government institutions	Medical College	Mobile unit	Total		By Government institutions	By Voluntary organisation
1977-78	N.A.	N.A.	364	—	364	—	—	—
1978-79	N.A.	N.A.	239	—	239	—	—	—
1979-80	28,384	814	358	497	1,669	16,101	5.8	56.7
1980-81	Not fixed	1,718	693	882	3,293	21,973	—	—
1981-82	Not fixed	1,223	666	1,467	3,356	25,749	—	—
1982-83	25,701	2,671	673	1,304	4,648	17,622	18.1	68.6
1983-84	30,000	4,754	1,068	1,475	7,297	26,719	24.3	89.1

The target to perform 3,000 to 4,000 intra-ocular operations by the mobile unit was reduced to 1,500 to 2,000 cases in a year in October 1981. Even the reduced target of 1,500 could not be achieved by the mobile unit. The shortfall was attributed by the department (August 1984) to non-filling of post of Junior/Senior opththalmic surgeons. The achievement during the years 1979-80 to 1983-84 by the voluntary organisations was far better and accounted for 56.7 per cent to 89.1 per cent of the combined targets fixed for the State, vis-a-vis, 5.8 per cent to 18.1 per cent by the Government agencies. The reasons for shortfall in achievement of targets by other Government agencies were awaited (August 1984).

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### (iii) Under utilisation of projectors

Four projectors, one tape recorder and one amplifier were received (August 1979) by the mobile unit from Government of India. No post of Projectionist was sanctioned by the State Government. The department was unable to intimate the exact number of film shows arranged by the Health Educator who was reported to be handling the above equipments. However, the records revealed that there was only one twenty-minute-film with the mobile unit against 4 projectors.

(iv) A mini bus and a truck for the mobile unit were supplied to Medical College, Rohtak in January and October 1978 respectively. The Head of Ophthalmology Department of Medical College, Rohtak in the meeting of Co-ordination Committee held on 1st May 1983 reported that the mini bus of the mobile unit was not functioning properly and needed condemnation. However, it was noticed that these vehicles were being mainly utilised for general duty purposes and not for purposes covered under the scheme.

(v) *Provision for ophthalmic beds at District Hospitals*

Ten per cent of total beds or minimum of 15 beds whichever is less, were required to be reserved for ophthalmic patients at each of the identified district hospitals.

The bed occupancy by eye patients in respect of four hospitals was as detailed below :—

Hospitals	Number of bed days available (as per scale) in six years to end of March 1983	Total bed days occupied by patients to end of March 1983	Percentage of bed occupancy
Karnal	21,900	4,776	22
Ambala	32,850	3,420	10
Hisar	26,280	948	4
Rohtak	19,710	Nil	—

*Note :* The period of occupancy of ophthalmic beds by an indoor eye patient has been worked out at the rate of 6 days for each operation case.

Low occupancy was attributed by the department to the following :—

- (i) non-posting of eye surgeons in Rohtak;
- (ii) shortage of Medical Officers in Hospitals; and
- (iii) popularity of eye surgery in camps organised by voluntary organisations and other Philanthropic institutions providing free board, lodging, medicines and spectacles which are not provided by the State Government Hospitals.

\* \* \* \* \*

In their written reply, the department stated as under :—

The National programme for the Prevention of Visual Impairment and Control of Blindness including Trachoma has been successfully implemented in Haryana State.

Year	Budget grant	Expenditure	Variation/ Saving
1978-79	155359	682832	(—)870758

The saving of Rs. 870758 against the final grant of Rs. 1553590 is mainly due to short supply of Instruments/equipments by the Government of India.

1979-80	317280	153885	(—)163425
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The saving of Rs. 163425 against the final grant of Rs. 317280 is due to non-supply of material by Government of India under National Trachoma Control Programme.

1980-81	670290	489353	(- )180937
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The saving of Rs. 180937 against the final grant of Rs. 670290 is due to non-supply of material by Government of India under National Trachoma Control Programme.

As regards saving under Central Assistance during 1980-81 it was 50% centrally aided one while in 1981-82 it was made 100% centrally sponsored. Hence in 1980-81, only essential equipment was purchased.

1981-82	464970	435715	(- )29255
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The saving of Rs. 29255 is mainly due to lesser supply of material by Government of India under National Trachoma Control Programme.

The same holds true about the saving under head of Central assistance.

1982-83	2.84	4.03	(+ )1.19
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Under the plan allocation of Rs. 2.84 lac a sum of Rs. 4.03 lacs was spent. It was mainly due to the fact that Government of India had introduced a new scheme of grant-in-aid to voluntary organisations i.e. Rs. 60/- was to be paid for one intraocular operation done in rural area. No budget was granted for this scheme for the year 1982-83. However, a sum of Rs. 2,06,857 was spent under this scheme. Hence there was an excess expenditure during the year.

Under the scheme of central assistance material worth Rs. 11.38 lacs was supplied against the allocated central assistance of Rs. 5.84. Hence there was excess expenditure.

1983-84	10,53,000	10,51,000	(- )2,000
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The saving is minor one and calls for no explanation.

The delay occurred because equipments required for these institutions was to be supplied by Government of India and the same were received partly in October 1978 and partly in July, 1979. The equipments were received in the Store of C.M.O., Hisar and were to be supplied to District Headquarter where Ophthalmic Surgeons were posted and PHCs where the Ophthalmic Assistants/Medical Officers trained in Ophthalmology are posted.

There was the procedural delay in training of Medical Officer and Ophthalmic Assistants. Trained staff was not available

in the District Headquarter and PHCs level. The required equipments were made available to the concerned institutions as soon as the trained staff were available.

Adequate number of Medical Officers could not be trained because the training facilities were confined to M.C. Rohtak. Moreover the college remained closed during summer and winter vacation. Due to which the training could not be imparted in adequate number to Medical Officers. Now the training facilities for Medical Officer are also available at Karnal and Bhiwani District. Hence more and more Medical Officers and Ophthalmic Assistants are being trained.

The target of 3000-4000 Intra-Ocular Operations was allocated to Mobile Unit was reduced to 1500-2000 per year by Government of India. Government of India considered the target unrealistic and hence the steps were taken for whole of the country.

As regards the achievement of Eye Mobile Unit under the control of Medical College, Rohtak is concerned, the Eye Mobile Unit was transferred to M.C. Rohtak by the Government of Haryana from C.M.O. Hisar in August, 1979 along with the staff. The posts of Senior and Junior Ophthalmic Surgeons and two posts of Lady Health Visitors were vacant. The qualification prescribed for these posts were also different as compared to the qualification prescribed for various equivalent posts in Medical College, Rohtak. Ultimately the posts of Senior Ophthalmic Surgeons was filled in 1983 by this office but the selected candidates did not join. Being an ex-cadre post no body seemed to be interested as there was no avenue of promotion. Similarly the post of Junior Ophthalmic Surgeon was also filled up in 1983 but the person joined against these posts resigned and left the job after some time.

The work of the Mobile Unit is now being conducted by the other Ophthalmic Surgeons employed in Medical College, Rohtak.

It is stated that target were fixed for Intra-Ocular Operations in 1979-80 where as no such target were fixed in the year 1981. It was communicated that 20-Intra-Ocular Operations per 10,000 Population, should be performed i.e. 20,000 Intra-Ocular Operations per year. As such in 1982-83 a total of 29170 Operations were performed against the target of 25,701 Operations (The figures given in the Report are not correct) In 1983-84 a total of 34016 Operations were performed against a target of 30,000 which was fixed by Government of India in the observation of A.G. the performance of voluntary organisations is high lighted against the poor performance of the Government Institutions. This is because the Voluntary Organisations offer diet, medicines and free spectacles to their cases. Voluntary

Organisations also get Rs. 60/- per Patient as grant from the Government. These facilities attract the Patients to camps organised by Vol. Organisations.

\* \* \* \* \*

There is no provisions of the posts of Projectionist under the said scheme. Hence no Projectionist was employed in the scheme. However the films were shown by deploying by the existing staff. Further it is incorrect that Audiovisual equipments remained idle. Actually 4-5 films were shown in each camp by borrowing from the Gyne Department Medical College, Rohtak.

It is a fact that the vehicle meant for Mobile Eye Unit have been used for some other Purposes and also other vehicles of College are also being used for Eye Mobile Scheme. This is because all the vehicles of the Medical College, Rohtak are in a pool system. As and when Mobile Unit requires more vehicle that are being provided by the college authorities. Also sometimes if there is a break down of any of our vehicle we can get other vehicles from the pool so that work does not suffer. Keeping in view of the above said fact, we are allowing to use our vehicles for other purposes because of pool system.

In the State Co-ordination Committee meeting held in May, 1983 it was pointed out that a new vehicle should be provided which was not done. Now there was only possibility that either we use the old vehicle getting frequent repairs or we stop working and functioning of the camps. In view of non-supplying of vehicle the only alternative with us was to stop organising the camps but we do not like it and hence not only we have been taking other vehicles from the common pool most of the time.

Regarding the question of condemnation it is the responsibility of the Transport Section of the Director-Principal.

This was because the Ophth. Surgeons were not doing Ophthalmic work specifically and were also doing other general work. But after this Programme started, the Ophthalmic Surgeons are devoting all their time to this Programme. Hence the bed occupancy rate has been improved.

Moreover the vol. organisation are providings boarding and lodging free to the patients in the camps and give diets and spectacles to the patients, in addition to free medicines. The patient prefer to be operated in camps organised by the Vol. Agencies, hence the bed occupancy is less in Government Hospitals than Vol. Organisations.

A Proposal for the constitution of the State Co-ordination Committee was sent to the Government vide this office letter No. 23/10-3PH-78/ dated 7th March 1978 and advised by Government of India vide their letter No. T. 120128/77-Oph dated 14th November 1977. The matter remained under correspondence

with the State Government and the sanction of the State Government was accorded vide their memo No 52/5186-5HBIII dated 28th July 1980. Thus there was no delay in getting the committee constituted on the part of the Directorate.

The meetings of the State Co-ordination Committee are held as and when desired by the chairman and the meetings are being held regularly every year. District Co-ordination Committees in all districts have been constituted under the Chairmanship of Deputy Commissioner. However, formally a very few meetings were held. Instructions have since been issued to hold frequent meetings and the situation has improved.

In accordance with the requirement of the scheme a proposal for creating a Cell at Directorate level was sent to Government in the year 1983, but the scheme was not sanctioned by State Government as no funds were provided by Government of India, the Government of India provided funds during the year 1984-85. The proposal in this regard was sent to State Government on 13th September 1984 but the State Government did not convey the sanction in this respect. The Government of India also provided funds for this Cell during the year 1985-86. The necessary proposal was again sent to the State Government. The State Government conveyed the sanction in the month of March, 1986 but the Cell could not be set up due to late receipt of Government sanction.

The proposal for the setting up of Ophthalmic Cell at Directorate level during the year 1986-87 was also sent to Government but the State Government again conveyed its sanction late to this office. Therefore, the Ophthalmic Cell could not be established during the year 1986-87.

Again a proposal for establishment of this Cell was sent to State Government for the year 1987-88 and the State Government has been pleased to convey its sanction recently. The necessary steps for setting up this Cell by posting necessary staff are being taken up.

The Committee observe that the scheme 'National Programme' for the prevention of Visual Impairment and control of blindness including Trachoma, though taken up in Haryana in January, 1978, was not implemented in the spirit in which it was launched. Neither the adequate staff nor the requisite equipment was available with the department to achieve the objective of the programme. The Committee note that special ophthalmic equipment worth Rs. 2.55 lakhs received from the Government of India for issue to Primary Health Centres was not fully utilised for want of ophthalmic specialists in the Primary Health Centres and Hospitals. The Committee, however, note that against 85 Primary Health Centres, where special eye equipment was provided, Ophthalmic Assistants were

posted in only 8 Primary Health Centres with the result that there were shortfalls upto 37.5% in achieving the target fixed for intra-ocular operations. The Committee further note that intra-ocular operations were mainly done by voluntary organisations and that the contribution by the Government agencies was negligible. So much so, no appraisal of the programme had been conducted by the State Government to find out the impact of the scheme.

The Committee desire that the department should look into tardy implementation of the programme and submit a detailed report to it within six months. The report should highlight the steps taken to remedy the short comings/deficiencies.



## INDUSTRIAL TRAINING DEPARTMENT

### *Paragraph 3.8. Avoidable expenditure*

[28] According to Haryana State Electricity Board's (HSEB) circular of April 1981, bulk supply tariff for electricity consumption would apply, *inter alia*, to Government, Semi-Government educational institutes. It was, however, noticed in Audit (April 1984) that the Industrial Training Institute, Sonipat was getting supply under large supply tariff (applicable to large supply consumers) which was higher than the bulk supply tariff.

Principal, I.T.I., requested the Executive Engineer, Operation Division (HSEB), Sonipat for change of large supply connections into bulk supply connection only in October 1983. As full details of the load of the existing connection were not given by the Principal while applying for the change and were supplied only in December 1983 on being called for by HSEB. Conversion from large supply to bulk supply connection was awaited (October 1984).

Against the electricity charges of Rs. 0.41 lakh due on the basis of bulk supply tariff from April 1981 to April 1984, the Principal, ITI, Sonipat had to pay Rs. 1.46 lakhs on the basis of large supply tariff. Thus, due to non-applying with full details of existing connections for bulk supply connection in time, the ITI had to pay an extra amount of Rs. 1.05 lakhs till April 1984.

The matter was referred to the Government/Department in June 1984; their reply was awaited (March 1985).

In their written reply, the department stated as under :—

H.S.E.B. circular of 4/81 regarding the bulk supply for electricity consumption was not sent to this Department or to any other ITI concerned. The matter in this regard was also discussed with the HSEB authorities at Panchkula who told that such tariff circulars are never sent to any Government Department/consumer and these are only sent to the concerned subordinate offices of HSEB. So in view of the above, no letter (circular) was received by the Principal, ITI, Sonipat. It only came to this notice when a reference was received by him from H.Q. vide DIT's letter M-3/Genl./82-83/8006-S dated 21st December 1982, which was circulated to all ITIs, on analogy of Principal, ITI, Bhiwani letter No. 3/24/82-83/3437 dated 12th November 1982, wherein he mentioned to H.Q. that bulk supply connection was beneficial as compared with large supply tariff. The Principal, ITI, Sonipat accordingly applied for the bulk supply connection on 30th December 1982 i.e. within 9 days on receipt of requisite instructions from H.Q. The matter, however, remained

under correspondence and the actual connection of bulk supply was given to ITI, Sonapat during 1/85. The delay was caused in fact not on the part of ITI Sonapat but due to the internal correspondence between S.E., XEN and A.E. of H.S.E.B. as the requisite details as were called for by S.D.O. (OP) Sonapat verbally on dated 11th October 1983 were properly replied on 25th October 1983.

Regarding loss of Rs. 1.05 lacs as sustained by the ITI, Sonapat, it is stated that matter regarding conversion of large supply tariff to bulk supply remained under correspondence with Principal and HSEB authorities as pointed out in Para I above, so it is difficult to hold anyone responsible in this regard.

The ITI Sonapat has since got bulk supply connection during 1/85. As regards refund of Rs. 1.05 lacs as calculated by the A.G. Haryana, the same has not been given by the HSEB as no refund is given for conversion of large supply tariff into bulk supply as per matter discussed with the HSEB authorities at Panchkula.

During the course of oral examination it was observed that the department paid Rs. 8.35 lakhs in excess to the HSEB on account of delayed bulk supply connections. The departmental representative stated that all the Principals of concerned I.T.Is. were responsible for these lapses and the explanations of concerned Principals had been called. The departmental representative assured the Committee that receipt of the reply and after proper examination, necessary action against them will be taken.

**The Committee desire that final outcome of the action initiated against the Principals of the I.T.Is. be intimated to the Committee.**

## DEVELOPMENT DEPARTMENT

### *Paragraph 3.1. National Rural Employment Programme*

#### **3.1.1. Introductory**

[29] National Rural Employment Programme (NREP) designed chiefly to provide supplementary employment opportunity to the needy in rural areas, was launched in October 1980, by revamping, restructuring and renaming the "Food for work programme", originally started in April 1977, as a precursor of this programme. The programme was subsequently revised (April/August 1983) with a view to reducing the percentage of population below the poverty line to 30 per cent by the end of 1984-85 from about 50 per cent in 1980-81. The programme aimed at :—

- (i) generation of additional gainful employment for the unemployed and under-employed both men and women in the rural areas;
- (ii) creation of durable community assets for strengthening the rural infrastructure which will lead to rapid growth in rural economy and steady rise in the income level of rural poor; and
- (iii) improvement of nutritional status and living standard of the rural poor.

Till the end of March 1981, NREP was entirely financed by the Central Government. From 1st April 1981, the programme became a regular part of 6th Five Year Plan and is being implemented as a centrally sponsored scheme on 50:50 sharing basis between the Centre and the States. The Centre is to provide its share in the form of foodgrains, to the extent foodgrains are available and the rest in cash. The programme is also included under 20 point programme NREP was taken up in Haryana in February 1981.

At the State level, the programme was administered by the Revenue/Development department and implemented in four sectors viz. (i) Local sector (Block Development and Panchayat Officers), (ii) Forest Department, (iii) Public Works Department and (iv) Fisheries Department. The major portion of the programme was implemented through rural development administration in the districts where Additional Deputy Commissioners and Block Development and Panchayat Officers were directly responsible for it.

#### **3.1.2. Financial Outlay**

3.1.2.1. An outlay of Rs. 2,000 lakhs, was envisaged for the programme in the 6th Five Year Plan period. During the period 1980-81 to 1983-84, the provision of funds under the programme for the State as a whole,

expenditure incurred thereagainst, assistance released by Government of India, matching assistance sanctioned by State Government, foodgrains provided by Government of India and lifted by the State were as follows :—

by Government of India and India by the Government of India							
Year	Budget estimate		Expenditure	Cash assistance released by Government of India.	Matching grant sanctioned by State Government.	Foodgrains	
	Original	Revised				Allocated by Government of India.	Lifted by the State Government.
(In lakhs of rupees)				(Metric Tonnes)			
1980-81	180.00	2,05.00 (NREP)	N.A. (Non-plan)	1,02.75	67.00	3,500	N.A.
		75.00 (Drought Relief)	100 (Drought Relief)	1,00.00*			
1981-82	7,11.00	4,98.65	4,47.67	1,60.00	1,60.00	3,034	2,780.00
				180.00*			
1982-83	3,53.00	3,94.22	3,72.99	1,60.00	1,60.00	1,760.00	1,322.40
				76.38*			
1983-84	3,78.47	3,78.47	3,29.14	1,70.00	1,70.00	1,444.00	1,388.00

Expenditure incurred under NREP during 1980-81 is not available, as no separate accounts thereof were maintained and was merged with the expenditure met from the allocation under food for work, special food for work, advance plan assistance and assistance for drought relief. Expenditure during 1981-82 and 1982-83 include expenditure under advance plan assistance for drought relief.

The year-wise estimate of wages and material component of works, quantum of food for wages, expenditure and assistance given by the Government of India, are indicated in Appendix III.1.

3.1.2.2. The amount to the extent of Rs. 2,28.68 lakhs, Rs. 1,03.01 lakhs, Rs. 1,17.22 lakhs and Rs. 93.74 lakhs were lying un-utilised with Block Development and Panchayat Officers on 31st March of 1981, 1982, 1983 and 1984 respectively. Figures of expenditure to this extent thus stood overstated.

3.1.2.3. Against the Central assistance of Rs. 9,49.13 lakhs (100 per cent against advance plan assistance for drought relief and 50 per cent against NREP), the utilisation was Rs. 8,03.08 lakhs. Sector-wise allocation of expenditure viz., forest, irrigation, rural roads, etc., where employment opportunities were created, was neither maintained nor reported in their quarterly progress reports by the department.

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### 3.1.3. Audit findings

3.1.3.1. Results of test check (October 1983 to May 1984) of the records of 27 blocks of three districts (Bhiwani—8 blocks, Rohtak—10 blocks

and Karnal—9 blocks). Forest, Fisheries Public Works Department (Irrigation, Buildings and Roads and Public Health) offices at Bhiwani, Rohtak and Karnal entrusted with the execution of the programme, supplemented by the information supplied by the Revenue/Development and Panchayat Department, are set out in the succeeding paragraphs.

### 3.1.3.2. Generation of additional employment

(i) One of the objectives of the programme, was to create additional gainful employment including at least 10 per cent for Scheduled Castes. There was no record with the department indicating any survey having been undertaken to assess the employment potentialities. The employment generated during 1981-82 to 1982-83, however, fell short of the mandays estimated to be generated, on the basis of grants released by the Government of India as per details given below :—

Year	Mandays expected to be generated	Mandays generated			Shortfall
		Scheduled Castes	Others	Total	
(in lakhs)					
1980-81	N.A.	N.A.	N.A.	86.71	N.A.
1981-82	82.12	20.93	23.49	44.42	37.70
1982-83	18.30	8.47	7.65	16.12	2.18
1983-84	14.51	9.05	7.70	16.75	(—)2.24

During 1980-81 mandays shown as generated include generation achieved under food for work, special food for work, N.R.E.P., advance plan assistance and assistance for drought relief. During 1981-82 and 1982-83, mandays generated include generation under N.R.E.P. and advance plan assistance.

Basis for fixation of targets for employment to be generated were not made available. The Government informed (October 1984) that the declining trend in the generation of employment was due to reduced financial allocation made by the Government of India under N.R.E.P.

(ii) According to the guidelines laid down by the Government of India 10 per cent of the allocation was to be earmarked under the programme for utilisation on programme for direct benefit to Scheduled Castes and Scheduled Tribes. From 1983-84 in case where the data regarding the incidence of poverty was not available 25 per cent weightage was to be given to the number of Scheduled Castes/Scheduled Tribes.

The muster rolls maintained in Bhiwani, Rohtak and Karnal districts did not indicate whether the labourers engaged belonged to scheduled caste categories. On an enquiry by Audit it was stated by BDPOs (Bhiwani) that all the labourers other than masons employed were treated as scheduled castes irrespective of their caste affiliations while in Karnal, it was

intimated that generation of employment as scheduled caste/others was shown on adhoc basis. BDPO's, Rohtak informed that since 25 per cent employment was to be generated as scheduled caste and as sufficient labourers of this category was forth coming, the generation under this category was shown on adhoc basis.

(iii) The Programme aimed at providing employment to 1,000 poor families in each block for an average period of 100 days in a year during the 6th plan period. In three districts (covered) there was no system to ascertain whether the employment opportunities were provided to the extent envisaged in the programme.

### 3.1.3.3. Creation of physical assets

One of the objectives of the programme was to create durable community assets. No targets for creation of assets were fixed. The quarterly progress report of the department did not indicate the targets for assets to be created, actual achievements there against, number of works completed and incomplete works, etc. The total number of assets created (cost of each sector not available) from 1981-82 to 1983-84 (data for 1980-81 not supplied) have been detailed in Appendix III.2.

#### (a) Social Forestry

Ten per cent of the allocation under the programme was to be earmarked for utilisation on social forestry. In three districts, Rs. 64.14 lakhs (Bhiwani: Rs. 14.86 lakhs, Rohtak : Rs. 31.53 lakhs and Karnal : Rs. 17.75 lakhs) were allocated during 1980-81 to 1983-84, against which expenditure of Rs. 63.47 lakhs (Bhiwani : Rs. 14.02 lakhs (November 1983), Rohtak Rs. 31.62 lakhs (December 1983) and Karnal : Rs. 17.83 lakhs (March 1984) was incurred. This included an expenditure of Rs. 21.82 lakhs incurred on the maintenance of plants previously raised (Rs. 7.97 lakh), advance earth work (Rs. 9.96 lakhs), boring of tube well (Rs. 0.79 lakh), material and supplies (Rs. 2.34 lakhs) and levelling of office compound and construction of residence for Forester and Forest Guard (Rs. 0.76 lakh) which did not relate to the programme of social forestry. Besides, Rs. 15.60 lakhs (Bhiwani : Rs. 2.09 lakhs and Rohtak : Rs. 13.51 lakhs) were utilised by transferring expenditure previously incurred from normal budget grant and details of Rs. 9.20 lakhs (Rohtak) were not supplied.

#### (b) Pavement of streets

Rupees 1,54.75 lakhs (Bhiwani : Rs. 46.19 lakhs, Rohtak : Rs. 63.35 lakhs and Karnal : Rs. 45.21 lakhs), constituting 54 per cent of Rs. 2,85.42 lakhs spent on the works done by BDPOs were utilised on pavement of streets which was not under the programme. This included an expenditure of Rs. 15.23 lakhs incurred during 1980-81 to 1982-83 (Rohtak Rs. 8.44 lakhs, Karnal : 6.79 lakhs) on earth work done in streets which were not paved till March 1984. On an enquiry, it was intimated (October 1983 to March 1984) by BDPOs that these works were taken up on popular demand from the Panchayats.

#### (c) Rural Latrines

In the three districts Rs. 4.88 lakhs (Bhiwani : Rs. 3.25 lakhs, Rohtak : Rs. 0.18 lakh and Karnal : Rs. 1.45 lakhs) have been spent

during 1981-82 to 1983-84 on construction of 71 rural latrines, which were not popular among rural people. Moreover in villages where there is no water supply arrangement, the latrines are not in use.

(d) *Non-community works*

Rupees 0.65 lakh (Rohtak : Rs. 0.49 lakh, Karnal : Rs. 0.16 lakh) were spent on construction of staff quarters and earth filling in Panchayat Samiti Office compound which were not covered in the programme. Contention of the Government (October 1984) that these works were in rural areas, is not tenable as these works do not constitute community assets.

(e) No economic assets like land reclamation, improvement and shaping, improvement of irrigation resources, construction of check dams, Nallah bunding, protection dams, etc., which may improve the agriculture base, as envisaged in the revised guidelines (April 1983), were created.

(f) *Non-durable assets*

In three districts, *Katcha* works like approach roads, ponds, drains etc., were undertaken at a cost of Rs. 25.42 lakhs (Bhiwani : Rs. 17.95 lakhs, Rohtak : Rs. 4.22 lakhs, Karnal : Rs. 3.25 lakhs) during 1981-82 to 1983-84. Expenditure on non-durable assets does not fall within the purview of the programme.

In their written reply; the department stated as Under :—

*Paragraph 3.1 National Rural Employment Programme.*

**Introductory**

The objectives of the programme have mainly been achieved. Under this programme not only additional gainful employment has been provided for the unemployed in rural areas but also durable community assets have been created as also nutritional foodgrains have been supplied to the rural labour engaged under this programme. The Department is satisfied with the achievements made under this programme, which are depicted as under :—

Year	Funds released (in lacs) Rs.	Funds utilised (in lacs) Rs.	Mandays generated (in lacs) Number
1981-82	320.00	315.90	44.42
1982-83	320.00	308.11	16.12
1983-84	340.00	360.18	16.75
	980.00	984.19	77.29

### Financial Outlay

(1) The accounts for the year 1980-81 were integrated with the other accounts of Community Development as "Food for work" was then a non-plan Scheme. Since the accounts could not be separated it was not possible to supply the expenditure figures for 1980-81 exclusively for Food for work Programme. Although the outlay for the 6th Five Year Plan was to the extent of Rs. 2000 lacs yet funds to the tune of Rs. 980 lacs were released under NREP during the three years period from 1981-82 to 1983-84 against which the utilisation was Rs. 984.19 lacs. Thus there was no shortfall in expenditure.

(2) The unutilised amounts lying at the close of preceding year were utilised in the subsequent year (s) when the works which remained incomplete at the end of the outgoing year got completed in the ensuing year.

As per practice in vogue, the funds (share of the Govt. of India supplemented with the share of the State Govt.) are released and placed at the disposal of D.Cs for disbursement to the respective BDPOs (who are the executing agencies in respect of NREP). The amount is drawn from the Treasury in lump sum by the D.Cs and passed on to the BDPOs for credit in a Scheduled Bank or Post Office, as the case may be, so that the funds which are normally released at the fag end of the year do not lapse due to the close of financial year. The execution of works takes some time and it is always not possible to complete all the works before the end of the year and if by that time the amount is not drawn from Treasury, the funds lapse and thus the entire objective of the NREP gets defeated because neither the labour can be paid within the stipulated period nor the supplier of the material can be paid without avoidable loss of time as the funds for the ensuing year are received late. Since the entire amount is drawn from the Treasury it is bound to be shown as expenditure of Government Exchequer. In actual practice, the expenditure is incurred by drawal of cheques from the Banks, as and when the works get completed, and no funds are withdrawn unless they are required for urgent disbursement. On the other hand interest accrues on these funds which are retained in Scheduled Banks and the said interest is utilised for Development purposes as an additional source of income, without any additional burden on the State Exchequer.

3. The following amounts of Central Assistance were received from the Government of India :—

Year	Central Assistance received in cash (In lacs Rs.)	Central Assistance received in foodgrains (In M.Ts.)
1981-82	160.00	2500.00 Wheat 2534.00 Rice
1982-83	160.00	1760.00
1983-84	170.00	1444.00



Against the above release of Central Assistance by the Central Government an equal share of cash equivalent was released by the State Government and the expenditure incurred is as under :—

<i>Year</i>	<i>Expenditure incurred in cash</i>
	<i>(In lacs)</i>
1981-82	315.90
1982-83	308.11
1983-84	360.18
	<hr/> 984.19 <hr/>

This shows that the entire amount of Central Assistance as released by Government of India was utilised in full and there was no shortfall.

The shortfall is only on account of less release of foodgrains by the F.C.I.

4. The guidelines issued by the Government of India under NREP do not require the maintenance of expenditure figures sector-wise on Forest, Irrigation, Rural Roads etc. and as such separate sector-wise accounts were not maintained.

#### **Generation of Additional Employment**

The following targets were fixed for generating additional employment in the Annual Action Plan and the achievements made are indicated against each :—

<i>Year</i>	<i>Targets fixed in Annual Action Plan</i>	<i>Targets achieved</i>	<i>Remarks</i>
	<i>Mandays(in lacs)</i>	<i>Mandays (in lacs)</i>	
1981-82	—	44.42	Including mandays generated by utilising balance foodgrains of Food for Work Programme.
1982-83	11.69	16.12	
1983-84	14.51	16.75	

Since only the local labourers are required to be employed under NREP so the question of conducting survey to assess the employment potentialities does not arise.

In the past no separate record in respect of labour, as to whether they belonged to Scheduled Caste or others was being maintained, as the Government of India never asked for this information as a separate entity. This part of the scheme is now being implemented after the Government of India have, incorporated necessary provision in their programme. It may, however, be pointed out that the labour engaged in the Village mostly belong to S.Cs and the B.Cs although this was not specifically mentioned in the Muster Rolls.

No separate allocation was earmarked for programmes directly benefiting S.Cs, but the flow of expenditure on works of direct benefit to the S.Cs has been much more than the prescribed limit of 10% laid down in the scheme, as is evident from the figures given below :—

Year	Allocation	Expenditure on S.C.	Percentage
	(In lacs Rs.)	(In lacs Rs.)	
1981-82	320.00	114.93	36%
1982-83	320.00	57.45	18%
1983-84	340.00	57.17	17%

#### Creation of Physical Assets

(1) The observations made by Audit in this para are based only on the study of the proforma of progress report which does not have any column of targets fixed for assets to be created. This proforma depicts only physical achievements.

Physical targets are fixed for each District by the District Committee and they are adhered to. The achievement of targets is watched on the basis of that approved list. The objective of the programme to create durable Community assets in Haryana has been considerably achieved as all assets created under this programme are of the nature of durable community assets.

(2) The information about cost asked for in respect of the assets created as mentioned in Appendix-III-2 of the Audit Report is being prepared and will be supplied shortly.

#### Social Forestry

(1) According to the Manual on NREP issued by Government of India, the cost of maintenance of plants upto the time the trees are able to survive can be met from NREP funds. Thus the expenditure on the maintenance of plants fell within the purview of the programme of Social Forestry under NREP.

In Bhiwani District the expenditure incurred on raising of plants in nurseries, maintenance of plants previously raised, earth work, cleaning and thinning, boring of tubewells, construction of pump-chamber, levelling

of office compounds etc. have been carried out after the scheme was approved by the Forest Department and the DRDA, Bhiwani. All these process are covered under Social Forestry. The purchase of water-tanker under Social Forestry was effected under material component of the NREP.

The Forest authorities of Rohtak and Karnal districts have also concurred with the observations as given by Bhiwani District.

(2) The Forest authorities of Bhiwani District have reported that due to the non-availability of funds under NREP Scheme, the works carried out were booked under Normal, Non-Plan and Plan Scheme to make the payment to labourers in time. On receipt of the budget under NREP Scheme the amount booked (Rs. 2.09 lakh) under Normal Non-plan and Plan Scheme was transferred to NREP Scheme which was actual expenditure of said scheme. Therefore, no irregularity was committed.

The Forest authorities of Rohtak District have reported that the funds under Advance Plan Assistance Scheme have been allocated from September, 1981 to March, 1983 by the Government and in view of the allocation the Department had taken up the works under the scheme from the start of the year 1982-83. It is incorrect to say that the amount has been utilised towards the previous expenditure. In fact this expenditure relates to the maintenance of the plantation raised under the NREP in the year 1980-81 and 1981-82. In addition new works were also taken up in the year 1982-83 with the presumption that the funds will be released soon as the allocation under this scheme was upto 8/83. Since, the works of the Department are, of such type that these are got done through the labour engaged on daily wages and the payment relating to them are disbursed soon after the close, of the month, therefore, to avoid harassment, hardship to the labour the payment was made out of the State funds with the idea that the same will be recouped on receipt of budget under NREP Scheme. The funds under NREP were released at very late stage in the month of 3/83, therefore, the expenditure relating to this scheme as already incurred in the previous period of the year 1982-83 was adjusted against this budget which in no case can be said as irregular.

#### **(b) Pavement of Streets**

The project of pavement of streets was undertaken to improve the quality of life in the villages as envisaged in para 3 of the Guidelines of 1981 on NREP. The expenditure under this item also covers the work carried out exclusively for Scheduled Castes.

#### **(c) Rural Latrines**

The construction of rural/community toilets figures in item No. 7 of the type of works as indicated in para 3 of the Guidelines of 1981. This project was undertaken to improve the quality of life of the people in the villages.

The latrines are in an abandoned condition at present as village folk could not make arrangements for collective cleanliness of these

hygienic latrines. The water supply was anticipated from the S.Y.L. Canal Project, the completion of which has been delayed due to obvious reasons.

*(d) Non-Community works*

Panchayat Samiti in itself denotes community. The property of Panchayat Samiti is a community asset/property and the expenditure incurred on it by way of construction of quarters and filling of earth in Samiti Premises is covered under the community works which are also community assets created under the NREP.

*(e) Non-economic assets.*

The review of NREP was undertaken by the Audit upto 1983-84 by which time only the guidelines which were issued in 1981 were operative. The revised Guidelines printed in 1983 were not applicable as these were received late and became operative from 1984-85 as the Annual Plan for 1983-84 had been finalized much before the issue of revised guidelines of 1983.

The Committee observed that the objective of this programme, namely, generation of additional gainful employment for the unemployed and under-employed for both men and women in the rural areas was not achieved to a great extent. Targets for generation of additional employment were not laid down, nor was any Survey conducted to assess the employment potentiality. The Committee further note that expertise of legal technical institutions was not utilised in the preparation of shelf of projects and on-wards action plans were not prepared in advance.

The Committee also note with dismay that creation of durable community assets for strengthening the rural infrastructures which will lead to rapid growth in rural economy and steady rise in the income level of rural poor and improvement of nutritional status and living standard of the rural poor, which were the hall mark of the main aim of the programme were carried out.

The Committee, therefore, suggest that in future while implementing such socio-economic programmes which are intended for the uplift of the rural masses, the department should be circumspective in ensuring that all aspects in the execution of such programmes are taken into consideration initially so that these programmes prove success and their benefits percolate to the people for whom these are intended.

*Paragraph 3.1.3.7. Selection of works-*

[30] (1) The programme envisaged preparation of shelf of projects, suitable to each area, with the assistance of local/technical institutions for execution of works on priority basis. A suitable system for periodic review as well as monitoring of the projects was also to be evolved.

Shelf of projects was prepared in Bhiwani/Rohitak districts only after August 1981/March 1982 without utilizing the expertise of local technical

institutions. From the list of works included in the shelf of projects, there was no indication whether the felt needs of the people, were taken into account and whether due priority had been accorded to the needs of the area. The shelf of projects for 1980-81 and 1981-82 prepared annually (Karnal) and 1980-85 (Bhiwani) were not got approved from District Level Committee /DRDA (March-1984/December 1983) respectively.

Annual action plans, were to be prepared before the start of financial year. No action plans were, however, prepared in Bhiwani (1980-81 to 1982-83), Rohtak (1981-82 to 1983-84) and Karnal (1981-82 to 1982-83).

## (2) Standard and specification of works

(i) No technical manual or guide book indicating standards and specifications for all types of works likely to be executed was prepared under the programme as required by Government of India till January 1984 when the Superintending Engineer, Panchayati Raj, circulated technical guidelines for different items of works. No certificate regarding execution of works as per P.W.D. specifications was recorded in the case of any of the works.

(ii) In Bhadra block (Bhiwani) as per remarks of Junior Engineer in the measurement book, third class bricks instead of first class were used in masonry work (Boundary wall of a school building) involving an expenditure of Rs. 0.19 lakh thus resulting in sub-standard works.

## (3) Irregularities in the execution of the works

(a) In none of the blocks covered in test audit, technical sanction to estimates were obtained before undertaking the works as required in financial rules. In 8 blocks (Rohtak-2, Karnal-6) 391 works involving expenditure of Rs. 20.66 lakhs were executed without any estimate. In two blocks (Karnal-I, Bhiwani-I) measurements of actual work done (assessment for each payment) were treated as estimates.

(b) In almost all the works, valuing Rs. 2,85.42 lakhs (Bhiwani : Rs. 1,33.11 lakhs, Rohtak : Rs. 85.77 lakhs and Karnal : Rs. 66.54 lakhs), the estimates were invariably prepared for less than Rs. 0.25 lakh each, to keep them within the competency of Junior Engineer to avoid sanction of higher authority which contravened the provisions of rules.

(c) A register of works indicating expenditure on all works carried out during a year with a view to watch that the expenditure does not exceed the sanctioned allotment has not been maintained in any of the 27 blocks. In case of 102 works (Bhiwani), the expenditure exceeded the allocation by Rs. 6.71 lakhs.

In their written reply, the department stated as Under :—

### Selection of works

1. The expertise of local technical institutions was definitely obtained in preparation of Shelf of Projects for Annual Plan as the District Level Committee constituted for the purpose consists of technical District heads from various Departments like P.W.D. (B & R), P.W.D. (Irrigation), P.W.D.

(Public Health), Forests, Agriculture, Fisheries etc. The needs of the people of the area were kept in view while finalising the Plan and distribution of budget for execution of works.

## 2. Standard and Specification of works.

(i) The works under NREP are measured and assessed as per Haryana Schedule of rates/specifications. All Junior Engineers get training during their academic career to carry out works according to P.W.D. specifications. The Haryana Schedule of Rates is a book of standard specifications for the execution of works for the entire state. Mere non-recording of certificate regarding execution of works as per P.W.D. specifications does not indicate that the works were not of prescribed specifications. The measurement books are maintained as per P.W.D. Rules.

(ii) Since this is a technical matter under dispute, the case has been referred to the Superintending Engineer, Panchayati Raj, Haryana, Chandigarh for investigation and report about the alleged sub-standard work.

## (3) Irregularities in the execution of works

(a) The Junior Engineers are competent to execute works costing upto Rs. 25,000/—. The estimates of works are prepared by the J.E. and when the works upto this limit are executed by him they are covered under the financial rules and no separate technical sanction is required to be issued. The estimates of all the works are prepared in advance and it is on the basis of those estimates that funds are released to blocks for execution of works.

(b) It is never the intention of the department to restrict the works to Rs. 0.25 lakh to avoid sanction of higher authorities. The fact is that funds under NREP are so meagre that when they are distributed village-wise, there are hardly any cases where the amount exceeds Rs. 0.25 lakh.

(c) The works under NREP are not executed exclusively from Govt. grants. Almost in all the cases public contributions and panchayat contributions are received in addition to grant. The figures of expenditure on projects are inclusive of public contributions etc. and that is why the figures of expenditure exceeded the allocation of funds from Govt. side. A register of works or a ledger of works is maintained in each block to watch the expenditure vis-a-vis funds allocated for that work.

The Committee observed that no standard specification for works under their programme were laid down till December, 1983 and no certificate regarding execution of works as per P.W.D. specification was recorded in case of any of the works. The Committee feel that this constitutes violation of the rules and leads to the conclusion that the works executed were substandard. During the course of oral evidence, the departmental representatives also admitted this fact and informed the Committee that the case had been referred to the Superintending Engineer Panchayati Raj, Haryana for investigation and report about the alleged sub-standard work.

The Committee, therefore, desire that the final outcome of investigation by the Superintending Engineer may be furnished to the Committee expeditiously.

#### — Paragraph 6.5. Integrated Rural Development Programme

##### 6.5.1. Introductory

[31] With a view to providing assistance to the weaker sections of society in the rural areas, the Integrated Rural Development Programme (IRDP) was launched in 1978-79 in 48 selected blocks (out of 87 blocks) in the State. The programme was extended to all the blocks in October 1981. The programme aimed at raising the families in the identified target groups above the 'povertyline' and creating additional employment opportunities in the rural sector.

Under the programme, assistance was to be provided to identified families having annual income less than Rs. 3,500 for which various schemes relating to agriculture, veterinary, forestry, irrigation, village industries and subsidiary occupations were to be executed. Financing was done by combination of subsidy provided by the Government at the rate of 25 per cent in case of small farmers and 33½ per cent in case of marginal farmers and landless agricultural labourers on the cost of works, etc., taken up under the schemes and the balance as loans advanced by the financial institutions. It was contemplated that 30 per cent of the resources provided go to the families of Scheduled Castes/ Scheduled Tribes.

The programme also envisaged imparting training in various activities to the identified persons in rural areas to enable them to improve their skill and to seek self employment

At the State level, a special cell was to monitor the formulation and implementation of the programme. The execution, at district level, of the schemes taken up was the responsibility of the District Rural Development Agencies (agencies).

##### 6.5.2. Financial Outlay

During 1978-79 the programme was financed cent per cent by the Centre and thereafter the expenditure was shared equally by the Centre and the State. The position regarding the approved outlay, grants released to the agencies and actual expenditure incurred on the programme was as under :—

Year	Approved outlay	Unspent balance of last year with the agencies	Grants released			Miscellaneous receipts	Total funds available	Expenditure	Balance at the close of the year
			Central share	State share	Total				
(In lakhs of rupees)									
1978 79	2,18.79	—	1,35.70	—	1,35.70	0.46	1,36.16	92.13	44.03
1979 80	3,43.20	44.03	1,06.52	1,06.52	2,13.05	3.63	2,60.71	1,32.37	1,28.34
1980 81	4,40.00	1,28.34	1,63.20	1,63.20	3,26.40	9.76	4,64.51	3,41.43	1,23.08
1981 82	5,99.86	1,23.08	2,99.93	2,99.93	5,99.86	25.00	7,47.94	6,49.26	98.68
1982 83	6,96.00	98.68	3,48.00	3,49.12	6,97.12	19.22	8,15.02	7,71.02	44.00
1983 84	7,44.00	44.00	3,72.00	3,72.00	7,44.00	Awaited	—	7,55.33*	Awaited

\* Expenditure for 1983-84 is provisional as the accounts were yet to be audited.

Sector-wise expenditure during the years 1978-79 to 1983-84 and its percentage (within brackets) to the total expenditure was as under:-

Sector	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
<i>(In lakhs of rupees)</i>						
Agriculture	13.28 (15)	28.56 (16)	40.75 (12)	65.39 (10)	72.61 (9)	63.03 (8)
Minor Irrigation	3.10 (3)	5.60 (3)	22.68 (7)	20.62 (3)	23.73 (3)	16.81 (2)
Animal Husbandry	36.17 (40)	51.82 (29)	141.25 (43)	254.69 (39)	336.37 (44)	270.84 (36)
Industry Service Business	6.94 (8)	28.55 (16)	19.29 (6)	43.18 (7)	67.39 (9)	115.64 (15)
Farm forestry	4.16 (4)	7.48 (4)	20.01 (6)	23.64 (19)	90.51 (12)	104.91 (14)
Women welfare training programme	—	—	34.84 (10)	55.18 (9)	72.88 (9)	45.18 (6)
Training programme including TRYSEM	16.30 (18)	32.15 (19)	10.06 (3)	19.60 (3)	26.38 (3)	37.88 (5)
Infrastructure	2.70 (3)	5.33 (31)	6.26 (2)	14.39 (2)	13.12 (2)	29.12 (4)
Survey	—	—	3.70 (1)	4.86 (1)	4.65 (1)	3.71 (1)
Administration	8.43 (9)	17.70 (110)	33.80 (10)	46.13 (7)	61.69 (8)	68.21 (9)
Total	91.08	177.18	332.64	647.68	769.33	755.33

\*\* The figures of expenditure for 1978-79 and 1979-80 against training programme including TRYSEM also include expenditure on women welfare training programme.

(i) The progress reports submitted by the agencies were not based on actual audited expenditure but on tentative basis. Consequently, there were variations in the actual expenditure as per audited accounts of the agencies and expenditure shown in the progress reports of the Project Cell, which are awaiting reconciliation (November 1984).

(ii) Norms for incurring expenditure in each sector were prescribed only in respect of Industry Service-Business (ISB) (25 per cent), infrastructure and administrative expenses (upto 7½ per cent of IRD allocation). Bulk of the expenditure had been incurred on Animal Husbandry, the expenditure on ISB sector ranged from 6 to 15 per cent against the prescribed norm of 25 per cent and that on administration was in excess of the prescribed norms during all the years except 1981-82.

(b) Total amount of credit to be mobilised, vis-a-vis, mobilised through the financial institutions during 1980-81 to 1983-84 was as under:

Year	Credit to be mobilised	Credit mobilised
<i>(In lakhs of rupees)</i>		
1980-81	N.A.	74,78.43
1981-82	9,48.52	9,08.69
1982-83	10,89.13	11,46.68
1983-84	10,27.66	9,97.91



Mention was made in paragraph 7.5 of the Audit Report for the year 1980-81 (civil) about some aspects of the programme. Results of test check for the period from 1981-82 onward of the accounts and other records relating to seven out of twelve agencies namely Ambala, Rohtak, Bhiwani, Narnaul, Hisar, Gurgaon and Karnal conducted in 1983-84 are contained in the succeeding paragraphs:

\* \* \* \* \*

#### 6.5.4. Physical progress

Sector-wise position regarding physical targets fixed and actual achievements there against during 1980-81 to 1983-84 in respect of seven district test checked was as under :—

<i>Scheme</i>	<i>Targets (In numbers)</i>	<i>Achievements</i>	<i>Percentage in shortfall</i>
1	2	3	4
<b>Agriculture</b>			
Purchase of store bins	7,377	5,007	32
<b>Animal Husbandry</b>			
Purchase of crossbred cows	1,012	719	29
Establishing piggery units	1,825	1,136	38
Establishing poultry units	1,275	613	52
<b>Minor Irrigation</b>			
Installation of tubewells	742	548	26
Construction of water channel/underground pipe	781	568	27
<b>Industries Services and Business (ISB)</b>			
Establishing rural industries	12,436	10,692	14
Purchase of animal driven carts	9,411	7,951	16
Training programme	19,870	18,317	8

Shortfalls in achievements in certain activities were reportedly due to lesser number of applicants coming forward for assistance as compared to a large number of identified families.

It was also observed that stress on land based schemes was greater than on industrial and rural development programme.

In their written reply, the department stated as Under :—

- (1) Efforts are made to exhibit correct figures in the progress reports. But when audit is conducted, some rectifications

are made and proper classification of expenditure is done. The figures which are duly audited are final and on the basis of audited figures, funds for the next year are demanded from Govt. of India. The variations shown in the figures of progress reports and audited accounts have been reconciled and DRDAs have been advised to furnish accurate figures of progress reports in future.

- (2) The bulk of expenditure on animal husbandry was incurred because most of the rural people were more interested in Milch animals because of their traditional habits, easy recovery, little training etc. Only a few beneficiaries were interested in I.S.B. because of rural background. Hence the low expenditure on I.S.B.

Minor excess of expenditure on administration is due to grant of ADA instalments and revision of pay scales during 1980-81. However, the reason for low percentage during 1981-82 is higher allocation of funds. Even after great efforts, the expenditure on administration could not be brought down and now the Govt. of India have revised the norm up to 10%.

- (3) There is very little shortfall in the achievements of targets of credit mobilisation. The targets are always fixed on the basis of estimates and therefore the figures are tentative. During 1982-83, the achievement was more than 105%.

The shortfall during the other years, was due to the failure of poultry units on account of high mortality of birds. The beneficiaries were further discouraged by the lengthy and cumbersome procedure adopted by the banks.

Now the procedure has been simplified and targets of credit mobilisation are being achieved.

As the figures indicate, the achievement under I.S.B. has been from 84 to 92%, Agriculture 68%, purchase of crossbred cows 71% and establishment of piggery units 62%. The achievement under poultry was only 48% because of lack of knowledge and non viability of small units. Moreover 'poultry' was a new scheme and beneficiaries were reluctant to take risk in adopting it. The matter is being looked into and efforts are made to popularise it among the masses.

The Committee note that in implementing this scheme although an expenditure of Rs. 27,17.04 lakhs had been incurred upto the end of 1983-84, yet there were many shortcomings and deficiencies in achievements. The underlying principle of providing assistance to the poorest of the poor group was not followed and there were shortfall in achievements ranging from 8% to 52% in certain schemes under the programme. The Committee also observe that bulk of the expenditure had been incurred on the schemes relating to Animal Husbandry only. In regard to Forestry Scheme no effective control had been exercised by the implementing agencies with the result that the morality of the plants ranged from 20% to 91%. The Committee

also note with concern that even under the programme for training the rural youth for self employment (TRYSEM) out of 2,961 trained persons only 441 could land on self-employment. Even the evaluation done by DRDA/Haryana Agricultural University was not on the proper lines as it did not enable one to judge the impact of the scheme.

The Committee, therefore, strongly suggest that department should make efforts to spot light pitfalls and plug them to make the programme a success so that the intended benefit thereof percolates to the people for whom this programme is intended.

*Paragraph 6.5.10. Irregular release of subsidy.*

[32] (a) Subsidy amounting to Rs. 1.33 lakhs under various schemes under the programme was paid during the years 1980-81 to 1982-83 to 147 families living in urban areas in Narnaul and Gurgaon districts while the scheme envisaged such benefits for the rural areas.

(b) In 89 cases in Bhiwani, Hisar, Gurgaon and Karnal districts, subsidies amounting to Rs. 0.97 lakh were disbursed during the years 1981-82 to 1983-84 to families having annual income above the prescribed limit of Rs. 3,500.

(c) Assistantce under the programme was admissible to farmers having land holdings upto 5 acres. However, where the farmers had class-I irrigated land, the ceiling on land holding was 2.5 acres. Further, where the land was irrigated but not of class-I, a suitable conversion ratio was to be adopted according to the State Land Ceiling Act. In 133 cases, subsidy of Rs. 1.86 lakhs in respect of Hisar (Rs. 0.83 lakh), and Gurgaon (Rs. 1.03 lakhs) under the minor irrigation programme was paid during the years 1980-81 to 1983-84 to farmers having land holdings in excess of the prescribed limits.

**6.5.11. Verification of assets**

According to the Government of India's instructions, verification of assets of all the families assisted under the programme, was required to be made every year. These instructions were, however, not observed by the agencies except in the case of Gurgaon, where such verification revealed that there was misutilisation of subsidy amounting to Rs. 9.17 lakhs in 797 cases of shallow tubewells (121 cases-amount : Rs. 2.56 lakhs), water channels (38 cases-amount: Rs. 0.58 lakh), Animal Husbandry (459 cases-amount : Rs. 4.59 lakhs) and ISB (179 cases - amount Rs. 1.44 lakhs). No action was taken by the agency to recover the amount of misutilised subsidy from the beneficiaries.

In their written reply the department stated as Under :—

**Irregular release of subsidy**

(a) The detail of 147 families is as under :—

(i) Narnaul	41
(ii) Gurgaon	106

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147

As regards Narnaul, these beneficiaries were assisted under CADA scheme and not under IRD Programme and were entered on a separate page in the IRD register. A separate register for CADA was not maintained, the number of beneficiaries being small.

Similarly other 106 beneficiaries were assisted under Agriculture/Animal Husbandry scheme. They were also living in Pataudi and Eirozepur Jirka but they had their Agricultural land in rural areas for which the assistance was given.

(b) The districtwise details of 89 beneficiaries are as under :—

(i) Bhiwani	26
(ii) Hisar	20
(iii) Gurgaon	38
(iv) Karnal	5
Total	89

It has been contended by the audit that income of the above families was more than 3,500/—.

As per guidelines contained in IRD Manual Rs. 700/— per capita annual income was to be taken and the income criterion of Rs. 3500/— was for an average family size of 5. As in the above cases the size of the family was more than 5, taking the criterion of per capita income of Rs. 700/— p. a. the family income exceeded Rs. 3,500/—. For example, 10 members of the family having total income of Rs. 4000/— p.a. were assisted as its per capita income was Rs. 400/— p.a. i.e. much below the norm of Rs. 700/—. Thus it is clear that assistance was given in accordance with the guidelines issued by the G.O.F.

(c) The detail of 133 number cases is as under :—

(i) Gurgaon	50 No.
(ii) Hisar	83 No.
	133 No.

As per definition of small & marginal farmers, the land holding is 5 acres unirrigated and 2.5 acres of class I irrigated respectively. In case there is no Class I land, suitable conversion ratio is to be adopted. There was no class I land in Hisar and Gurgaon districts and after applying the conversion formula all the above beneficiaries were found fulfilling the eligibility conditions. No beneficiary having land holding more than the ceiling was assisted.

*Verification of assets*

The misutilised cases are being physically verified and action is also being taken to recover the subsidy from such beneficiaries.

During oral evidence the departmental representative admitted that verification of assets of all the families assisted under the programme was not done as a result the amount of subsidy were misutilised in a large number of cases. The Committee further note that subsidies were also released to the beneficiaries against estate already acquired by them one month to six years before launching of the programme. The departmental representative assured the Committee that action would be initiated against those beneficiaries who had sold out their estates acquired by them out of the subsidies given to them.

The Committee desire that action against such beneficiaries should be initiated promptly and a report to this effect furnished to the Committee within six months.

## CO-OPERATION DEPARTMENT

### *Paragraph 6.15 Financial assistance to Co-operative Societies*

[33] Investment by Government in the share capital and debentures of the Co-operative Societies at the close of 1981-82, 1982-83 and 1983-84 and the return thereon as intimated by the department was as under :—

Year	Number of societies	Amount invested at the end of the year	Dividend/ interest received during the year (Number of societies)	Percentage
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(In crores of rupees)

1981-82	2,794	45.68 (including debentures valuing Rs. 10.34 crores)	0.93 (43)	2.0
1982-83	2,865	54.00 (includes debentures valuing Rs. 11.10 crores)	1.01 (35)	1.9
1983-84	2,889	62.20 (includes debentures valuing Rs. 12.00 crores)	0.90 (108)	1.4

According to the department, the loans and subsidies/grants paid by the Government to various Co-operative Societies during 1981-82 to 1983-84 were as under :—

Year	Balance of loan at the end of the previous year	Disbursed during the year	Repaid during the year	Balance of loan at the end of the year	Subsidies grants paid during the year
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(In lakh of rupees)

1981-82@	9,33.73	1,14.79	36.16	10,12.36	1.69.97
1982-83@	10,12.36	4,95.64	1,48.96	13,59.04	1,31.60
1983-84	13,59.04	2,97.17	53.89	16,02.32	1,06.80

According to the information furnished by the department, the principal and interest overdue for recovery as on 31st March 1984 amounted to Rs. 4,89.03 lakhs and Rs. 2,50.88 lakhs respectively. The break-up of these amounts was as under :—

	Principal	Interest
	(In lakhs of rupees)	
upto 1980-81	2,20.37	2,01.81
1981-82	8.41	8.12
1982-83	1,04.43	12.76
1983-84	1,55.82	28.19
Total	4,89.03	2,50.88

In their written reply, the department stated as under :—

1. The Govt. investment in Cooperative institutions is of two types name (i) Debentures in HSLDB only, (ii) Share Capital. So far as investment by way of debentures is concerned it carries different rates of interest. The interest on debenture is being recovered regularly and punctually.

As regards the investment by way of share capital it is stated that there is no statutory/contractual obligation on a Coop. Society having profit to declare dividend every year. On the other hand section 41 of the Punjab Cooperative Societies Act, 1961 (Applicable during the period of report) rather puts restrictions on division of funds which include profits of a Coop. Society by way of payment of bonus or dividend or other wise amongst its members.

\* \* \* \* \*

2. The Cooperative Sugar Mills, Haryana Dairy Dev. Cooperative Federation and the Central Cooperative Consumers Stores are the main defaulters with regard to repayment of Govt. loan (principal and interest). Their cases are examined and analysed from time to time and it is noted that they are not able to make repayments due to their financial stringencies. However, efforts are being made to effect recovery from these institutions also. The instructions have been issued to the field functionaries and the concerned institutions to effect recoveries of Govt. loan and review the position at the end of each month.

According to the information furnished by the department to the Committee, the principal and interest overdue for recovery as on 31st March, 1987, amounted to Rs. 481.69 lakhs and Rs. 242.39 lakhs respectively. The department informed the Committee that the Cooperative Sugar

Mills, Haryana Dairy Development, Cooperative Federation and the Central Cooperative Consumers Stores were the main defaulters with regard to repayment of Government loan (Principal and interest) and that their cases were being examined to effect the recovery.

The Committee observe that the recovery of over due of Government loan/interest is quite alarming and special measures are required to be adopted by the department for speeding up things. The Committee, therefore, suggest that department should conduct periodical review of Government overdues from these societies and analyse reasons for non-payment. The results of efforts so made be communicated to the Committee at regular intervals from time to time.

*Paragraph 6.17. Co-operative Consumer Stores*

[34] There were 33 Central Co-operative Consumer Stores in the State as on 30th June 1983. Besides there was one apex institution, namely the Haryana State Federation of Consumer Co-operative Wholesale Stores Limited, Chandigarh.

According to the audited accounts, the financial data of the Central Co-operative Consumer Stores for the years 1980-81, 1981-82 and 1982-83 were as under :—

Year	Number of stores	Paid up capital	Government investment in share capital	Loans obtained from Government and outstanding	Net profit	Reserves	Turnover
(In lakhs of rupees)							
1980-81	33(a)	21.89	18.39	7.72	(—)6.63	9.89	4,40.73
1981-82	33(b)	25.13	23.66	7.12	(—)6.71	4.25	2,12.92
1982-83	33(c)	63.51	58.18	18.12	(—)66.22	18.85	3,91.91

During 1982-83 all the eleven Central Co-operative Consumer Stores (Naraingarh, Kurukshetra, Kurukshetra University, Karnal, Panipat, Narwana, Kaithal, Yamuna Nagar, Guhla, Bhiwani and Hissar) the audited accounts of which were made available sustained losses aggregating Rs. 66.22 lakhs.

A perusal of the audit reports on the accounts of these stores for the year ended 30th June 1983 disclosed the following :—

(i) Shortages in 10 stores (Naraingarh, Karnal, Kaithal, Narwana, Yamuna Nagar, Guhla, Panipat, Kurukshetra University, Bhiwani and Hissar) against salesmen and store-keepers (including ex-employees) amounted to Rs. 13.56 lakhs.



(ii) In four stores (Kurukshetra, Yamuna Nagar, Karnal and Panipat) the closing stock valuing Rs. 23.80 lakhs included dead/damaged stock (Rs. 2.26 lakhs) and slow moving stock (Rs. 3.37 lakhs).

(iii) The default in repayment of share capital and cash credit amounting to Rs. 2.24 lakhs and Rs. 9.74 lakhs of principal and Rs. 1.13 lakhs of interest was made in respect of Kurukshetra Consumer Store.

(iv) Embezzlement amount aggregating to Rs. 3.43 lakhs in 3 stores (Kaithal, Guhla and Yamuna Nagar) and misappropriations amounting to Rs. 1.84 lakhs in 4 stores (Kurukshetra, Narwana, Kaithal and Yamuna Nagar) were noticed.

(v) Non-accountal of stores amounting to Rs. 0.84 lakh was found in Kaithal Co-operative Consumer Stores.

In their written reply the department stated as under :—

Stock shortages against Salesmen and Store-Keepers including ex-employees in nine stores, except Kurukshetra University stores which is under liquidation amounted to Rs. 9.14 lacs and not 13.56 lacs as reported by C.A.G. Out of this amount of shortages an amount of Rs. 1.95 lacs has been recovered upto 31-7-87 leaving a balance of Rs. 7.19 lacs as given below :—

<i>Sr. No.</i>	<i>Name of Store</i>	<i>Amount of shortages as on 30-6-83</i>	<i>Recovery upto 31-7-87</i>	<i>Balance outstanding</i>
<i>(Figures in lacs)</i>				
1.	Naraingarh	0.23	0.23	—
2.	Karnal	2.51	0.70	1.81
3.	Kaithal	0.05	0.05	—
4.	Narwana	0.05	0.05	—
5.	Yamuna Nagar	2.23	0.13	2.10
6.	G. Cheeka	0.01	0.01	—
7.	Panipat	1.85	0.10	1.75
8.	Bhiwani	0.48	0.28	0.20
9.	Hisar	1.73	0.40	1.33
		9.14	1.95	7.19

Final action will be taken after the decision of the cases. Hence no exact date can be fixed.

Out of the dead/damaged stocks of Rs. 2.26 lacs in four stores, stock worth Rs. 2.03 lacs have already been disposed of by allowing reasonable rebate/discount upto 31-7-87. Store-wise disposal of such stock is as under :—

Sr. No.	Name of Store	Value of dead/damaged stock as on 30-6-83	Disposal upto 31-7-87	Balance stock (Rs. in lacs)
1.	Kurukshetra	0.29	0.12	0.17
2.	Yamuna Nagar	0.15	0.11	0.04
3.	Karnal	1.28	1.28	—
4.	Panipat	0.54	0.52	0.02
		2.26	2.03	0.23

Due to damaged condition of the remaining stocks, disposal could not be made.

In Yamuna Nagar & Kurukshetra store disposal will be arranged after the decision of the BOD of the store. In Panipat store remaining stocks will be disposed of by the end of current year.

Following steps have been taken to disposed of remaining dead/damaged stocks.

- (i) In Kurukshetra store BOD of the store has appointed a committee for the disposal of dead/damaged stocks.
- (ii) In Yamuna Nagar store the matter is under the consideration of the Board.
- (iii) BOD of Panipat store has already resolved to allow discount upto 50% on such stocks.
- (b) Out of total slow moving stocks of Rs. 3.37 lacs, stock worth Rs. 2.96 lacs have been disposed of upto 31-7-87. Store-wise disposal of stock is given below :—

Sr. No.	Name of Store	Slow moving stocks as on 30-6-83	Disposal upto 31-7-87	Balance out-standing
1.	Kurukshetra	0.32	0.32	—
2.	Yamuna Nagar	1.40	1.09	0.31
3.	Karnal	1.53	1.53	—
4.	Panipat	0.12	0.02	0.10
		3.37	2.96	0.41

Remaining stock is obsolete, therefore disposal is slow.

Remaining stock will be disposed of by the end of current year in Panipat store. In Yamuna Nagar store final action will be taken after the decision of BOD.

Discount/rebate has been allowed on slow moving stock in Panipat store.

The default in repayment of share capital and cash credit amounting to Rs. 2.34 lacs and Rs. 9.74 lacs of Principal and Rs. 1.13 lacs of Interest was made in respect of Kurukshetra Consumer Store.

Due to poor financial position of the store payment of arrears could not be made to the Government/Banks.

Efforts are being made to improve the working and financial position of the store.

Final action will be taken only when the financial position of the store is stream-lined/improved.

(a) In Kaithal, Guhla Cheeka and Yamuna Nagar stores an amount of Rs. 1.45 lacs was embezzled instead of Rs. 3.43 lacs. Out of Rs. 1.45 lacs of embezzlement, recovery of Rs. 0.18 lac has been made upto 31-7-87 as under :—

<i>Sr. No.</i>	<i>Name of Store</i>	<i>Amount of embezzled amount as on 30-6-83</i>	<i>Recovery upto 31-7-87</i>	<i>Balance outstan- ding</i>
(Rs. in lacs)				
1.	Kaithal	0.30	0.17	0.13
2.	Guhla Cheeka	0.01	0.01	—
3.	Yamuna Nagar	1.14	—	1.14
		1.45	0.18	1.27

Cases are pending for decision.

In Kaithal store recovery will be made by the end of current year. Final action will be taken after the decision of the case in Yamuna Nagar store.

Action has been initiated against the concerned persons for the recovery of remaining amount in Kaithal store. In Yamuna Nagar store award has been obtained against the concerned person. FIR also lodged.

An amount of Rs. -3.41 lacs was mis-appropriated in Kurukshetra, Narwana and Kaithal store instead of Rs. 1.84 lacs. Out of Rs. 3.41 lacs of misappropriation, an amount of Rs. 2.84 lacs has since been recovered upto 31-7-87 as per detail below :—

<i>Sr. No.</i>	<i>Name of Store</i>	<i>Amount of misappropriation amount as on 30-6-83</i>	<i>Recovery upto 31-7-87</i>	<i>Balance amount</i>
1.	Kurukshetra	2.83	2.83	—
2.	Narwana	0.01	0.01	—
3.	Yamuna Nagar	—	—	—
4.	Kaithal	0.57	—	0.57
		3.41	2.84	0.57

The amount could not be recovered due to non reconciliation of accounts.

Final action is likely to be taken by the end of current year.

Efforts are being made to recover the balance amount of Kaithal store.

Stocks worth Rs. 0.84 lacs has now been accounted for in the book of account.

No further action needed.

Following are the reasons for the losses aggregating Rs. 66.22 sustained by all 11 Cooperative Consumers. Stores upto the year 1982-83.

(i) Heavy establishment expenses.

(ii) Low margin on controlled items.

(iii) Heavy stock shortages committed by Salesmen/Store-keepers.

(iv) Heavy Bank Interest on Bank borrowings.

(v) Irregular supply of controlled items.

To check recurrence of such heavy losses following remedial measures have been taken :—

- (i) Credit sale has been stopped.
- (ii) Stock system has been introduced.
- (iii) Purchases are made as per requirement to avoid over stocking.
- (iv) Quarterly P.V. of stock and surprise checking is conducted to avoid stock shortages and embezzlement.

The Committee observe that most of the Central Cooperative Consumers Stores were running in cumulative losses. There are many cases of shortage and embezzlement. Dead and damaged stock of huge amounts was laying in these stores. The Committee further note that cases of short accountal/non-accountal are of common occurrence in these stores. Despite the fact that huge staff is deployed for running these stores, there is mismanagement as a result of which these stores are not earning profit.

The Committee, therefore, suggest that the department should analyse the reasons leading to continuous losses in these stores and communicate the results of such analysis to the Committee within six months.

The Committee further recommend that as in private sector, the department should reduce their staff deployed in these stores to their minimum requirements so that these stores do not incur continuous losses due to excessive financial burden by way of pay and allowance of the staff.

*Paragraph 6.18. Co-operative Sugar Mills*

[35] As on 30th June 1983, there were 7 Co-operative Sugar Mills in the State located at Karnal, Panipat, Rohtak, Sonipat, Shahbad, Jind and Palwal.

According to audited accounts the financial data of the Sugar Mills as on 30th June 1982 and 30th June 1983 was as under :—

- (a) The financial data is in respect of 4 stores.
- (b) The financial data is in respect of 6 stores.
- (c) The financial data is in respect of 11 stores, the audited account-

of remaining stores were not made available (September 1983).

Sr. No.	Particulars	Karnal		Panipat		Rohtak	
		30 June	30th June	30th June	30th June	30th June	30th June
		1982	1983	1982	1983	1982	1983
		(In lakhs)					
1.	Paid-up Capital	2,42.26	2,48.25	1,04.44	1,22.34	1,71.51	1,81.04
2.	Government Investment	1,61.00	1,61.00	N.A.	N.A.	20.00	20.00
3.	Reserves	4,14.08	4,49.03	3,99.32	4,19.08	3,75.27	3,94.98
4.	Capital Investment (1 plus 3)	6,56.34	6,97.28	5,03.76	5,41.42	5,46.78	5,76.02
5.	Profit(+) Loss(-)	(-) 6,20.48	(-) 6,62.84	(-) 5,60.95	(-) 6,45.46	(-) 2,76.13	(-) 2,63.81
6.	Percentage of return (5 ÷ 4) × 100	—	—	—	—	—	—
		(In lakhs of)					
7.	Cane crushed	20.26	21.98	—	18.32	25.25	24.74
		(In per)					
8.	Percentage of recovery	8.75	9.48	—	9.98	9.02	10.71

Sonipat		Shahbad		Jind		Palwal	
30th June		30th June		30th June		30th June	
1982	1983	1982	1983	1982	1983	1982	1983
<i>of rupees)</i>							
2,29.21	2,55.78	20.81	1,35.78	16.44	1,26.06	16.98	1,25.74
1,76.00	1,76.00	10.00	1,18.75	10.00	1,18.75	10.00	1,18.75
3,81.79	4,17.68	0.03	0.05	0.17	0.25	0.23	0.23
6,11.00	6,73.46	20.84	1,35.83	16.61	1,27.31	—	—
(—)	(—)	(+)	(+)				
7,84.86	7,66.57	0.98	1.81	0.15	0.65	0.31	1.34
—	—	—	—	—	—	—	—
<i>quintals)</i>							
18.41	17.43	Nil	Nil	Nil	Nil	Nil	Nil
<i>cent)</i>							
8.93	10.61	Nil	Nil	Nil	Nil	Nil	Nil

A perusal of Audit Reports and Accounts of Sugar Mills as on 30th June 1983 disclosed the following :—

(i) The accumulated losses of Sugar Mills at Karnal, Panipat, Sonipat and Rohtak exceeded the paid-up share capital.

(ii) There were shortages amounting to Rs. 2.61 lakhs in three Sugar Mills (sugar bags at Karnal : Rs. 1.33 lakhs, medicines and laboratory apparatus at Panipat : Rs. 0.87 lakh and stores at Sonipat Rs. 0.41 lakh).

(iii) Sundry debtors include bad and doubtful debts for Rs. 87.39 lakhs (Panipat : Rs. 69.27 lakhs, Sonipat : Rs. 3.03 lakhs, Rohtak : Rs. 15.09 lakhs) for which no provision has been made in the accounts.

(iv) Karnal Mill had not paid to the State Government the cane purchased tax amounting to Rs. 44.70 lakhs for the period upto 1982-83.

(v) In Karnal the average yield came down by 136.66 quintals of cane per hectare as compared to last year though an expenditure of Rs. 0.75 lakh was incurred on the Farm.

(vi) In Panipat Sugar Mill, Rs. 1.00 lakh and Rs. 2.00 lakhs stated to have been deposited as excise duty in February 1982 and June 1983 respectively were either supported by fake documents or were not supported by any documents, i.e., Treasury challans or bank advice.

(vii) In Rohtak Sugar Mill, Rs. 98.58 lakhs on account of cane lost and Rs. 23.63 lakhs towards interest on loans were payable to State Government

(viii) The Sonipat Mill was in default towards repayment of Government loans and interest thereon to the extent of Rs. 46.99 lakhs and Rs. 59.59 lakhs respectively.

In their written reply, the department stated as under :—

It is true that all the four sugar mills were running into losses since 1976-77 onward due to certain reasons beyond the control of management. The major reasons were as under :—

(i) Teething trouble in machinery on account of expansion in case of Rohtak and Panipat and being new units at Karnal and Sonipat.

(ii) High cane price fixed by the State Government to benefit the farmers against the statutory price fixed by GOI.

(iii) High incidences of interest and depreciation on account of expansion of Panipat and Rohtak Mills and being new plants at Karnal and Sonipat.

(iv) Delay in availability of Sampath Committee incentives to



Sonepat and Karnal Mills being new units and Rohtak and Panipat Mills being expended units.

- (v) The price for levy sugar which constitutes 65% of the total production were Rs. 169.78 per quintal in 1976-77 and Rs. 187.75 w.e.f. 1-8-1979 as against Rs. 214.75 and Rs. 232.78 respectively for the neighbouring State of Punjab.
- (vi) Due to de-control of sugar in August, 1978 the prices of sugar crashed down to such a low level as Rs. 170/ to Rs. 190 per quintal which was much below the cost-of production.
- (vii) The Purchase tax which used to be Rs. 1.25 per quintal upto the year 1976-77 was increased to Rs. 1 50 per quintal from 1977-78.

However, from the year 1982-83, onwards, the Rohtak Mill is running into profit and the Karnal Mill is showing profit from the year 1983-84 onwards. The Sonepat Mill is also showing profits from the year 1982-83 onwards except in 1984-85. The Mills of Panipat is still running into losses due to lesser availability of cane as compared to its crushing capacity. All efforts are being made to bring more area under sugar mills and also improving the varietal balance. It is anticipated that during the current crushing year 1986-87 the Panipat Mills may also show profit of Rs. 20.00 lacs.

The Committee note that all the four sugar mills were running into losses since 1966 onwards due to certain reasons beyond the control of management.

The Committee, however, observe that the accumulative losses of these sugar mills exceeded the paid up share capital. The Committee feel that this sad state of affairs is due mainly to mismanagement as a result of which there were shortage and rising trend of sundry debtors.

The Committee, therefore, suggest that the department should thoroughly investigate and analyse the reasons for bad financial working results of these mills and furnish their report to the Committee within six months.

The Committee further desire that the sugar mills which are in defunct towards repayment of loans and interest should be exhorted to make repayment of government dues properly.

*Paragraph 6.19. Haryana Dairy Development Co-operative Federation Limited*

[36]. A perusal of the audited accounts of the above said Federation for the year 1981-82 reveal that the federation has been incurring losses since its inception (1976-77). The accumulated losses of Rs. 7,88.56

lakhs, as on 30th June 1982 were more than 2 times the paid-up capital of Rs. 81.58 lakhs (Government share : Rs. 81.00 lakhs) and reserves/grants of Rs. 2,45.38 lakhs. One of the main reasons attributed for continued losses was under utilisation of Plant capacity.

In their written reply, the department stated as under :—

The causes of the losses were being evaluated on continuous basis by the Federation and necessary steps are being under taken wherever possible. The Federation has been in the grip of acute financial pressures right since its inception. Immediate steps were taken to restore the financial liability of the Federation to enable it to take up to the programmes of operation Flood-II in a viable manner. Accordingly a high power committee comprising of senior nominees of Haryana Government and IDC was formed in April, 1984 to evolve a package formula to bring the Federation in to a viable commercial unit. This Committee finalised its recommendations which are under the consideration of the State Government.

P.1. Besides the above recommendations, the Federation has also made arrangements with commercial banks to convert its earlier draws from these banks on account of cash credit limits of Rs. 194 lacs and interest thereon in to a term loan repayable on re-scheduled basis over the next 7 years with a built in moratorium of 2 years. As a result of recommendations, Government have provided funds to to the Federations. However, IDC could provide only working capital.

P.2. Federation has now been regular-making milk payment to the suppliers. Intensive efforts have also been made to re-organise the village cooperative societies on the Anand pattern under OF II with close monitoring regularly. As a result of which the milk procurement has picked up considerably as compared to the previous years. Comparison of the figures of procurement for the last 5 years is given below :—

Year	Quantity (in lacs/lts.)
1982-83	182.3
1983-84	177.2
1984-85	380.0
1985-86	598.0
1986-87	493.0

With the increased availability of milk, capacity utilisation in Federation has gone up. But it continuous to incur heavy losses because of very high interest burden on outstanding unpaid loans because of past losses. Now, there is vicious

circle i.e. losses are leading to further losses. Federation has to attempt to pay remunerative price to the milk producers and simultaneously ensure a reasonable price for consumers in the process. It has to shed its mono-utility to make profits either by suppressing milk price or by increasing the price of milk and milk products for consumer. Thirdly, rising salary, particularly the recent hike in light of implementation of the 4th Pay Commission recommendations in the Federation, has further added to the costs that have to be incurred by the Federation.

The Committee note with concern that the Federation has been incurring losses since its inception (1976-77). The cumulative losses are more than two times the paid up capital and the reserves grant of the Federation. The committee feel that things are getting out of control of the management, as has been conceded by the department in their written reply where they have stated that the federation has been in the grip of acute financial pressures right from its inception.

The Committee, therefore, strongly recommend that stringent measures be adopted to remedy the financial crisis faced by the federation and one of such measures would be to fully utilise the plant capacity of the federation. The Committee would like to have a detailed report on the working of the federation, particularly highlighting the areas of pitfalls, leading to accumulative losses.

*Paragraph 6.20. The Haryana State Co-operative Supply and Marketing Federation Limited, Chandigarh*

[37]. According to the audited accounts of the Federation, its financial position for the years 1979-80 to 1981-82 was as under :—

Serial number	Particular	As on 30th June		
		1980	1981	1982
		(In lakhs of rupees)		
1.	Paid up capital	6,18.19	7,42.83	8,93.19
2.	Government Investment	5,41.97	6,56.18	7,76.64
3.	Reserves	4,93.18	7,13.78	7,96.66
4.	Capital Investment (1+3)	11,11.37	14,56.61	16,89.85
5.	Profit (+)/Loss(—)	(+)1,36.68	(+)1,05.26	(—)1,09.24
6.	Percentage of return of capital invested (5÷4)	(Per cent) 12.3	7.2	6.46

A perusal of the audited reports on the accounts of the Federation for the years 1980-81 and 1981-82 disclosed the following :—

(i) Though the capital investment was on the increase, the percentage of return on investment was on the decrease.

(ii) The Federation incurred a loss of Rs. 2,50.89 lakhs in its

various deals/activities such as working of rice shellers/cotton seed complex/processing units, storage godowns, etc.

(iii) Shortages of wheat amounting to Rs. 9.97 lakhs in 1980-81 and Rs. 8.52 lakhs in 1981-82 were noticed.

(iv) Rupees 66.83 lakhs were recoverable from staff on account of shortages in fertilizer, rice and other commodities.

(v) Sundry debtors amounting to Rs. 10.89 crores included Rs. 2.50 crores which were bad and doubtful debts.

In their written reply the department stated as under :—

Each and every case has been/is being investigated regularly and efforts have been invariably made to plug the causes of losses. But there are certain causes such as increase in administrative and other expenses, rising of prices, power-cut and incurring of extra expenditure on running generating sets and Government policies which are beyond control. Moreover the Federation is handling agricultural produce and inputs which it is bound to store for a longer period as wheat is to be delivered to FCI for central pool and maintenance of minimum stock of inputs at each distribution retail centre which causes storage and handling losses also. However, the position is explained as under :—

(i) A detailed reply has already been submitted. However, it is again stated that in the long term investments, the profits is always after the project is completed and starts working at its full capacity. As such profit cannot be directly proportional to the size of investments as in the initial stages there are heavy expenses on its establishments but less production.

(ii) As already explained in the reply, there are only following items in which the actual losses were incurred :—

	(Rs. in lacs)
(a) Trading in Potato	1.52
(b) Sale of export rice in open market	2.66
(c) Sale of cotton	8.44
(d) Working of rice mills	80.36
(e) Sale of gram	11.61
(f) Sale of Barley	8.75
	<u>113.34</u>

Whereas in the following items Hafed earned the profits but shown as having incurred losses in the report :—

	(Rs. in lacs)
(a) Storage of godowns	9.66
(b) Carriage/Trading of rice for export at Kandla	18.65
	<u>28.31</u>

Thus, there was a net loss of Rs. 85.03 lacs (113.34—28.31) against a loss of Rs. 250.89 lacs mentioned in the report. It is also pointed out that Hafed earned an overall net profit of Rs. 105.25 lacs during the year 1980-81 and Rs. 109.23 lacs during the year 1981-82 after covering the above said losses.

- (iii) Hafed handled wheat 3.47 lacs MT worth Rs. 4565.12 lacs during 1980-81 and 4.50 lacs MT worth Rs. 6327.23 lacs during 1981-82 against which shortage of Rs. 9.67 lacs and 8.52 lacs respectively occurred which comes to 0.21% during 1980-81 and to 0.13% during 1981-82. Efforts had been made to recover the shortages and upto date recoveries to the extent of Rs. 3.47 lacs during 1980-81 and Rs. 6.48 lacs during 1981-82 have been made leaving a balance of Rs. 6.20 lacs and Rs. 2.04 lacs respectively.

Moreover, a committee has been constituted to investigate each and every case to fix the responsibility to effect recoveries from the officials, if found at fault.

- (iv) As already explained in the reply, a committee has been constituted to look into such shortages and submit their recommendations. Suitable action will be taken on the receipt of the recommendations of the committee.
- (v) A reserve for Bad and Doubtful Debts of Rs. 262.89 lacs stands created as on 30-6-87 which fully covers the bad and doubtful debts of Rs. 2.50 crores pointed out in the report.

The Committee observed that the Federation had suffered a loss of Rs. 80.36 lakhs and Rs. 11.61 lakhs on the working of Rice Mills and sale of grams respectively. When asked as to what steps were being taken to overcome these losses, the departmental representatives informed the Committee that they intended to sell the Dal and Bakery plants.

The Committee desire that the final outcome of the intention to sell Dal and Bakery plants may be intimated to the Committee. The Committee further desire that reason for decrease in the percentage of return on investment, especially when the capital investment was on the increase needs to be thoroughly analysed together with causes of losses in its various deals/activities.

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**PART—II**  
**REVENUE RECEIPTS**

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## EXCISE AND TAXATION DEPARTMENT

### *Paragraph 1 2. Variations between Budget estimates and actuals*

[38] The variations between the Budget estimates of revenue for the year 1983-84 and the actual receipts are given below .—

<i>Head of Revenue</i>	<i>Year</i>	<i>Budget estimates</i>	<i>Actuals</i>	<i>Variations Increase(+)/ decrease(—)</i>	<i>Percentage of variations Increase (+) or decrease (—)</i>
(1)	(2)	(3)	(4)	(5)	(6)
<i>(In crores of rupees)</i>					
1. Sales Tax	1983-84	1,87 00	1,66.52	(—)20.48	(—)11
2. Taxes on Goods and passengers	1983-84	57.00	51.34	(—)5.66	(—)10

The actual receipts were less than the budget estimates for 1983-84. The budget estimates would appear to have been high in view of the fact that actual receipts in 1983-84 were more than in the previous year.

The department in their written reply to the questionnaire of the Committee stated as under :—

The main reason for shortfall in Sales Tax Revenue during 1983-84 as compared to Budget Estimates is due to withholding of payment of tax by the Food Corporation of India, Karnal and other big industries in Faridabad, Gurgaon under Section 9 of Haryana General Sales Tax Act in view of judgement of Punjab & Haryana High Court in the case of M/s Bata India Limited certain dealers including Food Corporation of India were granted stay of payment of tax by High Court. Food Corporation of India was also not paying any tax on Rice and transfer of Food-grains to other States during 1983-84.

As regards shortfall under Passengers & Goods Tax during 1983-84, department proposed budget of 51.00 crores but the Finance Department fixed the target at Rs. 56.47 crores which was on a very high side as compared to the collection

of Rs. 46.26 crores during 1982-83. However by making strenuous efforts the department could collect 51.34 crores during 1983-84 which was 11% more as compared to previous year.

Budget Estimates are always prepared taking in consideration the trend of increase during the last three years and also proposed revision of tax/duty during the financial year. Efforts will, however, be made to be more realistic in future.

The Committee observe that the actual receipts were less by 11 per cent and 10 per cent than the budget estimates for 1983-84 under the revenue heads Sales Tax and Taxes on Goods and Passengers respectively. When called upon to explain the reasons therefor, the departmental representative stated that less realisations under the Sales Tax were mainly due to withholding of payment of tax by a few dealers as a result of judgement of the High Court in case of M/s. Bata India Limited. As regards shortfalls under passengers and Goods Tax, it was explained that the targets were fixed by the Finance Department higher than those which were proposed by the department. The Committee do not feel satisfied with this explanation as it is apparent that the budget estimates must have been fixed after taking into consideration all the aspects. While the efforts put in by the department may be lacking in certain respects to accelerate the pace of recovery against those targets.

The Committee, therefore, recommend that there should be close coordination between the Finance Department and the Excise and Taxation Department in formulating the budget estimates so that there is no shortfall in actual realisation viz-a-viz budget estimates.

*Paragraph 1.5. Uncollected revenue*

[39] The details of arrears of revenue (where it exceeded Rs. 5.00 lakhs) pending collection as on 31st March 1984, is given below :—

<i>Head of revenue</i>	<i>Amount pending collection</i>	<i>Amount of revenue in arrears more than 5 years old</i>
<i>(In crores of rupees)</i>		
Sales Tax	21.73	5.19
State Excise	2.15	0.06
Taxes on Goods & Passengers	0.32	0.03

In its written reply, the department stated as under :—

Out of arrears amounting to Rs. 24.20 crores shown as outstanding as on 31-3-84 under various Acts in the report, an amount of Rs. 12.30 crores has since been recovered



upto 31-3-87, leaving a balance of Rs. 11.90 crores, as per details given below .—

Sr. No.	Name of the Act	Amount outstanding as on 31-3-84	Arrears cleared during 1-4-84 to 31-3-87	Amount outstanding as on 31-3-87
1.	Sales Tax	21.73	11.48	10.25
2.	State Excise	2.15	0.62	1.53
3.	P.G.T.	0.32	0.20	0.12
Total		24.20	12.30	11.90

Out of arrears of Rs. 5 28 crores outstanding as on 31-3-84 in respect of period upto 31-3-79 as pointed out in the report arrear amounting to Rs. 2.77 crores has further been recovered upto 31-3-87, leaving a balance of Rs. 2.51 crores.

As regards reasons for accumulation of arrears it may be stated that the figures shown above are accumulated figures as on 31-3-84 and 31-3-87. These figures include arrears pertaining to the period even prior to the formation of the State of Haryana in 1966. About 50% of the arrears shown as outstanding pertain to the cases which are under stay by the various courts, dealers which have closed their business and shifted out of the State of Haryana and firms gone under liquidation.

Strenuous efforts are being made by the Department to recover the arrears. The position of arrears is reviewed in monthly meetings of departmental officers and they are impressed upon to take effective steps for recovery of old outstanding arrears. Monthly targets for recovery of arrears are also fixed and efforts are being made to achieve these targets. It may also be mentioned here that position of arrears is also reviewed quarterly by the State Cabinet. In respect of cases which are under liquidation, the department has already filed its claim with official liquidators and the cases are being pursued with them. In respect of cases where stay have been given by the various courts, efforts are being made by the department to get stay vacated. The position of arrears is also reviewed periodically by Excise and Taxation Commissioner/Senior Officers at the time of inspection of district offices.

List of cases where amount of Rs. 50,000 or more is outstanding against individual dealer is enclosed.

## District Sirsa

<u>Sr No.</u>	<u>Name of the firms</u>	<u>Amount (Rs. in lakhs)</u>
1.	M/s. Bhakra Cotton Gen. Mill, Sirsa	1.55
2.	M/s. Gupta Cotton Gen. Mills, Sirsa	2.14
3.	M/s. Bani Gopal Mahabir Parshad, Sirsa	1.29
4.	M/s. Chaudhry Cotton and Gin. & Pre. Factory, Sirsa	1.25
5.	M/s. Do	0.96
6.	Harji Ram Balwant Singh, Sirsa	1.55
7.	D.F.S.C., Sirsa	3.53
8.	Do	3.65
9.	Do	3.37
10.	Hafed, Sirsa	7.06
11.	Do	1.71
12.	Do	3.13
13.	Aggarwal Rice Mill, Sirsa	0.81
14.	Do	0.68
15.	Kaka Rice Mill, Jriwan Nagar, Sirsa	0.66
16.	Sindhu Tubewell Store, Sirsa	0.97
17.	Shiv Kumar Ramesh Kumar, Sirsa	0.58
18.	M/s. Runia & Co., Dabwali	0.58
19.	Hari Ram Bajrang Dass, Dabwali	2.89
20.	Sirsa Industries, Dabwali	2.70
21.	Lachman Dass Kulbir Singh, Sirsa	0.87
22.	B.G. Finance Industries, Sirsa	0.51
23.	Do	0.80
24.	Do	2.23
25.	Juneaj Trading Co, Sirsa	0.73
26.	DinaNath Subash Chand, Sirsa	0.62
27.	Do	1.05
28.	Singla Wine Centre, Sirsa	3.90
29.	Lachhman Singh & Co., Sirsa	0.59
30.	Roshan Lal Gian Chand, Sirsa	0.58
31.	Do	0.90
32.	Deep Malhotra & Co., Sirsa	30.41
33.	Ram & Co., Sirsa	8.34
34.	Mangat Ram, L-14-A, Sirsa	1.59
35.	Jaimal Singh & Co. L-14, Sirsa	0.43

Sr. No.	Name of the firms	Amount (Rs. in lakhs)
36.	Lal Chand & Co., L-14, Sirsa	0.41
37.	Pirithi Singh & Co., L-14, Sirsa	2.87
38.	Balbir Singh & Co., L-14, Sirsa	5.65
39.	Dawalk Dass & Co , L-14, Sirsa	1.22
40.	Dharampal & Co., Sirsa	0.45
41.	Sham Lal & Co Sirsa.	60.33
42.	Tilak Raj & Co. Sirsa.	4.26
43.	Do	6.11

#### District Jind

1.	M/s Kaku Ram, Ram Dhari, Ved Parkash, Chiranji Lal	1.43
2.	M/s Krishan Lal, Gurmohan & Bhim Singh, Narwana.	0.87
3.	M/s Tara Singh Father Mehtab Singh, Uchana.	1.22
4.	M/s Satnam Singh, Jai Narain, Tek Chand, Tejender Singh, Jind City.	3.44
5.	M/s Vir Bhan, Siri Krishan, Gajjan Singh, Roshan Lal, Khatana.	0.82
6.	M/s Chander Bhan , Tek Chand, Rameshwar Dass, Didwara.	0.51
7.	M/s Chander Bhan, L—2, Gohana Road, Jind	0.96
8.	M/s Ram Phal, L—2, Patiala Chowk, Jind	1.42
9.	M/s Mela Ram, Baldev Singh, Naguran.	0.65
10.	M/s Rishi Pal, Mahabir Parshad, Narwana	0.84
11.	M/s Kulbir Singh & Co , L—2.	0.54
12.	M/s Mam Chand, Om Parkash, Narwana.	0.84
13.	M/s Kulbir Singh & Co , L—2 Jind	0.55

#### Faridabad (West)

1.	M /s Appliance Mfg. Co	2.39
2.	M/s Excelsior Plant	2.78
3.	M/s New India Motors.	16.29
4.	M/s Wearwell Cycles Ltd.	12.68
5.	M/s Auto Stering Ltd.	3.02
6.	M/s Fibre Processors	36.45
7.	M/s Luck Auto Ancilliary.	46.24
8.	M/s Break Linings Ltd	11.23
9.	M/s Associated Steels.	5.18
10.	M/s Merchantile Industrial Training	1.05
11.	M/s G.D. Steels	0.57
12.	M/s Eastern Electronics.	1.97
13.	M/s Indian Jute Supply Co.	1.45

Sr. No.	Name of the firms	Amount (Rs. in lakhs)
14.	M/s Laxmi Rattan Engg. Co.	9.68
15.	M/s Indian Lonoleums Ltd.	1 75
16.	M/s U.K. Builders.	2.81
17.	M/s Pearl Cycle Industries	12.64
18.	M/s Laxmi Trading Co.	5.44
19.	M/s Rama Trading Co	1 16
20.	M/s P. Kharash & Co.	2.86
21.	M/s Western Machinery Mart.	0.56

#### District Gurgaon

1.	M/s Maruti Ltd, Gurgaon.	15.53
2.	Ego Metal Works, Gurgaon	1 01
3.	Rahi Trading Co, Gurgaon.	9.19
4.	Vijay Kumar Mohinder Kumar, Gurgaon.	5.29
5.	Bags and Curton, Gurgaon	4.57

#### District Rohtak

1.	Royal Coach Body Builders, Rohtak.	3 05
2.	Do	1.61
3.	N.R. Industries, Bahadurgarh.	2.74
4.	Haryana Gum Industries, Bahadurgarh	0 56
5.	Durga Steel Corporation, Rohtak.	0.78
6.	Nagpal Oil and Cotton Mills, Rohtak	2.31
7.	Ram Narain, Beri	4.42
8.	Om Parkash, Meham.	0.89
9.	Liberty Sales, Rohtak	59 29
10.	Ram Lal Miglani, Rohtak	0 68
11.	Jage Ram, Rohtak.	34 98
12.	Subash Chand, Badli, (Rohtak)	1.31
13.	Liberty Sales, Rohtak	61.85

#### District Jagadhri

1	M/s K.R. Steel Products.	0 83
2.	M/s Ganesh Rice & Oil Mill	0 63
3.	M/s Mangal Singh & Sons	0 60
4	M/s Mustfabad I.O.L. & Brothers.	0.88
5.	M/s Ishwar Parkash & Bros.	0 88
6.	M/s Raj Kumar Bhal & Sons.	2 90
7.	M/s Bhagwan Dass Pahwa & Sons.	1.85

Sr. No.	Name of the firms	Amount (Rs. in lakhs)
8	M/s Mago Watch Co.	0.79
9	M/s Kiran Metal Store.	6.53
10.	M/s Atma Singh, Gian Singh	1.14
11.	M/s Laxmi Singh, Sohan Singh	1.14
12.	M/s Uco Traders	0.84
13.	M/s Dayal Singh, Khajan Singh.	0.50

**District Hisar**

1.	M/s Kanshi Ram Chemical, Hisar.	1.73
2.	Do.	3.00
3.	M/s Goel Brother, Hisar.	4.86
4.	M/s Balaji Dal Mill Hisar.	0.53
5.	M/s Nathu Ram, Neem Chand, Hisar.	1.96
6	M/s Toyal Cotton & Oil Mills, Hansi.	0.82
7.	J K. Trading Co., Hisar.	6.52
8.	Bharat Trading Co., Hisar.	0.64
9.	Mangat Rai, Ram Avtar, Hisar.	5.70

**District Narnaul**

1.	M/s Chhote Lal, Chiranj Lal, Narnaul.	1.00
2.	M/s Ram Sarup, Jai Narain, Rewari.	0.58
3.	M/s Soni Industries, Rewari.	0.75
4.	M/s Tirkha Ram, Ram Parshad.	0.50
5.	M/s Ram Kishan, Shoe Chand, Narnaul.	0.60
6	M/s Sehgal Paper Ltd., Dundahera.	68.37
7.	M/s Ram Lal, Mansukh Rai, Rewari.	0.67
8.	M/s Mangal Chand, Lachi Ram, Rewari	0.58
9.	M/s Subash Bartan Bhandar, Rewari.	1.24
10.	M/s D.D.A., Narnaul	0.51
11.	M/s Vinex, Dharuhera.	0.87
12.	M/s Western Electronics, Dharuhera.	1.38
13	M/s Raj Metals, Rewari.	1.40
14.	M/s Haryana Detergent, Dharuhera.	6.56

**District Sonapat**

1.	M/s Daulat Singh, Inder Singh & Co. L-14-A, Farmana.	0.58
2	M/s Kavita Sales Corporation, Sonipat, 79/80—29-10-81	0.74
3.	M/s Kishore Rice Mills, Gohana, 81-82/28-2-83.	0.61
4.	M/s Hindustan Everest Tools, Sonipat, 74-75/30-9-83.	0.65
5.	M/s Depro Food Ltd. Village Rai, 1973-74 or 79-80/ 8-4-77 to 2-2-82.	15.14

<u>Sr. No.</u>	<u>Name of the firms</u>	<u>Amount (Rs. in lakhs)</u>
6.	M/s Ashoka Motor Store, Sonipat, 75-76 to 80-81	11.71
7.	M/s Ved Parkash Raj Kumar, 82-83/27-2-83.	1 04
8.	M/s Abhay Industries, 73-74	2.20
9.	M/s Esso Chemicals, Sonipat, 73-74 to 76-77.	0.60
10	M/s Haryana Rubber Industries (P) Ltd Bahalgarh. 1976-77.	16.75

#### Faridabad (East)

1.	Indian Gas Cylinder, Faridabad.	12.35
2	Prestolite of India Ltd, Faridabad.	33.50
3.	M/s Globe Motor Workshop, Faridabad.	4 59
4	M/s Authrton and Co, Faridabad	0.70
5.	M/s Forgings (P) Ltd, Faridabad.	4.12
6.	M/s D.G.L. (P) Etd., Faridabad.	1.58
7.	M/s Reclunan Auto Ltd., Faridabad.	6 19
8.	M/s S.G. Steel (P) Ltd, Faridabad.	0.69
9.	Do	0.67
10.	M/s Swadeshi Rubber Industries, Faridabad.	3.38
11.	M/s Anil Rubber Mill, Faridabad	5 57
12.	M/s Top Style Agencies, Faridabad	7 73
13.	M/s Bull Wrachers (P) Ltd., Faridabad.	5.66
14.	M/s Saken Industries (P) Ltd, Faridabad	1.30
15.	M/s Karam Chemical (P) Ltd, Faridabad	0 58
16.	M/s Chemical Vebles, Faridabad.	0 72
17	M/s Hindustan Industries, Faridabad	0.87
18	M/s Ganesh Packaging India, Faridabad.	1 15
19.	M/s Gallent Engineering Enterprises, Faridabad.	1 24
20.	M/s Fritge and Stngh Ltd, Faridabad	0 57
21.	M/s Haryana Foot Wear Coop, Faridabad	3 46
22.	M/s Trans Auto Ltd.. Faridabad	1 07
23.	M/s Associated India, Faridabad	11 06
24	M/s Haryana Steel, Faridabad.	3.06
25.	M/s Sehgal Puasi (P) Ltd., Faridabad.	2.89
26.	M/s Inspi Auto India, Faridabad.	2 09
27	M/s Globe Steel Industries, Faridabad	28.98
28.	M/s Bharat Trading Co., Faridabad	0.53
29.	M/s Nupco Band Gear.	0.21
30	M/s Shri Dhar Gupta, L-2,	1.11
31.	M/s Khattar & Co, L-2.	4.40
32.	M/s Chander Bhan & Co, L-2.	1 90

Sr. No.	Name of the firms	Amount (Rs. in lakhs)
33	M/s V K Gupta	5.75
34	M/s Mahesh Chander, 1-2.	15.63
35	M/s Khattar & Co. L-2.	4.21
36	M/s Amarjeet Singh & Co. L-2.	22.09
37	M/s Jasbir Singh & Co. L-2.	0.88
38	M/s Yash Pal & Co L-2.	3.09
39	M/s Dinesh Wine Shop, L-2	1.32
40	M/s Sahn Brothers, Faridabad	0.88
41	M/s Rajdhan Paints & Chemicals.	1.28
42	M/s Bertiam Scott, Faridabad	1.87
43	M/s Usha Forging & Strapping	2.00
44	M/s Ganga Eng.. Works, Faridabad.	2.19
45	M/s Steel Pioneer, Faridabad.	1.44

#### District Bhiwani

1.	M/s Uttam Industrial Corporation, Bhiwani.	0.97
2.	M/s Dalmia Cement Factory, Dadri.	108.62
3.	M/s Ude Ram & Co. Bhiwani.	0.88
4.	M/s Lakh Ram & Co Loharu.	1.60
5.	Ram Kumar & Co Sanwar.	0.76

#### Kurukshetra District

1	M/s Durga Trading Co	3.68
2	M/s Ganesh Lal Jai Lal, Kaithal	0.83
3	Sant Lal Tek Chand, Kaithal	1.31
4	M/s Raj Kumar Vijay Kumar	0.72
5	M/s Hans Raj Harbhajan Singh & Co Pat	0.71
6	M/s Prakash Chand, Partner of Country Liquor vend, Pehowa No I & II	0.71
7	Sh. Satish Kumar, Partner of Country Liquor vend, Pehowa No. I & II	0.68
8	Sh. Amarjit Singh, Partner of Country Liquor Vend, Pehowa No I & II	0.71
9	Sh. Sham Lal, Partner of Country Liquor Vend, Adda Cheeka & Guhla	0.84
10	M/s Ajit Singh Cheema, Naresh Kumar & Co. Ex-L-2 Licensee, Adda Cheeka	1.01
11.	Sh. Harsh Wardhan Kohli, Ex-L-2 Licensee, Shahbad.	0.53
12.	Sh. Dogar Mal, partner of Country Liquor vend, Ladwa No. I & II	1.19

Sr. No.	Name of the firm	Amount
13.	M/s Hawa Singh Phool Chand & Co Ex- Country Liquor Licensee, Kaithal No. I & II	3 58
14.	Sh. Satnam Singh, Ex. Country Liquor Licensee.	1 59

#### Distt. Karnal

1.	M/s Mahadev and Co., L-2 Vend	90,816
2.	M/s Tarlochan Singh, Co., L-2.	93,000
3.	M/s F.C.I. Karnal	89,39,948
4.	M/s Kartar Singh Ranjit Singh	80,00,000
		9,41,784
5.	M/s Kartar Singh Ranjit Singh	3,15,000

#### Distt. Ambala

1.	M/s Shiv Trading Co., A/City	1,76,468
2.	M/s Jagdish Parshad Rameshwar Dass	3,61,777
3.	M/s Eastern Commercial Corp. Pinjore	3,64,286

During the course of oral examination, the departmental representative stated that out of arrears of Rs. 24 20 crores as on 31st March 1984, recovery of Rs. 12.30 crores had been made by 31st March 1987 and that vigorous efforts were being made to recover the balance amount of Rs. 11.90 crores as arrears of land revenue. In connection with uncollected revenue, the departmental representative further informed the Committee that a sum of Rs. 1.96 lakhs due from various firms was proposed to be written off. On a question as to how many firms whose recovery was proposed to be written off, were involved, the departmental representative stated that the requisite information would be supplied later on.

The Committee observe that the promised information had not been furnished till the drafting of this report. The Committee, therefore, desire that the requisite information may be supplied together with reasons for not supplying it earlier as promised.

Similarly, the information in respect of firms from whom recovery exceeding Rs. 10 lakhs was due and proper sureties had also been obtained was also asked to be supplied together with action initiated against them for effecting recoveries. The requisite information had also not been furnished in this case despite an assurance from the departmental representative that the wanting information would be supplied within one month.

The Committee desire that wanting information may be furnished immediately together with reasons for delay and action taken against officials responsible for the delay.



As already observed by the Committee in their earlier reports, while the arrears of revenue on account of sales tax has been increasing (arrears on 31-3-83, Rs. 18.32 crores and 31-3-84 Rs. 21.73 crores), the pace of recovery of tax amount has been slow as huge amount of arrears still remains to be recovered. these arrears mostly include cases where stay against recovery had been granted by various courts/departmental officers, cases where property had been attached or firms have gone in liquidation.

The Committee reiterate that immediate action should be taken to finalise cases where stay has been granted by the departmental officers and cases of stay by courts be pursued vigorously to get them vacated.

The Committee also reiterate that all cases where the properties have been attached, be disposed of expeditiously to recover the Government dues. Similarly, in cases of firms under liquidation, the matter may be taken up with the official liquidations for lodging the claims of recovery.

The Committee further recommend that in cases where arrears of revenue of Sales Tax and State excise exceed Rs. 50,000 in individual cases, special efforts be made to collect the revenue expeditiously and a detailed report to this effect be furnished to the Committee within three months

#### *Paragraph 2.1. Results of Audit*

[40] The test check of sales tax assessments and other records in twelve districts (in 18 offices), conducted in audit during the year 1983-84 revealed under-assessment of tax amounting to Rs. 1,30.09 lakhs in 744 cases, which broadly fall under the following categories :—

	Number of cases	Amount (In lakhs of rupees)
1 Under -assessment of tax under Central Sales Tax Act.	52	21.50
2 Incorrect computation of turnover	185	33.88
3. Non-levy or short levy of penalty	109	32.30
4 Non-recovery of interest	229	25.98
5. Application of incorrect rate of tax	16	3.58
6. Others	153	12.85
	<hr/> 744	<hr/> 1,30.09 <hr/>

Out of 744 cases pointed out in audit, the department has since effected recovery in 80 cases amounting to Rs. 1.43 lakhs. In 20

cases (involving revenue amounting to Rs 5.39 lakhs). audit objections have been admitted and report on recovery is awaited. In 644 cases replies are awaited from the department (December 1984)

\* \* \* \* \*

The department in their written reply to the questionnaire of the Committee stated as Under :—

The actual number of cases as per details given in various audit notes, works out to 747 cases involving Rs. 129 71 lacs instead of 744 cases involving Rs. 130 09 lacs as pointed out in the report. Detailed position of these outstanding cases has been explained in Annexure-A.

A perusal of the Annexure will show that out of 747 cases involving Rs. 129 71 lacs, 211 cases amounting to Rs. 27 15 lacs have been got settled without admitting the additional demand pointed out by Audit : 122 cases amounting to Rs 10.07 lacs have also been got settled after admitting the objections and recovery of the additional demand.

In respect of 236 cases involving Rs 40 61 lacs compliance of the objection has been made or full justification/replies in various cases are ready with field offices of the department for further review and settlement by Accountant General's Inspection parties at the time of next inspection of the district. Thus only 178 cases amounting to Rs 51 88 lacs are left; 4 cases amounting to Rs. 3 10 lacs are pending in Civil Courts. Remaining 174 cases are under examination with various Assessing Authorities/Appellate Authorities at various stages. Efforts are being made to finalise action on these cases.

There is a separate Inspection Wing in the department headed by Joint Excise & Taxation Commissioner (Inspection) with 7 Deputy Excise & Taxation Commissioners and 7 Excise & Taxation Officers alongwith supporting staff posted at district headquarters. This wing is conducting Internal Audit of the Sales Tax assessment cases finalised by various Assessing Authorities in the field. During the year 1986-87, the inspection wing inspected 6625 cases out of which irregularities were noticed in 1455 cases involving under assessment short/escaped assessment amounting to Rs. 144.27 lacs.

Detailed position of recovery (category-wise) of all these cases is given in Annexure-A.

## ANNEXURE 'A'

Category	Cases pointed out by audit		Cases settled without any Addl demand		Cases settled with Addl.		Cases where compliance made replies are ready, review by A.G.'s audit party		Cases pending with the Civil courts		Cases pending with Appellate Authority		Cases pending with Assessing Authorities	
	Cases	Amount	Cases	Amount	Cases	Amount	Cases	Amount	Cases	Amount	Cases	Amount	Cases	Amount
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Under Assessment under CST Act	54	2152002	21	540052	7	86902	12	1362188	1	13500	—	—	13	149360
Incorrect Computation of turnover	185	3386795	84	1113667	11	97416	60	751832	—	—	3	240890	27	1182990
Non levy of penalty, 110		3240920	45	695002	4	57694	24	450238	—	—	3	950634	34	1087352
Non levy of interest	229	2549873	50	234822	49	661084	41	393808	3	296571	5	326187	81	637401
Incorrect Application rate of Tax.	16	358187	8	10939	1	1552	4	98395	—	—	—	—	3	247301
Misc /Others	153	1283329	3	120432	50	102474	95	1004653	—	—	—	—	5	55770
Total	747	12971106	211	2714914	122	1007122	236	4061114	4	310071	11	1517711	163	3360174

This is a general para containing irregularities under various categories detected in all the cases audited by the Inspection Party in various districts of the State. Objections in respect of individual cases containing serious irregularities have been pointed out in subsequent paras of this report where action taken against officers responsible for the lapse, has been indicated against each para.

Inspection Wing is conducting Internal Audit of Sales Tax assessment made by Assessing Authorities. Apart from this, training is also imparted in Training School run by the Department at Chandigarh. Copies of important Judgements, amendments, notifications, clarifications etc. are circulated regularly to all the Assessing Authorities.

During oral examination on 2nd August, 1988, the departmental representative informed the Committee that out of 747 cases, 163 cases involving Rs. 30.60 lakhs were pending with appellate/assessing authorities for finalisation. On a question that despite lapse of five years since the objections were raised, why these cases could not be finalised and who were responsible for their delay, the departmental representative stated that it was difficult at that stage to fix any responsibility for the delay. He further assured the Committee that endeavour would be made to finalise such cases within three months and for that purpose some time limit would also be fixed to finalise such cases in future.

The Committee recommend that a time limit should be fixed for finalizing cases pending with the appellate/assessing authorities.

*Paragraph 2.2 Registration of dealers under Sales Tax Act*

✓ [41] *Failure to check genuineness of sureties*

Under the Haryana General Sales Tax Rules, 1975, before registering a dealer, after checking on his financial position, the genuineness of persons standing surety is also to be verified.

(a) Demand for Rs. 96,781 was raised in March 1980 against a dealer registered in August 1979. But only Rs 7,000 could be recovered in March 1984. The dealer had closed down his business. The surety furnished was defective. One surety was a defaulter in his own assessments for the year 1978-79 and this was lost sight of while accepting him as surety. The second surety withdrew, saying that signatures on the bond were fictitious and his registration number recorded on the bond was incorrect. The non-verification of the sureties before registration resulted in loss of tax revenue amounting to Rs. 89,781.

(b) A dealer (a registered firm) of Gurgaon had closed down his business in April 1975 and applied for cancellation of his registration certificate. A sum of Rs 4 47 lakhs was due from him for the years 1970-71 to 1973-74. No surety bond had been obtained after change

in partnership of the firm in August 1971. The department stated (February 1984) that efforts were being made to recover the amount as arrears of land revenue.

(c) A sum of Rs. 1.79 lakhs was recoverable as tax (and other dues) in respect of the years 1969-70 to 1971-72 from a dealer of Gurgaon who closed his business in August 1972. The outstanding dues were not realised. Whereabouts of one of the sureties were not known to the department and the second surety withdrew in January 1970. The department had not obtained another surety. The department stated in February 1984 that the amount was being written off.

(d) Three sureties furnished by a dealer of Gurgaon withdrew in June 1980. The department did not obtain fresh sureties immediately. In the meantime, the dealer applied for cancellation of his registration certificate from September 1980. The assessment for the year 1979-80 had not been finalised. In December 1981, demand for Rs 3.06 lakhs was raised for the year 1979-80 and could not be realised because the assessee had closed down his business and his whereabouts were not known to the department. The department stated in February 1984 that efforts were being made to recover the amounts as arrears of land revenue.

The above findings were reported to Government in August 1984; their reply is awaited (December 1984).

In its written reply the department stated as under :—

(a) This para pertains to M/s Naresh Kumar & Co. L-II Licensee Gharaunda for the assessment year 1979-80. The R.C. in this case was granted by Sh. H.B. Gandhi and the assessment was also framed by Sh. H.B. Gandhi, Assessing Authority, Karnal who has been called upon to explain the irregularities committed in this case, at the time of grant of certificate. His explanation is still awaited. Out. of Rs. 96781/—, only Rs. 7000/— has been recovered. The balance amount could not be recovered as the contract of the firm expired on 31-3-80. Efforts are being made to recover the amount from the sureties at personal level.

(b) This para pertains to M/s Bags and Cartons, Gurgaon for assessment years 1970-71 to 1973-74.

The assessment in this case were finalised as under :—

1970-71	21-4-74.
1971-72	24-12-76
1972-73	30-3-77
1973-74	10-3-78

The assessment for the year 1974-75 has also been framed on 10-3-86 and no additional demand was created.

- (d) Actual amount due from this party for Assessment year 1970-71 to 1973-74 works out of Rs. 475540/- instead of Rs. 4.27 lakhs as pointed out in the para. For the recovery of this amount, the immovable property of the firm was attached by the Collector-cum-Deputy Excise and Taxation Commissioner (Hqrs.), Haryana Chandigarh, on 30-6-79 and auction of property was fixed for 15-4-84 on which date, no bidder came forward. The New Bank of India and Haryana Financial Corporation also staked their claim on the basis of an Order of Delhi High Court. As regards penalty the Hon'ble High Court by its orders dated 27-4-82 has remanded the case to Joint Excise and Taxation Commissioner (Appeals) for reconsideration of the appeal filed by the firm. Due to above reasons, the recovery of the demand has not been affected so far. The case is under process with Appellate Authority.

Department was not informed of the change in constitution of the firm. The dealer informed the Deptt. on 2-11-76 while submitting a copy of the dissolution deed where in it was mentioned that all the liabilities would be borne by other partners. In these circumstances, fresh sureties could not be made.

#### ✓ (c) N/S Ego Metal

The Co. closed his business in August, 1972 and recovery proceedings under the land revenue Act were initiated. Delhi High Court vide their orders dated 22-10-73 in CA No 44 of 1973 stay recovery proceedings, the stay was vacated on 3-5-78. Thereafter Company went into liquidation and Delhi High Court appointed official liquidator on 9-2-79. The claim of the deptt. was registered with the official liquidator. In the final settlement, the entire sale proceeds of the Company business were given to Financial Corporation who had first claim on them being secure creditors and nothing was left to pay to other creditors.

The assessment was framed as Under :—

1969-70	24-3-75
1970-71	22-11-76
1971-72	18-8-78

Registration certificate was granted two dealers on 4-3-64 and two sureties were obtained at the time of registration on Judicial paper of Rs. 3/— as there was no provisions for obtaining surety bond at that time. The provisions of demanding surety on surety bond was inserted through Act No. 28 of 1965. One of the surety closed down his business in 1971 and no amount could be recovered from him. The second surety contested his liabilities to make the payment on the grounds of verdict given by Punjab and Haryana High Court in C.W.P. No. 1301 of 1962 that

recovery could not be made in such cases because it was not in the form of proper surety bond.

In spite of issuing directions to the dealer in, 1970 the dealer did not furnish fresh surety. Thereafter the dealer closed his business.

(d) This para pertains to M/s. Rahi Trading Co. Gurgaon for assessment year 1979-80.

Reply to various questions as under :—

The sureties with drew in June 1980 and the firm closed its business on 23-9-80. As such sureties could not be arranged.

The firm ceased to function the proprietor was not available at Gurgaon nor at Delhi. The dealer in assessment was due to non co-operation of the dealer and to closure of the firm.

Enquiry was got conducted through the enquiry agency about the whereabouts of the proprietor. Recovery certificate was also issued to Collector, Delhi but the proprietor could not be located. Then the recovery proceedings was started against the sureties who have filed suits in the court of Senior Sub-Judge, Gurgaon.

The amount of Rs. 3.06 lakhs has not been recovered as yet. Moreover, the Civil Court has granted stay of recovery on 30-8-84 from the sureties. The case was last fixed in June, 1987 but the Judge was on leave on that date. Further date is yet to be fixed.

Although the Haryana general sales tax rules require that before registering a dealer, the department is required to verify his financial position, the genuineness of persons standing surety to such a dealer, the Committee however, observe that the department's failure to perform such check and non-verification of the sureties before registration resulted in non-realisation of tax revenue amounting to Rs. 10.50 lakhs. The Committee feel that similar cases of failure to check genuineness of sureties may be obtaining in other districts.

The Committee, therefore, recommend that a detailed review of cases in other districts may also be undertaken to ascertain as to how far the check enjoined upon the departmental officials has been exercised and the result of such review be furnished to the Committee within six months together with the latest position in the above cases.

#### *Paragraph 2.5. Mistakes in computation of Tax*

[42] (i) Under the Central Sales Tax Act, 1956, on inter-State sales made to registered dealers, tax is leviable at concessional rates provided such sales are supported by valid declarations from the purchasing dealers.

\* \* \* \* \*

(ii) (b) Four dealers of Jagadhri were allowed to exclude sales amounting to Rs. 3.84 lakhs on account of such sales being sales to registered dealers. The prescribed declarations given by the purchasing dealers in respect of such sales during the years 1978-79 and 1979-80 were furnished. But the purchasing dealers were ones who had already been declared as being bogus dealers. The declarations given by them were, therefore, not valid. Acceptance of the declarations without scrutiny resulted in tax being levied short by Rs. 15,365.

On the irregularity being pointed out in audit (May and June 1983), the department raised (May to August 1983) demand for Rs. 15,365. Report on recovery is awaited.

\* \* \* \* \*

In their written reply, the department stated as Under :—

This case pertains to following 4 firms of Jagadhari:—

- (i) M/s Bharat Dhatu Bhandar, Jagadhari A.Y. 1979-80.
- (ii) M/s Ghanshyam Dass & Bros., Jagadhari A.Y. 1978-79.
- (iii) M/s Paras Industries, Jagadhari A.Y. 1979-80
- (iv) M/s Mamta & Co., Jagadhari A.Y. 1979-80.

Recovery of Rs. 15,365/— as pointed out by audit in respect of these firms has already been made by the deptt. during the period from 8/83 to 3/84. Assessments in these cases were framed by Sh. B.L. Atris, Assessing Authority, whose explanation have been called.

During oral evidence it transpired that the Four dealers of Jagadhari were allowed exemption of Rs. 3.84 lakhs on account of sales to registered dealers against declarations given by the purchasing dealers who were, however, turned out to be bogus dealers resulting in tax being levied short by Rs. 15,365. The departmental representative informed the Committee that the full recovery had been effected in this case. The Committee do not, however, feel satisfied only with the recovery having been effected. The Committee was anxiously to know (i) how the registration was issued to these bogus dealers (ii) who were the assessing authorities responsible for issuing the registration certificates to them. (iii) how much purchases these dealers had made from the parties other than the 4 dealers of Jagadhari since their registration (iv) whether or not all these purchases/sales had been brought to tax is also a pertinent question.

The Committee would like the department to investigate the whole matter in the light of the foregoing observations and furnish a detailed report in this regard within six months.

*Paragraph 2.6. Short levy due to application of incorrect rate of tax*

[43] (i) Under the Haryana General Sales Tax Act, 1973, on sale of rice bran, which is an unclassified item, tax is leviable at the general rate of seven per cent.

\* \* \* \* \*



(ii) As per a notification issued on 20th September 1979, on inter-State sale of copper wire rods, the rate of tax was reduced from four per cent to one per cent for a period of six months from 20th September 1979 to 19th March 1980. But from 20th March 1980, tax was leviable at 4 per cent.

On sales amounting to Rs. 12.84 lakhs made by a dealer of Faridabad during the year 1980-81, tax was levied at the concessional rate of 1 per cent instead of at 4 per cent. The mistake resulted in the tax being levied short by Rs. 38,526.

On the mistake being pointed out in audit (January 1984), the department raised (February 1984) additional demand for Rs. 38,526. Report on recovery is awaited.

The department in their written reply to questionnaire of the Committee stated as Under :—

This case pertains to M/s Chaudhary Metal Industry, Faridabad for assessment year 1980-81. Recovery of additional demand of Rs. 38,527/— has since been made on 24-8-84.

Reply to Various questions is as Under :—

Shri K.S. Dhaka, Assessing Authority whose explanations were called have been received and are under process.

All the other district offices have already been directed to check-up such cases in their district. Report is still awaited.

Recovery has already been made as stated above.

In written reply, the department intimated that the under assessment was due to application of incorrect rate of tax in the case of M/s Chaudhary Metal Industry, Faridabad for the assessment year 1980-81. The case was assessed by Shri K.S. Dakha, Assessing Authority, whose explanations were called and the same were under process. To a question whether short assessment in such cases in all other district offices had been reviewed, the departmental representative replied that the concerned district offices had been directed to check up such cases report there of was still awaited. The Committee desire that the final outcome of the action taken against assessing authority and the results of review of cases in other districts be intimated to the Committee.

### *Paragraph 3.2. Non-recovery of licence fee and interest*

[44] (i) Under the Haryana Liquor Licence Rules, 1970, licences for vending country liquor and Indian made foreign liquor are granted on the basis of bids invited in auction. The successful bidder is required to deposit, by way of security, one-tenth of the licence fee within a period of seven days from the date of auction and to pay the licence

fee in ten monthly instalments. If a licensee fails to pay any instalment of licence fee or part thereof by the 20th day of a month, he shall be liable to pay interest at the rate of 15 per cent per annum from the first day of the relevant month up to the date of payment. In the event of failure to pay any instalment or instalments along with interest, where due, the licence for vending is also liable to be cancelled and re-auctioned at the risk and expense of the original licensee.

(a) In Jind, eight licences for sale of liquor during the year 1979-80 were auctioned in March 1979 for Rs. 59.79 lakhs. The licensees failed to pay the monthly instalments falling due after the quarter October to December 1979. Instead of cancelling the licences and re-auctioning them at the risk and expense of the licensees, as provided for in the rules, the licensees were allowed to continue their business and receive and sell liquor. The fees due from the licensees as on 31st March 1980 (After adjusting their security deposits) amounted to Rs. 9.03 lakhs. Further, interest amounting to Rs. 5.24 lakhs was recoverable from the licensees upto March 1984.

On the irregularity being pointed out in audit in November, 1980, the Government stated (September 1983) that re-auction of licences would have entailed heavy losses and affected auction in the ensuing year 1980-81. But the reply is silent on the absence in the rules of any discretion with the department to forgo revenue by not following the rules for holding re-auction at the risk and cost of the original licensees. Though, by implication, the rules were held to be counter-productive, the rule making authority was not moved to change them or allow for the discretion of not following them. The department, however, stated in May, 1984 that recovery of Rs. 0.97 lakh had since been effected (between August 1980 and January 1984) from the licensees. Report on recovery of the balance amount of Rs. 8.06 lakhs and interest of Rs. 5.24 lakhs is awaited (December 1984).

\* \* \* \* \*

The department in their written reply stated as Under :—

This sub-para relates to the re-auction of *eight vends* of Jind district during the year 1979-80. The bids of liquor vends were on very high side with the result that incidence was also very high. Most of the licensees suffered heavy losses and defaulted in payment of instalments. Had the department taken action for sealing the vends and then putting them for re-auction as required under the rules, there was very possibility of having much lower bids and the arrears would have been much more than the arrears actually left over.

The decision to allow these vends to continue was taken at Dy. Excise and Taxation Commissioner level solely in the interest of Govt. revenue as explained above, re-auction would have resulted in further loss to Govt.

On 1-3-80, an amount of Rs. 19.21 lacs was outstanding against the defaulters against which a sum of Rs. 10.18 lacs as security was

adjusted, leaving a balance of Rs. 9.03 lacs. Now a further recovery of Rs. 2.18 lacs has been made leaving a balance of Rs. 6.85 lacs for which strenuous efforts are being made to recover the amount. The question of recovery of interest of Rs. 5.24 lacs would arise only when full principal amount is recovered from the liquor licensees.

No Liquor licence was granted to any of the defaulters in the year 1980-81 or any subsequent year.

During the course of oral evidence, the departmental representative informed the Committee that out of Rs. 9.03 lakhs due on account of fees from the licences, Rs. 2.46 lakhs had been recovered and the balance amount of Rs. 6.57 lakhs remains to be recovered. The break-up of Rs. 6.57 lakhs is that Rs. 3.43 lakhs was to be written off and for Rs. 1.22 lakhs recovery certificates had been issued to D.C. Ambala and for the remaining amount of Rs. 1.92 lakhs efforts were being made to effect the recovery.

The Committee desire that final position of the amount to be written off and the amount recoverable on the basis of recovery certificates etc. may be intimated to the Committee.

*Paragraph 3.2. (i)(c)*

[45] In Ambala and Faridabad districts, monthly instalments of licence fee had not been paid by the licensees by the prescribed dates, in 141 cases, during the year 1982-83. Interest recoverable, but not demanded by the department, amounted to Rs. 2.67 lakhs.

On the omission being pointed out in audit (between September 1983 and December 1983), the department stated (between November 1983 and July 1984) that a sum of Rs. 0.91 lakh had since been recovered. Report on recovery of the balance amount of Rs. 1.76 lakhs is awaited (December 1984).

The department in their written reply stated as under :—

This sub-para relates to the non-recovery of interest on belated monthly instalments of licence fee in respect of Ambala and Faridabad (East) district. The district-wise position of these cases and amount recoverable is as under :—

	Cases	Amount recoverable
Ambala	60	Rs. 72,836
Faridabad	81	Rs. 1,93,670
		Rs. 2,66,506

Out of Rs. 2.67 lacs, a sum of Rs. 1.40 lacs has since been recovered leaving a balance of Rs. 1.27 lacs.

Reply to various questions is as under :—

Since the licensees continued to clear the arrears of licence fee due from them even after the close of financial year, the interest could only be calculated and demanded after the arrear of licence fee had been fully recovered from them. As such, no official can be held responsible for delay in raising demand for interest.

It may however be stated that since the contract of the licence expired on the close of financial year and the arrears, if any, after adjusting the security deposit recovered under land Revenue Act, the question of levying interest does not arise.

Out of Rs. 2.67 lacs, a sum of Rs. 1.40 lacs has since been recovered. Most of the licensees have stopped doing this business and shifted to other districts/States. For the recovery of the balance arrear, strenuous efforts were being made to locate their whereabouts and to recover the amount due from them.

During the oral evidence the departmental representative informed the Committee that out of recoverable interest of Rs. 2.67 lakhs a sum of Rs. 1.49 lakhs had already been recovered and for the balance amount of Rs. 1.18 lakhs efforts would be made to effect the recovery as soon as we got hold of the parties. The Committee observe that the outstanding amount pertains to the period of 1983 and it was even after about 4 years that recovery could not be made by the department.

The Committee desire that effective steps be taken to contact the parties and recover the outstanding amount from them.

### *Paragraph 3.3. Irregular allowance toward wastage*

[46] The Punjab Brewery Rules, 1956 and the Punjab Excise Fiscal Orders, 1932, as applicable in Haryana, provide for making an allowance of ten per cent towards wastage of beer after it is brewed. The allowance for wastage is calculated only on the quantity of beer on which excise duty is leviable and not on beer cleared or kept under bond without payment of duty.

(i) In the year 1982-83, from a brewery in Murthal, 39.36, lakh bulk litres of beer were removed under bond without payment of duty. Claims for 10 per cent wastage on the clearance were allowed irregularly, resulting in short levy of duty by Rs. 6.05 lakhs.

The omission was pointed out in audit in November 1983; reply of the department is awaited (December 1984).

Similar cases of irregular grant of allowance for wastage were reported in paragraphs 4.1 (c), 4.2, 3.3 and 3.3 (ii) of the Audit Reports for the years 1977-78, 1978-79, 1981-82 and 1982-83, respectively.

\* \* \* \* \*

The department in their written reply stated as under :—

Actual position is as under :—

According to provisions of Rule 35 of the Punjab Breweries Rules, 1956, the duty on beer shall be charged on the *total quantity actually brewed* out un-amended proviso to order 5 of the Punjab Fiscal Order, 1932, laid down that while calculating permissible wastage at the prescribed percentage of the total quantity brewed, the beer issued in bond shall be deducted from the total quantity brewed. Thus according to Brewery Rules, the dutiable beer would be lesser in quantity as the extent of permissible wastage would be more after allowing wastage on quantity of beer issued in bond, while according to fiscal orders the quantity of dutiable beer would be more as no wastage would have been allowed on beer issued in Bond. Thus the provisions of law were not clear. In view thereof, proviso to order 5 of the Punjab Fiscal Orders, 1932, has been amended vide notification No GSR-14/PA.I/14/SS.31,32 and 51/Amd. (I)-86, Dated 6-3-86 (Copy enclosed) and brought in conformity with the provisions of rules 35 of the Brewery Rules. Thus there was **no short levy of excise duty** on wastage allowed with reference to beer issued in bond.

Similar objection was taken in Audit Report for the year 1977-78 vide para No. 4.1 (c) (paragraph 28) which was discussed in the meeting of Public Accounts Committee held on 3-11-86 and was settled as per proceedings received vide No. PAC/IMP/14/85/23056, dated 10-11-86.

### HARYANA GOVERNMENT

#### EXCISE AND TAXATION DEPARTMENT

##### Notification

March 6, 1986

**No. G.S.R.14/P. A.I./14/Ss 31,32 and 56/Amd. (I) 86:**—In exercise of the powers conferred by section 31 of the Punjab Excise Act, 1914 (1 of 1914) and all other powers enabling him in this behalf, the Governor of Haryana makes the following order further to amend the Punjab Excise Fiscal Orders, 1932, Namely :—

1. This order may be called Punjab Excise Fiscal (Haryana First Amendment) Order, 1986.
2. In the Punjab Fiscal orders, 1932, in order 5, for the first proviso the following proviso shall be substituted namely :—

“Provided that duty on beer manufactured in Haryana shall be calculated on the quantity manufactured less an allowance of seven per cent for wastage.”

J.K. DUGGAL,

Secretary to Government, Haryana,  
Excise and Taxation Department

The Committee observe that cases of irregular grant of allowance for wastage were also reported earlier in the audit reports for the years 1977-78, 1978-79, 1981-82 and 1982-83. The Committee have already made their recommendations to this effect in their 25th Report. The department may look into those observations and recommendations and ensure that the recovery pointed out in the earlier audit reports be effected expeditiously and compliance report sent to the Committee.

*Paragraph 3.5 Unauthorised issue of liquor without realisation of duty*

[47] Under the Punjab Excise Bonded Warehouse Rules, 1957, as applicable in Haryana, liquor can be removed from a warehouse either under bond or on payment of duty to places within or outside the State. But no liquor can be removed from a warehouse until it is checked and proved by the officer-in-charge of the warehouse and a transport pass is granted.

Under four permits issued in May 1982 and July 1982, the officers-in-charge of bonded warehouses in Rohtak and Hissar issued 810 proof litres of Indian made foreign liquor for purposes of vending in whole-sale. But the quantity issued was in excess of the quantities authorised in the permits and also duty amounting to Rs. 17,820 was not realised.

On the irregularity being pointed out in audit (December 1983 and February 1984), the department recovered (December 1983) excise duty amounting to Rs. 14,850. Report on recovery of the balance amount and reasons for the unauthorised issue are awaited (December 1984).

The case was reported to Government in January 1984 and February 1984; their reply is awaited (December 1984).

The department in their written reply stated as under :—

The objection is regarding issue of IMFS from Bonded Warehouse, Rohtak and Hissar without prior payment of Excise Duty amounting to Rs. 17,820/— The audit party audited the excise files of Hissar and Rohtak districts and pointed out that 675 PL of IMFS from bonded Warehouse Rohtak and 135 proof litre of IMFS from bonded Warehouse Hissar have been removed without the payment of excise duty amounting to Rs 17,820/— (Rs. 14,850/—Rohtak and Rs 2,970/—Hissar)

As regards unauthorised issue of 675PL IMFS from Bonded Warehouse, Rohtak, the excise duty of Rs 14,850/— has since been got deposited from the licensee on 21-12-83. As regards unauthorised issue of 135 P.L. of IMFS from bonded Warehouse, Hissar involving excise duty of Rs 2,970/—it is submitted that permit No. 159 dated 1-7-82 was issued after payment of excise duty of Rs 2,970/—on 1-7-82. So in this case, no unauthorised issue of I.M.F.S. is involved.

As regards the responsibility of unauthorised issue of 675 P L is concerned Sh Sushil Gaur was the then incharge of Bonded

Warehouse namely M/s Kapoor Nanda Associated, Rohtak. His explanations have been called for and are still awaited.

During the course of oral evidence, the departmental representative informed the Committee, inter-alia, that for unauthorised issue of 675 PL of I.M.F.S., Shri Shushil Gaur, the then incharge of the bonded warehouse, namely M/s Kapoor Nanda Associated, Rohtak had been called for and his reply was awaited. The departmental representative further informed that the case will be decided within six months.

The Committee desire that the final outcome of the case may be intimated to the committee.

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## TRANSPORT DEPARTMENT

### *Paragraph 4.3 Short levy of tax*

[48] (i) Under the Punjab Motor Vehicles Taxation Act, 1924, as applicable in Haryana and the notifications issued thereunder, tax on stage carriages plying for hire and used for the transport of passengers is levied at the rate of Rs. 550 per seat (excluding seat of the driver and conductor) per annum, subject to a maximum of Rs. 35,000

In Hissar, Sirsa and Gurgaon in respect of 16 stage carriages for the years 1979-80 to 1982-83, tax was levied on lesser number of seats than the number for which the vehicles were registered with the Registering Authorities. The mistake resulted in short recovery of tax by Rs 1,08,405.

On the mistake being pointed out in audit (February 1983 to September 1983) the Registering Authority, Gurgaon stated (February 1984) that notices had since been issued for effecting the recovery. Reply from other two authorities as also report on recovery is awaited (December 1984).

(ii) Under the Punjab Motor Vehicles Taxation Act, 1924 and the rules made thereunder, as applicable in Haryana, tax is leviable at the rate of Rs. 200 per seat per annum on contract carriages owned by a factory or religious institution and used exclusively for the carriage of its personnel or devotees.

In Bhadurgarh and Charkhi Dadri, on four buses owned by Cement Corporation of India and Bhakra Management Board and used exclusively for the carriage of its employees, tax was levied at the rate of Rs. 39.05, instead of at Rs. 200 per seat per annum during the years 1980-81 to 1983-84. The mistake resulted in short levy of tax by Rs 34,997

On the mistake being pointed out in audit (July 1982 and October 1983), the department recovered Rs. 28,122 between November 1982 and October 1983. Report on recovery of the balance amount is awaited (December 1984).

\* \* \* \* \*

The above cases were reported to Government between July 1982 and January 1984; their reply is awaited (December 1984).

In written reply, department stated as under :—

This para relates to the Haryana Roadways buses of Hissar, Sirsa and Gurgaon depots. Out of Rs. 1,08,405/— a sum of Rs. 59,770.60 Paise has since been deposited by the General Manager



Haryana Roadways Gurgaon on 12-7-85. The remaining amount of Rs 12,994.40 Paise is not recoverable as the seating capacity of one bus was reduced from 59 to 40. The record of the Registering Authority will be got amended regarding reduction of seating capacity. The balance amount of rupees 35,640/— relates to Haryana Roadways Sirsa and Hissar. Efforts are being made to recover this amount.

Registering Authority Sirsa has informed that he is pursuing the recovery. The reply of Registering Authority, Hissar is awaited.

Due to paucity of staff no review in other districts could be undertaken. A case regarding creation of internal audit is already under the consideration of Govt.

Suitable instructions have already been issued to the Registering Authorities.

No one was responsible as the short deposit of token tax was due to mis-understanding. The General Managers have been directed to deposit the amount of token tax after getting the record of Registering Authorities amended.

4.3 (ii) The Registering Authorities have intimated that the short recovery of tax was made as the vehicles could not be calassified properly by the dealing hand, being new.

Registering Authority, Bahadurgarh has intimated that balance recovery of Rs. 6875/— has been made and amount deposited into the Treasury by Challan No. 12 on 22-10-83.

Suitable instructions have been issued to the Registering Authorities to avoid such mistakes.

The matter was referred to Govt for legal opinion. The Govt. have intimated that the legal position is that "Token Tax can be levied from the date of Registration as the Vehicle can not be put on Road unless the same is registered under section 32 of the Act and not from the date of issue of fitness certificate".

Rupees 11,760/— have been recovered out of Rs. 24,790/—. On the receipt of above advice of the Govt. the Accountant General Haryana has been requested to drop all such type of such paras.

No action has been taken against any official and the tax has been charged according to the Govt. instructions.

Suitable instructions are issued to the Registering Authorities from time to time.

(i) During oral evidence, the departmental representative informed the Committee that the short deposit of token tax was due to

misunderstanding When called upon to clarify this, the department stated that the sitting capacity had actually been reduced subsequently but no intimation thereof was sent to the registering authorities and this resulted in short recovery of tax The Committee observe that in the absence of any intimation to the registering authorities, the question of effecting recovery on the reduced number of seats did not arise rather it was an irresponsible act on the part of the G Ms to have not sent the intimation to this effect.

The Committee, therefore, desire that department should initiate suitable action against delinquent officers/officials, who failed to send the requisite information to the registering authorities. A report in this behalf may also be sent to the Committee in due course.

(ii) During oral evidence the departmental representative informed the Committee that the short recovery of tax was made as the vehicles could not be classified properly by the dealing hand being new one. The Committee observe the plea is not tenable as the department should have put experienced hand as the recovery of Government revenue was involved. The Committee, therefore, desire that necessary disciplinary action should be initiated against the defaulting officers/officials and report sent to the Committee in due course.

*Paragraph 4.4. Irregular grant of exemption or rebate*

[49] (i) Under the Punjab Motor Vehicles Taxation Act, 1924 and the rules framed thereunder, the vehicles owned and kept for use by departments of Central or State Government are exempt from payment of tax. This exemption is, however, not admissible in respect of vehicles owned by Government undertakings or autonomous bodies.

(a) In Rohtak and Ambala, tax amounting to Rs. 1.24 lakhs was not realised in respect of 30 vehicles belonging to nine autonomus bodies and corporations, for different periods between January 1980 and September 1983.

On the omission being pointed out in audit (October 1982 and October 1983), the Registering Authority, Rohtak stated (April 1983) that action to realise the amount was being taken. Reply in respect of other cases and report on recovery is awaited (December 1984).

\* \* \* \* \*

The department in their written reply stated as under :—

1. The tax at full rate was not recovered from the vehicles belonging to autonomous bodies inadvertently.
2. Dealing officials have been directed to be careful in future.
3. Notices have been issued to the parties for payment of tax. Replies are awaited.
4. Suitable instructions have been issued to the Registering Authorities.

Both during oral evidence and in their written reply, the departmental representative stated that the tax was not recovered from the vehicles belonging to autonomous bodies inadvertently

The Committee observe with regret that the department could not make distinction between vehicles owned by a autonomous bodies and the Government. Rather, the department should have been circumspective in dealing with such cases where exemptions were to be allowed. The Committee was further informed that the notices have been issued to the parties for payment of tax

The Committee desire that matter may be pursued vigorously with the parties concerned and the amount of tax recovered.

*Paragraph 4.6 Non-renewal of registration of vehicles*

[50] Section 24(4) of the Motor Vehicles Act, 1939 was inserted by the Motor Vehicles (Amendment) Act 1978. It provides that a certificate of registration is valid only for a period of 15 years from the date of issue. Thereafter, it is renewable on payment of a prescribed fee. No fee for renewal has been prescribed by the State Government so far. Fee for first registration is Rs. 20 for motor cycles or scooter; Rs. 75 for cars or jeeps and Rs. 125 for tractors.

In respect of 865 vehicles registration certificate had become due for renewal, but registration had not been renewed. A sum of Rs. 50,695, which should have been realised as renewal fee (at rates for first registration), was lost to Government.

The failure to collect the fee for want of notification of rates was pointed out in audit between November 1983 and February 1984; reply of the department is awaited (December 1984).

The case was reported to Government between November 1983 and February 1984; their reply is awaited (December 1984).

The department in their written reply stated as under :—

1. The fees has been prescribed by the State Govt. as per notification No. G S R /43/CA-4/39/S, 24 & 41 /86 dated 30-5-86. (Copy enclosed).
2. Out of Rs. 50695/— a sum of Rs. 1185/— has since been recovered. Efforts are being made to recover fee in respect of the remaining vehicles.

**HARYANA GOVERNMENT**

**TRANSPORT DEPARTMENT**

**Notification.**

The 30th May, 1986.

**No. G.S.R. 43/C.A.4/39/S. 24 and 41/86:—**In exercise of the Powers

conferred by clauses (ba) and (I) of Sub Section (2) of section 41 of the Motor Vehicles Act, 1939 read with sub section (5) of section 24 of the said Act and all other powers enabling him in this behalf, and with reference to Haryana Govt, Transport Department, Notification N G.S.R.1/C.A.4/39/S 24/85, dated 31st, December, 1985 The Governor of Haryana hereby makes the following Rules further to amend the Punjab Motor Vehicles Rules, 1940, Namely :—

1 These Rules may be called The Punjab Motor Vehicles (Haryana Second Amendment) Rules, 1986.

2. In the Punjab Motor Vehicles Rules, 1940 (hereinafter called the said rules) after rule 3.1, the following rule shall be inserted, namely —

“3.1-A Renewal of registration of motor vehicles other than Transport vehicles-(1) and application for renewal of certificate of registration issued under sub-section (2) of section 24 of Motor Vehicle Act, 1939 in respect of Motor Vehicles other than Transport vehicles, under sub-section (5) of section 24 of the said Act, shall be made two months before the expiry of 15 years the certificate and an application for subsequent renewal shall be made one month before the expiry of the renewal of the certificate

2. The application for the renewal of the certificate of the registration of the motor vehicles under sub-section/rule (1) shall be accompanied by the fees prescribed under rule 3.20

3. The Registering Authority, on the receipt of the application under sub-rule (2), shall cause the vehicle to be inspected by an Inspector of Motor Vehicles and shall renew the certificate of registration if the vehicle is found to be in mechanically fit condition. Such renewal shall be valid for a period of 5 years from the date of expiry of initial registration, and for period of one year only in case of subsequent renewal.

4. On inspection, if the Inspector is satisfied, that such vehicle is in a mechanically defective condition he shall issue to the owner a memorandum for renewal of defects given therein and shall submit a copy of the inspection report to the Registering Authority

5. If on receipt of the copy of the inspection report the registering authority has reason to believe that owing to the mechanically defects which cannot be removed otherwise, the vehicle is in such condition that its use in a public place constitutes a danger to the public, or that, it fails to comply with the requirements of the chapter V of the said Act or of the rules made thereunder, he may, by order, refuse to renew the certificate of the registration in respect of that vehicle and shall furnish the applicant, a copy of such order, together with the reasons for such refusal.

6. The Registration Authority shall record below the certificate of registration of the vehicles the date of every inspection and whether it was found mechanically for defective condition."

3. In the said rules, in rule 3.20—

(a) For the marginal heading "Registration fees" be heading "fees for issue and renewal of certificate of registration" shall be substituted.

(b) In sub rule (2) after clause (d), the following clause shall be inserted, namely :—

(c) The fees for renewal of certificate of a registration of motor vehicle, other than transport vehicle shall be :—

(i) In respect of an invalid carriage. Rs. 5

(ii) In respect of Motor Cycle/Scooter/Moped. Rs. 10

(iii) In respect of light motor vehicle. Rs. 25

(iv) In respect of any other vehicle. Rs. 50

Sd/—L.C. Gupta,  
Secretary to Government, Haryana  
Transport Department.

During the course of oral evidence the departmental representative informed the Committee that earlier, the fee for renewal of registration fee was not prescribed and recovery was not effected. This position was till 30th May, 1986 and now they had amended the rules by issuing of notification dated 30th May, 1986 to include the renewal of registration and prescribed the fees to be charged for the purpose. The departmental representative also stated that it was difficult to identify the 15 years old vehicles and consequently to effect the recoveries in this case.

The Committee observe painfully that the department took nearly 8 years in prescribing the rates of renewal of registration fee for effecting the recoveries. Now, they are experiencing difficulty in identifying the vehicles which is not understandable. The Committee feel that the purpose of issuing the notification is defeated if it does not become possible to effect recovery in such cases.

The Committee, therefore, strongly recommend that concerted efforts should be made to identify the vehicles in respect of which recovery is due, amount recovered and the action proposed to be taken for the recovery of the balance amount. A detailed report to this effect be sent to the Committee within six months.

## REVENUE DEPARTMENT

### *Paragraph 5.4 Irregular grant of exemption*

[51] (1) As per a notification issued in July 1948 under the Indian Stamp Act, 1899; levy of stamp duty on instruments executed by any officer or member of a co-operative society was exempted, provided the transactions evidenced by the instrument related to the business of a society registered under the Co-operative Societies Act. This remission was withdrawn by Government by issue of a notification on 8th February 1962 but only in respect of the instrument executed by co-operative house building societies in urban areas, co-operative industrial societies and co-operative dairy farming societies, save where all the members of such a society belonged to scheduled castes.

On five instruments executed by a co-operative house building society situated in the urban area of Yamunanagar, on the purchase of land in rural area during the year 1982-83, stamp duty amounting to Rs. 2.08 lakhs was leviable, but was not levied.

On the irregular grant of exemption being pointed out in audit (November 1983), the Government confirmed (March 1984) that exemption from stamp duty would not be admissible in such cases. Report on recovery is awaited (December 1984)

\* \* \* \* \*

The department in their written reply stated as under :—

The House Building Coop. Societies, amongst others, were exempt from the stamp duty. But this exemption was withdrawn on 9-2-62 for the House Building Coop. Societies located in urban areas, but such exemption continued for House Building Societies in rural areas. Since in these cases the land was situated in rural area the stamp duty was not charged with the mistaken impression of exemption. The parties in all these 5 cases have gone to the High Court. No further date of bearing has been fixed so far, Recovery has been stayed.

In view of the position explained above, no responsibility has been fixed.

Since the matter is sub-judice, no recovery proceedings can be initiated at this stage.

Such cases have been detected by the Internal Audit of the Department also. For example, in Sub-Registrar Office Jagadhri in deed no. 3161 dated 2-7-83, No. 4181, dated 27-9-83, No. 4943, dated 21-11-83 and No. 6026, dated 25-1-84 similar

deficiencies pertaining to the House Building Coop. Societies were pointed out.

\* \* \* \* \*

In respect of 5 instruments executed by a Cooperative house building societies situated in the urban area of Yamunagar, stamp duty amounting to Rs. 2.08 lakhs had not been levied. When the department resorted to effect the recovery the parties are stated to have gone to the High Court and granted stay.

The Committee desire that the matter may be vigorously pursued to its logical conclusion and final outcome intimated to the Committee in due course.

*Paragraph 5.5. Non-recovery of stamp duty*

[52] The Indian Stamp Act, 1899, as adopted in Haryana, provides that stamp duty in respect of any instrument executed out of Haryana and relating to any property situated, or any matter or thing done or to be done in Haryana, shall be chargeable at the rates applicable to the instruments registered in Haryana, when it is received in the State. In doing so, the amount of duty already paid outside the State, will be allowed as set-off.

In the office of the Sub-Registrar, Ballabgarh, the balance of stamp duty amounting to Rs. 11,464 in respect of 53 instruments initially registered during the years 1973-74 to 1979-80 in the Central Registry Office, Delhi and subsequently received in Haryana, was not realised.

On the omission being pointed out in audit (March 1981), the department stated (April 1984) that Rs. 3,370 had since been recovered and efforts were being made to recover the balance amount of Rs. 8,094. Report on recovery is awaited (December 1984).

The case was reported to Government (June 1981), which directed (March 1984) the Deputy Commissioner to fix responsibility for non-realisation of balance of duty and to effect recovery of the same.

In their written reply, the department stated as under :—

In this matter, the advice of L.R. was obtained. According to his advice unless the original document is legally produced in a court of law under section 35 of the Stamp Act, 1899 or is impounded under section 33 thereof, no occasion for the recovery of deficient stamp arises. The objections for deficiency amounting to Rs. 11,464/— were merely on the copies of the Central registry deeds forwarded by the Delhi Administration to the Sub-Registrars concerned under section 67 of the Indian Registration Act, 1908. Legally, no action can be taken on the basis of the copies of such documents for recovery of any amount. Hence the objection is not tenable. Deputy Commissioner, Faridabad has intimated that at the instance of audit, a recovery of Rs. 3370 was, however, made, but

in the remaining cases no amount is recoverable. Hence this objection may be dropped.

The position has been stated above.

In view of the position stated in para-I above, no action is called for.

During oral evidence, the departmental representative informed the Committee that under section 35 of the Indian Stamp Act, "no instrument chargeable with duty shall be admitted in evidence for any purpose by any person having by law or consent of parties authority to receive evidence or shall be acted upon, registered or authenticated by any such person or by any public officer, unless such instrument is duly stamped." On a suggestion that the department should examine the provisions contained in Section 19 of the Indian Stamp Act regarding chargeability of stamp duty in such cases, the departmental representative assured the Committee that this would be done.

The Committee desire that the final outcome of the examination, so made, be intimated to them within three months.

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## INDUSTRIES DEPARTMENT

### *Paragraph 6.2. Non-recovery of money due under contract and interest*

[53] Under the Punjab Minor Mineral Concession Rules, 1964, as applicable in Haryana, a mining lease for quarrying is granted by auction or by inviting tenders. The lessee is required to deposit 25 per cent of the bid amount as security and another 25 per cent as advance payment immediately on the allotment of the contract. The balance amount of contract money is payable in advance in quarterly instalments. In the event of default in payment, the competent authority may, by giving a notice terminate the contract, forfeit the security and recover interest at the rate of twelve per cent per annum for the period of default.

(i) Contracts for extraction of boulder, *bajri* and Sand from quarries in Dehisara (Sonipat district) and Deodhar (Ambala district) were granted after obtaining annual bids of Rs. 10,000 and Rs. 95,100 for the years ending 31st March 1982 and 31st March 1983 respectively. The contractors failed to pay the quarterly instalments from April 1981 and November 1981 respectively. No action was taken by the department to terminate the contracts or to recover the balance amount of Rs. 1,39,410 (Rs. 9,543 in Sonipat and Rs. 1,29,867 in Ambala). Interest recoverable on overdue amounts amounted to Rs. 31,239 upto March 1984.

On the omission being pointed out in audit (July 1982 and May 1983), the department issued (August 1982) recovery certificate in the former case and recovered Rs. 1.34 lakhs in the latter case. Security of Rs. 23,775, in the latter case which was liable to be forfeited, was adjusted (not forfeited) against the outstanding dues in contravention of the terms of the contract. Report on recovery of amount due and interest in the former case is awaited (December 1984).

(ii) In Ambala, in 34 cases, quarterly instalments had not been paid before the due dates, during the years 1981-82 and 1982-83. The delays ranged between one week and seventeen months. Interest chargeable upto the date of actual payment (falling between June 1981 and April 1983) amounted to Rs. 78,095 which was not demanded.

On the omission being pointed out in audit (May 1983), the department recovered (between September 1983 and July 1984) the amount of Rs. 78,095.

(iii) In Sonipat district, quarterly instalments on five leases had not been paid within the prescribed period during the year 1982-83. Interest amounting to Rs. 12,058, which was chargeable, was not demanded.

On the omission being pointed out in audit (July 1983), the department stated (March 1984 and July 1984) that the amount of Rs. 11,895

had since been recovered. Report on recovery of the balance amount is awaited (December 1984).

The above cases were reported to Government in May 1983 and July 1983, their reply is awaited (December 1984).

The department in their written reply stated as under :—

1. (i) *Contract of Deodhar quarry of district Ambala*

Deodhar minor mineral quarry of tehsil Jagadhri district Ambala was on contract upto 31-3-1980 @ Rs. 5,600/— per annum. After the expiry of contract, this quarry was put to auction on 8-4-1980 for grant of fresh contract upto 31-3-1983, when it fetched a bid of Rs. 95,100/— per annum, much higher than the last annual contract money of Rs 5,600/—. Contract money being on higher side, the contractor was not able to pay the instalments on due dates. He was served notices under clause—16 of the contract agreement on 4-5-82, 29-6-82, 15-10-82 and 4-3-1983 asking him to deposit the instalment due within a period of 30 days failing which his contract would be terminated and security forfeited. Every time a notice under clause—16 was issued to the contractor instead of depositing complete contract money due from him, he made part payment which made the department to issue fresh notice to him. Moreover, it was not in public interest to terminate the contract as it would not have been possible to fetch a bid equal to this amount in the re-auction. After the expiry of the contract in question on 31-3-83, this quarry was again given on contract for the period from 18-4-83 to 31-3-88 but the contract had to be terminated because of non payment of contract money and since the termination of contract, the quarry has been put to re-auction number of times but it did not fetch any bid equivalent to the last accepted bid. Had the Department cancelled the contract in question, it would not have been possible to recover the contract money of Rs.95,100 per annum. No complete contract money upto 31-3-1983 alongwith interest @ 12% has been recovered from the previous contractor.

(ii) *Dehisara quarry*

The contract for extraction of sand from village Dehisara district Sonapat was granted to one Shri Rajinder Singh s/o Shri Karam Singh Vill. Jakholi district Sonapat from the period from 18-4-1980 to 31-3-1982. When the contractor failed to pay the contract money for the period from 18-4-81 to 17-7-81 a notice under clause-16 of the contract agreement was issued asking the contractor to deposit the due contract money within the period of 30 days failing which his contract would be terminated and security forfeited. But inspite of this notice, the contractor failed to pay the contract money. A recovery certificate amounting to Rs. 9,543/— was issued against the

contractor for recovering this amount as arrear of land revenue. General Manager, District Industries Centre, Sonipat is making all efforts to recover this amount as arrear of land revenue from the defaulter contractor. With this background in view the questionnaire is replied as under :—

1. As has been explained above, the contractor of Deodhar quarry could not be terminated as the contractor was making part payments against the notices issued to him under clause-16 of the contract agreement. Contract money for contract in question of Rs. 95,100/— per annum was much higher than the previous contract money of Rs. 5,600/— per annum. If the contract had been terminated, it would have not been possible to let out this quarry again on the same contract money. As has been stated above, at present this quarry is lying vacant as no one is coming forward to offer bid equivalent to the amount of Rs. 95,100/— per annum. The non termination of the contract was in public interest as it was the only way to recover the full contract money alongwith interest from the contractor.
2. Number of Notices under clause-16 of the contract agreement were issued to the contractor of Deodhar quarry on 29-6-81, 4-5-82, 15-10-82 and 4-3-1983. As would be clear from the details given above, complete contract money upto 31-3-1983 alongwith the interest on delayed payments @12% per annum has already been recovered from the contractor of Deodhar quarry and nothing is due from him. In case of Dchisara quarry, a recovery certificate amounting to Rs. 9,543/— has already been issued against the defaulting contractor. Efforts are being made by the General Manager, District Industries Centre, Sonipat to recover this amount as arrear of land revenue.
3. As has been explained in the preceding paras, the contract of Deodhar quarry could not be terminated on two accounts :—
  - (a) That the contractor made part payments against the demand/ notices issued to him under clause-16 of the contract agreement which lead to the issuance of fresh notices to him.
  - (b) That the contract money of Rs. 95,100/— was very much on the higher side as compared to the previous contract money of Rs. 5600/— per annum of this quarry upto 31-3-1980. In view of this fact, it was not in the public interest to terminate the contract as in case of termination of contract, this quarry would not have fetched the same amount in the re-auction as after the termination of last contract, at present this quarry is lying vacant inspite of number of re-auctions as no one is ready to offer bid equivalent to the last contract money.
4. Complete contract money alongwith 12% interest has been recovered of Deodhar quarry. For recovering the amount of Rs. 9,543/— alongwith interest of Dehisara quarry, a recovery certificate has already been issued against the defaulter

contractor Shri Rajinder Singh and General Manager, District Industries Centre, Sonapat is making all efforts to recover this amount as arrear of land revenue by issuing warrants against the defaulting contractor.

### 6.2(ii) & (iii)

The mining contractors are required to pay monthly, quarterly and annual instalments of contract money in advance depending upon the amount of annual contract money. Where the contract money is upto Rs. 1,000/— the instalment is payable annually. Where the contract money is more than Rs. 1000/— and less than Rs. 5 lakhs, the instalment is payable quarterly and where the contract money exceeds Rs. 5 lakhs per annum, the instalment is monthly. In case of contract money upto 5 lakhs; if the instalment is not paid within a period of 3 days of its becoming due, the contractor is liable to pay an interest @12% per annum for the period, the instalment is delayed and where the annual contract money exceeds Rs. 5 lakhs, if the instalment is not paid within a period of 7 days of its becoming due, interest @ 12% per annum is charged for the period, the instalment is delayed. The exact amount of interest to be charged on delayed payment can only be worked out when the contractor actually makes the payment of the due instalments. It has been reported by the field officers that some times contractor even after getting the challan filled up from their offices do not deposit instalment immediately and deposit the amount after the lapse of some time which result in further accumulation of interest. In some cases they deposit the instalment directly in banks without getting the challans countersigned from their offices. Because of this reason, interest on delayed payment cannot be charged alongwith due contract money. However, invariably, the demands were/ are being raised against the contractors for the recovery of interest on delayed payment. It is not correct to say that no demands of recovery of interest on delayed payments were raised by the field offices. The complete interest due i.e. Rs. 78,095/— in case of Ambala district has since been recovered. In case of district Sonapat, interest amounting to Rs. 12,058/— has since been recovered. With this background in view, the questionnaire is replied as under :—

1. Demand for recovery of interest on delayed payments, were raised only after the contractors had made payments on the delayed instalments. It is not correct to say that no demand was raised for recovery of interest on delayed payments.
2. In view of position stated in (1) above, no one is responsible for any lapse.

The provisions of rules are very clear on the subject and there is no ambiguity. Because of procedural difficulties as explained above, some time, the interest on delayed payments are recovered subsequent to the recovery of the delayed instalments.

4. Similar audits have been conducted by the audit parties in other districts also.

During the course of oral evidence placed before the Committee, it was observed that the contractors usually fail to pay the quarterly instalment on the due date and in the event of default in payment the contract is not terminated under the provision of the relevant rules. Further, the reauction of the mining lease is not held at the risk and cost of the original lessee to recover the deficient amount, if any, at the time of second auction. The departmental representative stated that it was due to non-existence of risk clause in the rules and that the matter for doing the same was under consideration.

The Committee desire that the final outcome of amending the rules in this regard be intimated to the Committee soon.

The Committee observe that usually instalments of the contract money are not paid within the prescribed period and interest due is either not worked out or not demanded promptly. The Committee, therefore, desire that the department in future should ensure prompt recovery of instalment money and recovery of amount of interest where the payments of instalments are delayed.

— — — —

P.W.D. (B & R)

*Paragraph 6.3. Non-recovery of rent for fans*

[54] Under the Punjab Civil Services Rules and the departmental instructions, rent is recoverable in respect of fans installed in residential buildings and maintained at the cost of Government

In Bhiwani, Kaithal and Sonapat, rent for fans was either not recovered or was recovered short from the occupants of residential buildings during the period from March 1973 to January 1979. Rent not realised amounted to Rs. 39,416.

On the mistake being pointed out in audit (between August 1978 and March 1979), the department recovered Rs. 6,936. Report on recovery of the balance amount is awaited (December 1984)

The cases were reported to Government between August 1978 and March 1979; their reply is awaited (December 1984).

The department in their written reply stated as Under :—

Outstanding recovery of fan rent mostly pertains to the Govt employees of various Deptts. who were entitled for rent free accommodations. The reasons for non recovery are as under :—

All Govt. buildings are kept theoretically on the books of P.W.D. but, the administrative control of these buildings lies with different deptts such as Distt. Admn, Police Deptt, Health Deptt etc These Deptts. do not intimate to the P.W.D. Divisions concerned about the allotment of Houses to their employees and the dates of vacation of these houses by them due to their transfer/resignation/retirement etc. The P.W.D Divisions are concerned with the issue of rent rolls only where as the recovery of fan rent is made by the concerned D.D.O.s of various Deptts It is the binding responsibility of the various D.D.Os to recover the amount of fan rent from the salaries of the Govt. employees concerned in accordance with the rent roll issued by the P.W.D and to send an intimation to this effect to the Divisional Officers enabling them to complete their record which has not been done by the Deptts. concerned.

The recovery of fan rent has also been disputed by the officers/officials who were entitled for rent free accommodations on the plea that when they are entitled for rent free accommodation, the charging of any rent for fans by the P.W.D is

not justified. The matter was referred to Govt. and the Govt vide their memo. No 44/5/83-I (B&R) dated 4-6-85 had decided that all officers should pay charges w.e.f. 1-4-85 for those houses-also where they are not charging this rent. But still, the officers of various departments did not pay fan rent on the plea that according to these instructions of Govt. regarding charging of fan rent prior to 1-4-85 are not tenable. The E.I.C. vide his letter No. 564/AC/81/3032-45 dated 1-4-86 and again vide no 564-AC-81/SOI/964/74 dated 30-1-87 has directed the SEs to issue rent rolls for the period prior to 1-4-85 also where not already issued and recover the amount from all concerned.

As per report of S.E. Jind, rent rolls were sent to all the concerned officials whose addresses were available through Chief Secy. Haryana but some of them have been received back un-delivered while the others stated that they did not occupy the Govt. residence at the places mentioned against them. C.M.O Sonipat have not supplied the list of officers/officials who were occupying the Govt. residence despite of repeated requests of Superintending Engineer, Jind made vide his letter Nos. 5714-17 dated 13-4-79, 8181-85 dt. 15-5-79, 91177 dated 2-6-79, 1454-58 dated 1-2-80, 1761-64 dated 22-2-82, 5664 dated 7-5-83, 16582 dated 11-12-83, 2696 dated 21-2-86 and 9390 dated 6-6-86. References were also made to Director Health Services, Haryana, Chandigarh vide S.E., Jind office letter No. 2235 dated 4-7-1987 and No. 2970 dated 21-8-1987 and E-in-C office D.O. Letter No. 12534 dated 17-8-1987.

The Police Deptt vide their letter No 17131 dated 18-7-86 has reported that all the officers/officials under police rules are entitled rent free accommodation and the accommodation so provided is fitted with Electricity & Ceiling fans. All the Police officers are exempted from fan rent.

Similarly S.E. Karnal also reported that regarding recovery of fan rent outstanding against various officials working in Primary Health Centre Siwan, the matter was taken up with C.M.O. Kurukshetra vide his letter No. 3178 dated 6-5-83. After that as many as 20 reminders were issued by, XEN/S.E. but the C.M.O. Kurukshetra did not respond even a single letter.

The matter was also taken up with various Heads of Deptts. by the Engineer-in-Chief from time to time regarding recovery of fan rent. On a reference made by E.I.C. to Commissioner and Secy. P.W.D. in March 1987 requesting the Government to intervene the matter and expedite recovery of fan rent from the department concerned, an advice of Chief Secy. to Govt. Haryana has been received in 7/87 where in it has been advised that issue of charging of fan rent from employees entitled to rent free accommodation may be considered by the Adminis-

trative Department and accordingly, necessary amendments in the rules may be got arranged. The matter is under consideration.

As stated in para (1) above none can be held responsible for the omission. The omission is on the part of the D.D.Os. of various departments who are not effecting recovery from the pay bills of the officers/officials concerned despite repeated requests made by this department.

Rent rolls are being issued regularly. Recovery in respect of officer/officials of this Deptt. is being made regularly and in respect of other departments the matter is being pursued vigorously at all levels.

According to the audit para a recovery of Rs. 39,416 pertaining to the period 3/73 to January 1979 was pointed out in respect of Bhiwani, Kaithal & Sonipat divisions as detailed here as under :—

<i>Sr. No.</i>	<i>Division</i>	<i>Amount</i>
1.	Kaithal	6184
2.	Sonepat	20133
3.	Bhiwani	13099
	Total	<u>39416</u>

Recovery position in respect of each division is as under :—

#### *1. Provl. Divn. Kaithal*

Out of Rs. 6184.40, a sum of Rs. 3614.55 has been recovered leaving a balance of Rs. 2569.85. Out of this balance an amount of Rs. 353.40 shown outstanding against Sh. Jai pal Singh Tehsildar as per audit para, are not found recoverable as no fan was provided in the residence of Tehsildar as per report of S.E. Karnal. The remaining amount to Rs. 2216.45 pertains to Health Deptt. That Deptt. is being pursued to recover the amount.

#### *2. Provl. Divn. Sonipat.*

The recovery pertains to the various departments is as under :—

1. Distt. Admn.	4930
2. Health Deptt.	10055
3. Judicial	600
4. P.W.D.	4640
5. Police	880
Total	<u>21105</u>

Amount already recovered by P.W.D.	972
Balance	<u>20133</u>



Out of total recovery of Rs. 20133 an amount of Rs. 341.28 and Rs. 3279.75 have further been recovered from the Distt. Administration and P.W.D Deptt. respectively. Balance amount of recovery mainly pertains to Distt. Administration, Health Deptt., Judiciary & Police Deptt. whose employees are entitled to rent free accommodation. The matter is being constantly pursued with these departments as discussed above.

### *3. Provl. Divn. Bhiwani*

Out of recovery of Rs. 13099 a sum of Rs. 5495.20 has already been recovered leaving a balance of Rs. 7603.80 for which efforts are on as discussed above.

The Committee note that in various districts rent for fans installed in residential buildings and maintained at the cost of Government had not been recovered during the period from March, 1973 to January, 1979. The departmental representative conceded during the oral evidence that it was a lapse on the part of the department and that till now no concrete measure had been resorted by the department to effect recoveries in these cases.

The Committee observe with dismay that the department did not take the matter seriously. It is a gross failure on the part of the department to allow the recoveries pending. The Committee, therefore, desire that concerted efforts should be made to effect the recoveries in all cases and final results of efforts, so made, by the department, be intimated to the Committee within six months.

### *Paragraph 6.5. Non-recovery of rent for lands leased to private parties*

[55] In respect of Government lands leased for setting up petrol pumps and approach roads, rent is recoverable at rates prescribed by the Government.

In Sirsa, Ambala and Hisar districts, rent recoverable for Government land leased to private parties, for setting up petrol pumps and approach roads amounted to Rs. 23,439, but the amount was not realised during the years 1971-72 to 1982-83.

On the omission being pointed out in audit (between June 1979 and October 1983), the department recovered Rs. 8,383. Report on recovery of the balance amount of Rs. 15,056 is awaited.

The case was reported to Government (between June 1979 and October 1983); their reply is awaited (December 1984).

The department in their written reply stated as under :—

The recovery of rent of land issued to private parties have been made after execution of proper lease agreement.

In order to avoid accumulation of such arrears in future, necessary instructions for strict compliance of the instructions contained

in para 7.59, 7.62, 7.64 and 7.67 of the P.W.D. B & R Manual of orders have since been issued to all the SEs/XENs vide E.I.C. letter No. 649-AC-82/578-90/AC dated 24-1-85. They have been requested that execution of the lease deed agreements for all cases of lease of land, their proper upkeep, maintenance of lease register and realisation of the lease money in time should scrupulously be followed. These instructions have again been reiterated vide E.I.C. office Memo No 1137-AC-87/12866-73 dated 27-8-1987.

2. Recovery of rent for land leased out to private parties for setting up petrol pumps and approach roads as since been made in full in all the three Provl. Divns. i.e. Sirsa, Ambala and Hisar. Requisite detail of recovery have also since been supplied to A G Haryana vide E.I.C. letter No 719-AC-84/6950/AC dated 8-8-85 and again vide No 719-AC-84/1708/AC dated 26-2-86.

Necessary instructions have been issued to all SEs/XENs vide letter dated 24-1-85. However, these instructions have again been reiterated vide this office letter No 1137-AC-87/12860-73 dated 27-8-87. The recovery has been brought up to date. Necessary lease registers have also been got opened to watch their recovery. In view of the position explained above the para may kindly be dropped.

During the oral evidence, the departmental representative admitted the lapse for non-recovery of rent for land leased to private parties in Sirsa, Ambala and Hisar Districts. The Committee view this as a serious omission and gross negligence on the part of the supervisory staff that the records were not maintained in proper manner.

The departmental representative further assured the Committee that efforts were on foot to tide over the system in the near future. The Committee desire that department should make concerted efforts to solve their problems and set right and a detailed report in this regard be sent to the Committee within three months.

The Committee further desire that the report on the recovery of the balance amount may also be sent to them.

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## FINANCE DEPARTMENT

### *Paragraph 6.7. State Lotteries*

[56] In order to mobilise additional resources, the Government of Haryana has been conducting State lotteries from November 1968 except that during the period from September 1979 to December 1979 and from April 1980 to June 1980, the lotteries were suspended. The tickets are sold through agents who are paid a commission; but the scheme is administered by a Directorate in the Finance Department.

(i) The financial results of the draws held during the years 1978-79 to 1983-84 are given below :—

	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84
	(In lakhs of rupees)					
Gross Collection (Revised estimates of collection)	1,45.81 (90 00)	1,22 36 (1,39 00)	1,55.11 (1,70 00)	2,88 44 (2,65 00)	6,83.08 (6,48 00)	9,50.72 (9,44 00)
Total expenditure	1,24.61	1,20.00	1,52 31	2,64.53	5,79.14	8,03.79
Net realisation	21.20	2.36	28 0	23 91	1,03.94	1,46.93
Percentage of net realisation to gross collection	14 53	1.93	1.80	8.28	15.21	15.45

The decline in the percentage of net realisation during the years 1979-80 and 1980-81 was attributed to suspension of lotteries for some months during these years.

(ii) Two lotteries were conducted with first prize of Rs. 1 lakh (Maha Laxmi Weekly Lottery) and Rs. 10,000 (Janta Monthly Lottery). The Janta lotteries were also converted into weekly lotteries from 2nd January 1980. The profits from Janta weekly draws declined from April 1983 because competition from other State lotteries was affecting Haryana lotteries and it was discontinued from 24th May 1983.

(iii) A new lottery, viz, Super Weekly Lottery was introduced from 27th July 1983 with first prize of Rs. 15 lakhs. But only four draws were held and it was closed in August 1983.

Under the Super Weekly draws, 18 lakh tickets of Rs. 2 each were to be sold. The amount of prize monies for each draw was fixed at Rs. 22.96 lakhs, estimating profit from a draw at Rs. 3.25 lakhs. But sale proceeds from tickets amounted to only Rs. 71.32 lakhs in the four draws, instead of Rs. 1.44 lakhs and net loss was Rs. 26.43 lakhs instead of a profit of Rs. 13 lakhs. Further, loss of Rs. 96,372 was incurred

on printing of tickets for fifth and sixth draws, which never took place. The department concluded that bumper draw tickets and Re. one tickets were popular but not tickets in middle ranges.

(iv) As per the financial rules, departmental receipts cannot be utilised for expenditure. However, the sale proceeds from lottery tickets were being utilised for meeting contingent expenditure and payment of commission and bonus to agents and sellers. Sale proceeds amounting to Rs. 96,745 were also allowed to be retained by the agents and sellers during the year 1982-83 and the amount was eventually adjusted against their claims. These practices were irregular as per Financial Rules. The question of relaxing the rules in the case of lottery department was stated to be under consideration of the Government. No rules and regulations have been framed for accounting of lottery tickets. For each draw, account of prizes given and unclaimed prizes were not maintained. The department had not introduced any system of internal audit of the lottery receipts and expenditure, save for appointing an Assistant Director for the purpose in 1971-72.

Non-maintenance of detailed accounts in proper form and non-introduction of internal audit system was attributed by the department (October 1984) to shortage of staff.

The above findings were reported to Government in September 1984; their replies are awaited (December 1984).

The department in their written reply stated as under :—

- (i) There was a proposal about closure of Haryana State Lotteries Department and as such the lottery schemes remained suspended for the said period.

Lottery Deptt. is essentially a commercial organisation and in a commercial organisation a little set back has far reaching consequences and in the circumstances, the decline in the percentage of net realisation during the period 1979-80, 1980-81 was a natural corollary.

- (ii) The viability of the scheme was studied not only before its introduction but to make it more popular with the people and to make it a sure success, its viability was studied even at subsequent stages.
  - (iii) The trend of the lottery market/lottery schemes introduced by the other State Govt were always kept in view and in fact when ever a lottery scheme is introduced, through study of the existing schemes in the market is essential.
2. The Super Weekly Lottery Scheme like all other scheme introduced in the market on trial basis. The scheme had all the inherent elements of attracting the masses and the agents/sellers alike, but it was just a change that it could not make head-way in the then prevailing market conditions and thus instead of

receiving profit it resulted as losses. However, overall the Deptt. was in profit.

Utilisation of departmental receipts against departmental expenditure was in the interest of the Deptt. as against prize winning tickets of the lower denomination the lottery tickets of the subsequent draws were sold which was in the interest of the State. If the Prizes of the lower denomination are not paid to the winners by our sale officers /agents in country, this will adversely affect the sale of the lottery tickets. As regards the contravention of the codal provision, it is submitted that the Govt. was approached to amend the rules in this behalf and the State Govt. has in principle agreed to the amendment to sub rule-2 of rule 7 of the Punjab Treasury rule for which matter has been taken up with A.G. for his concurrence before doing so.

At the time of floating, a lottery scheme the term & condition of the scheme are brought out in the salient features, as was done in the case of Haryana Supper Weekly lottery as would be apparent. Therefore, that there was a specific provision to allow Additional Commission to the agent on the basis of the commulative purchases from 1st draw schedule to be held on 27-7-83. The amount of Rs 96745/- referred to in Audit para actually pertains to the annual Bonus payable to the Agents, on a/c of their commulative purchase and adjustment in respect of which was allowed by the department. Thus there is no question of entering into any agreement with the Agents for the retenuism of Govt. money.

- (3) The concurrence of A.G Haryana to the amendment of the rules is awaited, the Govt. has agreed to the amendment of the rules in principle.
- (4) As the utilisation of Deptt. receipt towards deptt. expenditure is essentially to the interest of the Deptt. The procedure is still in rogue.
- (5) The instructions for accounting of lotteries tickets issued by the Deptt. from time to time were being adhered to.
- (6) Proper accounts of each draw showing unclaimed prizes etc. are being maintained.
- (7) Department has not yet introduced the system of internal audit for want of adequate staff. Steps are, however, being taken to do the needful.

The Committee noted that the department had not introduced any system of internal audit of the Lottery receipts and the expenditure and nor were the detailed accounts maintained in proper form. The non-introduction of internal audit system was attributed by the department to shortage of staff.

The Committee, therefore, desire that :

- (i) Proper rules and regulations should be framed for counting of lottery tickets of each draw including accounts of prizes given and unclaimed prizes.
- (ii) the details of unclaimed prizes included in the amounts of net realization from 1978-79 to-date be intimated to the Committee.
- (iii) The department should make necessary arrangements to secure adequate staff for introduction of internal audit system so that cases of losses and embezzlement are detected speedily soon after their occurrence.

The Committee further noted that although the financial rules prohibited yet the sale proceeds from lottery tickets were being utilised for meeting contingent expenditure and payment of commission and bonus to agents and sellers. The Committee was informed during the oral evidence that the question of relaxing the rules in the case of Lottery Department was under consideration of the Government.

The Committee desire that the final outcome regarding relaxation of the rules may be intimated to the Committee and until a decision to this effect is taken, no departmental receipt should be utilised for meeting contingent expenditure.

## APPENDIX

Statement showing the outstanding observations/recommendations of the Public Accounts Committee of the Haryana Vidhan Sabha on which the Government is yet to take final decision

<i>Sr.No.</i>	<i>Name of Department</i>	<i>Paragraph</i>	<i>Brief Subject</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>

## 6th Report

- |    |                     |    |                           |
|----|---------------------|----|---------------------------|
| 1. | Industries          | 8  | Investments.              |
| 2. | Industries          | 9  | Other Investments.        |
| 3. | Technical Education | 36 | Junior Technical Schools. |

## 7th Report

- |    |  |    |                       |
|----|--|----|-----------------------|
| 4. | Haryana Khadi & Village Industries Board | 16 | Gobar Gas Plant.      |
| 5. | P.W.D. (Building and Roads)              | 33 | Payment of work done. |

## 9th Report

- |    |            |   |  |
|----|------------|---|--|
| 6. | Industries | 5 | Credit facilities for development of small scale industries. |
|----|------------|---|--|

## 11th Report

- |    |                             |    |                                   |
|----|-----------------------------|----|-----------------------------------|
| 7. | P.W D. (Building and Roads) | 37 | Recoveries due from a contractor. |
|----|-----------------------------|----|-----------------------------------|

## 14th Report

- |     |              |    |   |
|-----|--------------|----|---|
| 8.  | Agriculture  | 11 | Non-recovery of discount  |
| 9.  | Industries   | 16 | Purchase of Cotton Yarn   |
| 10. | Colonization | 32 | Development of Mandis.  |
| 11. | Co-operation | 44 | Haryana State Co-operative Supply and Marketing Federation Limited, Chandigarh. |

## 15th Report

- |     |         |   |  |
|-----|---------|---|--|
| 12. | General | 4 | Excess over Voted Grants/Charged Appropriation |
|-----|---------|---|--|

1	2	3	4
13.	Agriculture	6	Distribution of taccavi loan in the form of chemical fertilizers
14.	Civil Aviation	15	Aviation Clubs Hisar and Karnal.
15.	Development & Panchayats	18	Unspent balances of Grants paid to Local Bodies etc.
<b>16th Report</b>			
16.	Industries	2	Subsidy for setting up Industrial Units in selected backward areas
17.	Industries	3	Industrial Development Colonies.
<b>17th Report</b>			
18.	Revenue	17	Non-execution of conveyance deeds
19.	Chief Electrical Inspector (Power Deptt.)	20	Taxes and duties on Electricity, Non-realisation of Inspection fees.
<b>18th Report</b>			
20.	Agriculture	14	Distribution of taccavi loans in the form of chemical fertilizer.
21.	Lotteries	22	Extra expenditure
22.	P.W.D. (Building and Roads)	28	Embezzlement
23.	P.W.D. (Public Health)	31	Recoveries due from Contractors.
24.	Industrial Training	34	Shortages.
25.	Food and Supplies	35	Other topics of interest
26.	Co-operation	39	Co-operative Consumer Stores.
27.	Co-operation	41	Haryana State Co-operative Industrial Federation Limited, Chandigarh.
28.	Co-operation	42	Co-operative Sugar Mills.
29.	Revenue	43	Rules for determining Market value of lands and property
30.	Revenue	44	Under-valuation of immovable property



1	2	3	4
31.	Revenue	45	Non recovery of stamp duty on certificates of sale issued under the Displaced Persons Compensation and Rehabilitation Act, 1954
32.	Revenue	46	Non-levy of stamp duty and registration fee
33.	Revenue	47	Incorrect application of rates of stamp duty and registration fee on lease deeds.
34.	Revenue	48	Non levy of stamp duty
35.	Revenue	49	Short levy of stamp duty and registration fee on lease deeds
36.	Transport	51	Results of audit
<b>19th Report</b>			
37.	Social Welfare	7	Interest free loans to students
38.	Public Relations	8	Setting up of an open air theatre in village Kaul (District Kurukshetra)
39.	Revenue	9	Allotment of house sites to rural landless harijans and backward classes
40.	Education	10	Grants paid to educational institutions
41.	Housing	15	Middle Income Group Housing Scheme
42.	Transport	17	Alleged misappropriation of uniform cloth
43.	Co-operation	23	Financial assistance to Co-operative Societies
44.	Co-operation	24	Co-operative Banks
45.	Co-operation	25	Co-operative Consumers stores.
46.	Co-operation	26	Haryana State Federation of Consumers Co-operative Wholesale Stores Limited, Chandigarh.
47.	Co-operation	27	Haryana State Co-operative Supply and Marketing Federation Limited, Chandigarh.

1	2	3	4
48.	Agriculture	28	Social conservation and water management works.
49.	Agriculture	29	Small Marginal Farmers and Agricultural Labourers Development Agency.
50.	Agriculture	30	Drought Prone Area Programme (DPAP) Agencies.
51.	Excise and Taxation	31	Result of test audit in general.
52.	Excise and Taxation	32	Inter-state sales treated as inter State sales.
53.	Excise and Taxation	33	Inter State sales treated as transfers.
54.	Excise and Taxation	34	Incorrect deduction of export sales.
55.	Excise and Taxation	35	Non-levy of tax on packing material.
56.	Excise and Taxation	36	Non-payment of Tax.
57.	Excise and Taxation	37	Non-levy of penalty for concealment of sales and non-levy of minimum penalty.
58.	Excise and Taxation	38	Non-levy of interest.
59.	Excise and Taxation	39	Shortfall of excise duty and loss in excise of the ceiling limit.
60.	Excise and Taxation	40	Loss of duty on excess wastage.
61.	Excise and Taxation	41	Unintended financial aid to licensees.
62.	Transport	42	Results of test audit.
63.	Transport	43	Non-realisation of trade certificate fee.
64.	Transport	44	Short levy of tax due to incorrect application of rates.
65.	Transport	45	Short levy of token tax due to incorrect classification of vehicles.
66.	Co-operation	46	Under assessment of audit fee.

1	2	3	4
67.	Revenue	47	Non-recovery of stamp duty on certificate of sales
68.	Revenue	48	Short levy of registration fee.
69.	Revenue	49	Short levy of stamp duty.
70.	Revenue	50	Short levy of stamp duty and registration fee on lease deeds.
<b>20th Report</b>			
71.	Finance	1	Excess over voted grants/charged appropriation for the year 1979-80 and 1980-81.

**21st Report**

72.	Food and Supplies	3	Loss of Rs. 2.85 lakhs.
73.	Medical and Health	5	Idle Machinery and equipment.
74.	Housing	7	Low Income Group Housing Scheme.
75.	Education	8	Establishment of book banks in schools.
76.	P.W.D. (Public Health)	9	Shortages.
77.	Agriculture	11	Drought Prone Area Development Agency, Narnaul.
78.	P.W.D. (Public Health)	12	Outstanding Recoveries against contractors.
79.	Irrigation	14	Excess payment to contractors.
80.	Irrigation	15	Outstanding recoveries against contractors.
81.	Irrigation	16	Gates and gearing for head regulator.
82.	Transport	17	Haryana Roadways Workshop facilities.
83.	Transport	18	Purchase of Lands.
84.	Local Government	19	Grants/Loans paid to Local bodies.
85.	Co-operation	20	Co-operative consumer stores.

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86.	Co-operation	21	Haryana State Co-operative Supply and Marketing Federation Ltd., Chandigarh.
87.	Transport	22	Short levy of Road tax
88.	Irrigation	23	Arrears of water rates for supply of water for Irrigation/non-irrigation purposes.
89.	Irrigation	24	Non-Utilisation/disposal of surplus land of abandoned canal.
90.	Revenue	25	Result of Audit.
91.	Revenue	26	Short levy of stamp duty and registration fee on lease deed.
92.	Revenue	27	Incorrect classification of settlement deed as deed of declaration of trust.
93.	Excise and Taxation	28	Results of test audit in general.
94.	Excise and Taxation	29	Incorrect deductions.
95.	Excise and Taxation	30	Short levy of purchase tax.
96.	Excise and Taxation	31	Non levy of penalty for misuse of certificates or registration.
97.	Excise and Taxation	32	Non levy of minimum penalty.
98.	Excise and Taxation	33	Non levy of interest.
99.	Excise and Taxation	34	Collection of sales tax.
<b>22nd Report</b>			
100.	Revenue	4	Outstanding Audit observations.
101.	Revenue	5	Outstanding Inspection Reports.
102.	Animal Husbandry	6	Intensive cattle development projects.
103.	Development	7	Food for work programme.
104.	P.W.D. (Public Health)	9	Grants/loans for water supply and sewerage schemes.
105.	Industries	10	Industrial Estates.
106.	Industries	11	Design centre for fancy leather goods, Rewari.

1	2	3	4
107.	Industries	12	Supply of Sub-standard material.
108.	Industries	13	Excess grants.
109.	Co-operation	14	Financial assistance to Co-operative Societies.
110.	Co-operation	15	Co-operative Banks.
111.	Co-operation	16	Co-operative Consumer stores.
112.	Co-operation	17	Haryana State Federation of Consumers Co-operative Wholesale Stores Limited, Chandigarh.
113.	Irrigation	18	Remodelling and lining of Hansi Branch.
114.	Irrigation	19	Construction of Sewana Majra Minor.
115.	Irrigation	20	Penal recovery of cost of coal issued to Kiln Contractors in excess of requirements.
116	Irrigation	21	Synopsis of important stores accounts.
117.	Irrigation	22	Physical verification of stores.
118.	Irrigation	23	Shortages.
119.	Medical and Heath	25	Shortages in stores.
120.	Agriculture	27	Intensive Oil Seeds Development Programme.
121.	Agriculture	28	Loss due to leakage of pesticides
122.	Agriculture	29	Alleged mis-appropriation of cash and stores.
123.	Co-operation	30	Incorrect exemption from payment of audit fee.
124.	Co-operation	31	Short realisation of audit fee.
125.	Co-operation	32	Non-recovery/short recovery of audit fee from Cinema Societies.
126.	Transport	33	Outstanding inspection reports.
127.	Transport	34	Results of Test audit.

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128.	Transport	35	Irregular grant of rebate of token tax.
129.	Transport	36	Non-levy of token tax on vehicles owned by autonomous bodies.
130.	Transport	37	Short levy of road tax.
131.	Transport	38	Short levy of tax due to incorrect application of tax
132.	Revenue	39	Land holding tax.
133.	Revenue	40	Non-levy of registration fee.
134.	Industries	41	Short realisation of royalty on brick earth.
135.	Industries	42	Non-realisation of dues.
136.	Irrigation	43	Non-recovery of royalty
137.	P.W D. (B.&R )	44	Receipts from residential buildings.
138.	Excise and Taxation	45	Results of test audit in general.
139.	Excise and Taxation	46	Arrears in assessment of sales tax.
140.	Excise and Taxation	47	Under-assessment of Central sales tax
141.	Excise and Taxation	48	Incorrect deductions.
142.	Excise and Taxation	49	Short levy of purchase tax
143.	Excise and Taxation	50	Short levy of tax on consignment sales
144.	Excise and Taxation	51	Non-levy of penalty for delay in furnishing the returns.
145.	Excise and Taxation	52	Loss of duty on excess wastage in bottling operation.
146.	Excise and Taxation	53	Loss of duty on excess storage wastage
147.	Excise and Taxation	54	Shortfall in duty.
148.	Excise and Taxation	55	Loss of revenue due to delay in re-auction of vends.
149.	Excise and Taxation	56	Recovery due from contractor.
150.	Excise and Taxation	57	Short levy of passengers tax.
151.	Excise and Taxation	58	Non-recovery of entertainment duty.

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<b>23rd Report</b>			
152.	Animal Husbandry	3	Loss in auction of wool.
153.	P W D. (Public Health)	4	Recoveries due from a contractor.
154	Printing and Stationery	5	Shortage of books.
155	P.W D (Building and Roads)	6	Extra expenditure
156	P.W D. (Building and Roads)	7	Shortages.
157	Welfare of scheduled castes and backward classes.	8	Construction of houses for Harijans in Jayanti villages.
158	Food and Supplies	9	Loss of Rs. 1.69 lakhs.
159	Medical and Health	10	National Malaria Eradication Programme in Haryana.
160.	Medical and Health	11	Surveillance phase
161.	Medical and Health	12	Other topics of interest.
162.	Medical and Health	13	Implementation of Prevention of Food Adulteration Act, 1954
163.	Medical and Health	14	Performance.
164.	Medical and Health	15	Sampling of food articles.
165	Medical and Health	16	Performance of Food/Senior Sanitary Inspectors and Tehsil Sanitary Inspectors.
166	Medical and Health	17	Percentage of adulterated articles.
167.	Medical and Health	18	Launching of prosecutions.
168	Social Welfare	19	Special nutrition programme.
169	Social Welfare	20	Selection of area.
170	Social Welfare	21	Selection of beneficiaries.
171.	Social Welfare	22	Supply of food
172.	Social Welfare	23	Unauthorised collection from beneficiaries (Rs. 1.55 lakhs).
173.	Social Welfare	24	Immunisation Programme.

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174.	Social Welfare	25	Programme in drought area (Rs. 4.73 lakhs.)
175.	Social Welfare	26	Evaluation.
176.	Lotteries	27	Nugatory expenditure.
177.	Irrigation	28	Theft of cash.
178.	Irrigation	29	Avoidable loss.
179.	Irrigation	30	Recoveries due from defaulting contractors.
180.	Irrigation	31	Shortages.
181.	Special Project Cell	32	Integrated Rural Development Programme.
182.	Co-operation	33	Co-operative Banks.
183.	Co-operation	34	Co-operative Consumers stores.
184.	Co-operation	35	Haryana State Federation of Consumers Co-operative Wholesale Stores Limited, Chandigarh.
185.	Co-operation	36	Co-operative Sugar Mills.
186.	Co-operation	37	Short realisation of audit fee.
187.	Industries	38	Short realisation of royalty on brick earth.
188.	Industries	39	Short collection of royalty.
189.	Revenue	40	Under-valuation of immovable property.
190.	Revenue	41	Short levy of stamp duty and registration fee.
191.	Revenue	42	Short levy of stamp duty and registration fee due to application of incorrect rate.
192.	Transport	43	Non-levy of token tax.
193.	Transport	44	Short levy of token tax on stage carriages.
194.	Transport	45	Non-realisation of trade certificate fee.



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195	Transport	46	Short levy of tax due to application of incorrect rate.
196.	Excise and Taxation	47	Uncollected Revenue.
197.	Excise and Taxation	48	Outstanding inspection reports.
198.	Excise and Taxation	49	Results of test audit in general.
199.	Excise and Taxation	50	Irregular exemption.
200.	Excise and Taxation	51	Under-assessment of Central sales tax
201.	Excise and Taxation	52	Incorrect deductions of declared goods.
202.	Excise and Taxation	53	Inadmissible deduction from gross turnover.
203.	Excise and Taxation	54	Non-levy of penalty for suppression of sales.
204.	Excise and Taxation	55	Results of test audit in general
205.	Excise and Taxation	56	Recovery due on account of re-auction of vend.
206.	Excise and Taxation	57	Failure to initiate action to recover the license fee.
207.	Excise and Taxation	58	Loss of duty on excess storage wastage.
208.	Excise and Taxation	59	Loss of duty on excess wastage in bottling operation.

#### 24th Report

209.	Finance	1	Excess over voted grants/charged appropriation for the year 1981-82 & 1982-83
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#### 25th Report

210.	Co-operation	3	Financial assistance to Co-operative Societies.
211.	Co-operation	4	Co-operative Banks.
212.	Co-operation	5	Co-operative Consumer Stores.
213.	Co-operation	6	Co-operative Sugar Mills.

1	2	3	4
214.	Colonization	7	Development of Mandis.
215.	Colonization	8	Fixation of reserve price and sale.
216.	Colonization	9	Encroachment of Land.
217.	Colonization	10	Delay in auction of plots.
218.	Colonization	11	Recoveries from plot holders.
219.	Colonization	12	Non-accountal of recoveries.
220.	Colonization	12(a)	Financial Results.
221.	Sports	13	Grants to sports organisations.
222.	Food and Supplies	14	Misappropriation of wheat stocks
223.	Food and Supplies	15	Abnormal shortage/quality cuts on damaged wheat stocks.
224.	P.W.D. (Public Health)	16	Avoidable liability.
225.	P.W.D. (Public Health)	17	Outstanding inspection reports.
226.	Transport	18	Theft of cash.
227.	P.W.D. (B&R)	19	Excess payment.
228.	P.W.D. (B&R)	20	Wasteful expenditure.
229.	P.W.D. (B&R)	21	Extra liability.
230.	P.W.D. (B&R)	22	General.
231.	Technical Education	23	Avoidable expenditure.
232.	Agriculture	24	Outstanding inspection reports.
233.	Agriculture	25	Shortages.
234.	Agriculture	26	Sale of wheat seed.
235.	Industries	27	District Industries Centres.
236.	Industries	28	Export Production Project, Panipat.
237.	Industries	29	Haryana Khadi and Village Industries Board.
238.	Education	30	Embezzlement.
239.	Fisheries	31	Development of fisheries.
240.	Medical and Health	32	Community Health Volunteers/Health Guides Scheme.

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241.	Medical and Health	33.	Idle/under utilised machinery and equipment.
242.	Irrigation	34	Pandit Jawahar Lal Nehru Lift Irrigation Scheme.
243.	Irrigation	35	Nagal Lift Irrigation Scheme.
244	Irrigation	36	New Tajewala Barrage at Hathnikund.
245.	Development	37	Desert Development Programme.
246.	Forest	38	Non-recovery of liquidated damages.
247.	Industries	39	Short realisation of royalty on bricks.
248.	Industries	40	Short recovery of royalty.
249.	Industries	41	Interest not charged on delayed payments
250.	P W D (B&R)	42	Short recovery of rent.
251.	Transport	43	Results of audit.
252.	Transport	44	Short levy of tax.
253.	Transport	45	Non-levy of tax for additional seat.
254.	Transport	46	Non-levy of tax at revised rates.
255.	Transport.	47	Short levy of tax on private carrier vehicles
256.	Transport	48	Short realisation of permit fee.
257.	Revenue	49	Application of incorrect rate:
258	Revenue	50	Evasion of stamp duty
259.	Revenue	51	Incorrect exemption.
260	Revenue	52	Short levy of stamp duty and registration fee.
261.	Co-operation	53	Short realisation of audit fee.
262.	Excise and Taxation	54	Un-collected revenue
263	Excise and Taxation	55	Outstanding inspection reports.
264.	Excise and Taxation	56	Results of audit

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265.	Excise and Taxation	57	Failure to levy tax.
266.	Excise and Taxation	58	Incorrect computation of tax on inter-state sales.
267.	Excise and Taxation	59	Incorrect grant of exemptions.
268.	Excise and Taxation	60	Mistakes in applying rates and in calculation.
269.	Excise and Taxation	61	Failure to take timely action to safeguard revenue.
270.	Excise and Taxation	62	Non-levy or short levy of penalty.
271.	Excise and Taxation	63	Interest not charged.
272.	Excise and Taxation	64	Delays in reassessment of remanded cases.
273.	Excise and Taxation	65	Results of audit.
274.	Excise and Taxation	66	Internal audit of tax assessment and collection.
275.	Excise and Taxation	67	Irregular allowance for wastage.
276.	Excise and Taxation	68	Interest not recovered
277.	Excise and Taxation	69	Failure to enforce license conditions.
278.	Excise and Taxation	70	Assessment in arrears.
279.	Excise and Taxation	71	Shortfalls in demand and recovery.

#### 26th Report

280.	Printing and Stationery	3	Loss due to fire.
281.	Labour Department	4	Review on the working of Inspectorate of Factories and Steam Boilers and Control of Smoke Nuisances.
282.	Home	5	Embezzlement.
283.	Home	6	Over payment.
284.	Home	7	Outstanding inspection reports.
285.	P.W.D. (Public Health)	8	Abandonment of a percolation well.

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286.	P.W.D. (Public Health)	9	Utilisation certificates.
287.	Revenue	10	Gratuitous relief for crops/houses damaged.
288.	Revenue	11	Stamps
289.	Education	12	Outstanding audit observations.
290.	Development	13	Excess payment of subsidy.
291.	Food and Supplies.	14	States Reserve Food Scheme.
292.	Medical and Health	15	Rural Health Programme.
293.	Medical and Health	16	Extra Payment
294.	Medical and Health	17	Idle/under-utilised machinery and equipment.
295.	Environment	18	Implementation of the Water (Prevention and Control of Pollution) Act, 1974.
296.	Irrigation	19	Minor Irrigation Development Programme.
297.	Irrigation	20	Injudicious purchase of G.I. pipes.
298.	Irrigation	21	Defective Execution of earth-work.
299.	Irrigation	22	Faulty measurements of work resulting in overpayments.
300.	Irrigation	23	Breach in the Sunder Sub-Branch.
301.	Irrigation	24	Extra expenditure on electric charges.
302.	Irrigation	25	General.
303.	Irrigation	26	Pilferage of bricks and tiles.
304.	Civil Aviation	27	Making people of Haryana air-minded.
305.	Civil Aviation	28	Irregular payment of customs duty.
306.	Social Welfare	29	Integrated child development services.

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307.	P.W.D (B&R)	30	Additional liability due to delay in acceptance of a tender.
308.	P.W.D (B&R)	31	Extra liability due to faulty allotment letter.
309.	P.W.D. (B&R)	32	Outstanding inspection reports.
310.	Transport	33	Fabrication of bus bodies.
311.	Transport	34	Short recovery of Adda fee.
312.	Transport	35	Avoidable payment of interest.
313.	Transport	36	Late commissioning of new buses.
314.	Industries	37	Non-utilisation of staff.
315.	Transport	38	Irregular grant of exemption from Motor Vehicles tax.
316.	Transport	39	Non-realisation of fee for issue of trade certificate to dealers in motor vehicles.
317.	Revenue	40	Short recovery of stamp duty and registration fees due to under-valuation of immovable property.
318.	Revenue	41	Short levy due to mistake in computation.
319.	Revenue	42	Irregular grant of exemption from stamp duty and registration fee.
320.	P. W. D.(B&R)	43	Short recovery of rent for fans.
321.	Industries	44	Mines and Minerals.
322.	Industries	45	Non-recovery of royalty on brick earth.
323.	Industries	46	Non-recovery of dues on minerals extracted illegally.
324.	Co-operation	47	Non-realisation of audit fee.
325.	Co-operation	48	Short realisation of audit fees.
326.	Excise and Taxation	49	Uncollected revenue.

1	2	3	4
327.	Excise and Taxation	50	Outstanding inspection reports.
328.	Excise and Taxation	51	Results of audit.
329.	Excise and Taxation	52	Loss of Revenue due to delays in assessment of tax in demanding tax.
330.	Excise and Taxation	53	Non-levy of penalty for suppression of sales.
331.	Excise and Taxation	54	Non-levy of penalty on default in payment of tax and submission of returns.
332.	Excise and Taxation	55	Interest not charged.
333.	Excise and Taxation	56	Non-levy of sale or purchase tax.
334.	Excise and Taxation	57	Short levy of tax due to mistakes in computation.
335.	Excise and Taxation	58	Short levy due to application of incorrect rate of tax.
336.	Excise and Taxation	59	Extent of internal audit.
337.	Excise and Taxation	60	Assessment in Arrears.
338.	Excise and Taxation	61	Duty not recovered on spirit lost in bottling operations in excess of norms.
339.	Excise and Taxation	62	Short recovery of duty on beer produced in brewery.
340.	Excise and Taxation	63	Non-recovery of license fee and interest.
341.	Excise and Taxation	64	Assessment in arrears.
<b>27th Report</b>			
342.	Finance	1	Excess over voted grants/charged appropriations for the year 1983-84.

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Published under the authority of the Haryana Vidhan Sabha and  
Printed by the Controller, Printing & Stationery Haryana, Chandigarh.