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HARYANA VIDHAN SABHA

**PUBLIC ACCOUNTS COMMITTEE**

( 2003 -2004 )

( FIFTY SIXTH REPORT )

**REPORT**

ON THE  
REPORT OF THE

Comptroller and Auditor General  
of India for the year ended  
31st March 1999

( CIVIL )



*(Presented to the House on 16<sup>th</sup> February 2004)*

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HARYANA VIDHAN SABHA SECRETARIAT  
CHANDIGARH  
2004

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**COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE  
(2003-2004)**

**CHAIRPERSON**

- 1 Shri Krishan Lal Panwar

**MEMBERS**

- 2 Shri Lachhman Dass Arora
- 3 Shri Anil Vj
- 4 Shri Abhay Singh Chautala
- 5 Shri Jai Parkash Gupta
- 6 Shri Chander Bhatia
- 7 Shri Puran Singh Dabra
- 8 Shri Pawan Kumar Diwan
- 9 Shri Shadi Lal Batra

**SECRETARIAT**

- 1 Shri Sumit Kumar Secretary
- 2 Shri Kuldip Singh Joint Secretary

## INTRODUCTION

1 I the Chairperson of the Public Accounts Committee having been authorized by the Committee in this behalf present this Fifty Sixth Report on the Report of the Comptroller and Auditor General of India for the year ended 31st March 1999 (Civil)

2 The Report of the Comptroller and Auditor General of India for the year ended 31st March 1999 (Civil) was laid on the Table of the House on 5th September 2000

3 The Committee during its tenure examined the Report of the Comptroller and Auditor General of India for the year ended 31st March 1999 (Civil) and also conducted the oral examination of the representatives of the concerned departments

4 The Committee considered and approved this Report at their sitting held on 3<sup>rd</sup> February 2004

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

6 The Committee place on record their appreciation of the assistance rendered to them by the Accountant General (Audit) Haryana and his officers. The Committee would like to express their thanks to the Financial Commissioner and Principal Secretary to Government Haryana Finance Department and other officers of Finance Department and the representatives of the various departments who appeared for oral evidence before them for the co operation in giving information to the Committee

7 The Committee is also thankful to the Secretary Joint Secretary and officials of the Haryana Vidhan Sabha for the whole hearted co operation and assistance given by them to the Committee

Chandigarh  
The 3rd February 2004

KRISHAN LAL PANWAR  
CHAIRPERSON

(vii)

## REPORT

### **GENERAL**

1 The present Committee consisting of nine Members including the Chairperson was nominated by the Hon ble Speaker in pursuance of motion moved and passed by the Haryana Vidhan Sabha in its sitting held on 6th March 2003 to nominate the Members of the Committee on Public Accounts for the year 2003 2004 on 9th April 2003

2 The Committee held 51 meetings in all at Chandigarh and other places upto 3rd February 2004

**1998-99 (Civil)**

## **EDUCATION DEPARTMENT**

### **[3] 3 1 Introduction of 10+2 pattern of education**

#### **Highlights**

This review revealed a very patchy implementation of the scheme even though this was introduced about 13 years back. State Government did not identify areas for extending plus 2 pattern of education by 2000 AD and did not take up school mapping programme. Schools were upgraded indiscriminately without ensuring fulfilment of prescribed criteria/norms in regard to infrastructure like land, number of classrooms, laboratory facilities etc. Injudicious posting of lecturers in science and commerce streams in large number of schools where no science/commerce student was on roll led to huge unfruitful expenditure on their salaries as they did not do any teaching work. Inadequate infrastructure in schools and injudicious deployment of teaching staff resulted in poor performance of students at plus 2 stage of examination.

#### **3 1 1 Introduction**

Following the adoption of National Policy of Education by the State Government in 1986, a decision was taken to upgrade the existing High Schools to +2 pattern schools to be called Senior Secondary Schools in a phased manner. In Haryana, 10+2+3 structure of education was introduced from academic year 1985-86. All areas identified under this scheme were to be covered by 2000 AD. Audit review has covered mainly +2 i.e. the 11th and 12th classes (Senior Secondary). As of March 1999, there were 1,010 senior secondary schools (government schools 689, non-government schools 200 and private schools affiliated to Central Board of Secondary Education 121) while 1,734 Government High Schools still remain to be upgraded to +2 stage.

#### **3 1 2 Organisational set up**

The Commissioner and Secretary, Education Department is the administrative head of the Education Department in Government and responsible for implementation of education policy of the Government and the administrative functions of the department. The Director, Secondary Education was the head of Secondary Education Department as well as the Controlling Officer and responsible for the implementation of the scheme 10+2 pattern of education. There were 19 District Education Officers (DEOs) at district level who were responsible for the implementation of government's education policies and development of education in the districts. The Board of School Education, Haryana, Bhiwani, was an autonomous agency responsible for conducting examinations for various classes including the plus 2 class in the State.

#### **3 1 3 Audit Coverage**

Implementation of 10+2 pattern of education during 1994-95 to 1998-99 was reviewed through test check of records in the office of the Commissioner and Secretary to Government, Haryana, Education Department, Directorate of Secondary Education. In 5\* (out of 19) DEOs and in 173 government senior secondary schools (GSSS) (25 per cent) of these 5 districts from north, south, west and central regions of the State during January to April 1999, important points noticed during audit are discussed in the succeeding paragraphs.

### 3 1 4 Financial out lay and expenditure

The plus 2 education system (in government schools) was funded by the State Government during the period 1994-95 to 1998-99 total expenditure of Rs 141.24 crore was incurred of which Rs 136.21 crore (96 percent) was on salaries of staff Rs 4.03 crore on purchase of furniture office equipment science equipment and teaching material etc Rs 0.82 crore were given as grant in aid to private schools and Rs 0.18 crore were incurred as office expenses/other contingent charges

### 3 1 5 Targets and achievement for upgradation of schools

Upto 1993-94 346 government high schools were upgraded as senior secondary schools in the State During 1994-95 to 1998-99 though no targets were fixed for upgradation of high schools to the level of senior secondary schools 343 government high schools were actually upgraded

According to Action Plan on National Education Policy 1986 a three pronged programme was envisaged as a short term measure opening of secondary schools in unserved areas and as a medium and long term measure a programme of school mapping in each State for locating schools to cover all unserved areas was to be taken up The technique of school mapping was to be followed both for planning and implementation of location of secondary schools on the basis of clearly defined norms and standards Special emphasis was to be laid on backward areas areas predominantly inhabited by scheduled castes/scheduled tribes and schooling facilities for girls By 2000 all unserved areas were to be served fully

The State Government however did not conduct any survey and did not take up school mapping programme to identify areas where upgradation of schools was required They also did not prescribe any norm/ standard for coverage of unserved areas by upgrading existing high schools to the level of senior secondary schools as of March 1999

### 3 1 6 Upgradation of senior secondary schools

#### (i) Criteria for upgradation of schools

According to the criteria prescribed by the State Government in 1985-86 for upgrading high schools to senior secondary school level the schools were required to have at least 150 students on roll in classes IX and X to own minimum of 6 acres of land appropriate building\* and to be located at a distance of at least 8 km from the nearest secondary school/college Further the schools were to be situated in a locality having 5 000 or more inhabitants

#### (ii) Upgradation of schools not fulfilling prescribed norms

According to the prescribed procedure the Headmaster of the concerned high school was required to initiate proposal for upgradation of the school to Senior Secondary level if laid down criteria of student enrolment in classes IX and X land area appropriate building etc was fulfilled The DEO was to examine the feasibility of upgradation before forwarding the proposal to the Director Secondary Education for obtaining the approval of the Secretary to Government of Haryana Education Department The Secretary was responsible to ensure that priority for upgradation was given to schools in unserved areas areas predominantly inhabited by scheduled castes etc after school mapping and survey was done and targets were fixed according to National Education Policy, 1986 He was also to ensure that only

such schools were upgraded which fulfilled the prescribed norms/criteria for infrastructure

A scrutiny by audit of the records at Secretariat level revealed that no control registers were maintained in the Secretariat to watch receipt and disposal of the upgradation proposals from the Directorate. In fact the situation in Directorate and DEO offices was also same and no such control registers were kept there also.

It was seen that State Government upgraded (August 1997) 143 schools (of which 28 were located in the 5 districts test checked during audit) on the orders of the Education Minister/Chief Minister given directly. In 26 schools the concerned DEOs and the Director Secondary Education had forwarded the proposals for upgradation even though the schools did not fulfill the prescribed conditions/ norms. In case of 2 schools of Hisar district no proposal for upgradation was sent by the Director. Thus even though cases of upgradation of schools received from the Director Secondary Education/DEOs were to be submitted by the Administrative Secretary (after verifying the norms/criteria prescribed for such upgradation) to the Education Minister in these cases such norms/ criteria were not applied for upgradation due to Ministerial interference.

### 3.1.7 Schools upgraded without adequate infrastructure

A test check of records relating to upgradation of 173 high schools to senior secondary schools in 5 districts revealed that the State Government in the sanction of upgradation of these schools violated all the important criteria fixed for such upgradation i.e. without examining the feasibility for upgradation and without ensuring availability of infrastructure and fulfilment of prescribed norms.

Scrutiny of availability of prescribed infrastructure (such as class rooms, store rooms, hall, laboratory room, etc.) and fulfilment of other prescribed conditions in these schools in 5 districts test checked revealed the following position:

Figures refer to schools

Name of district	Total number of school	School building comprising number of class rooms, store room, etc. less than prescribed						Land less than 6 acre	Less students enrolled	Less distance from nearest secondary school	Less population of inhabitants
		Class room	Store room	Laboratory room	Staff room	Hall	Boundary wall				
Ambala	39	35	30	35	9	34	4	34	28	24	3
Hisar	59	35	44	47	1	24	1	26	41	18	8
Jind	35	25	30	28	2	12	1	24	23	15	4
Panchkula	21	15	15	18	5	20	6	18	13	9	6
Panipat	19	11	17	18	2	10		17	12	7	2
<b>Total</b>	<b>173</b>	<b>121</b>	<b>136</b>	<b>146</b>	<b>19</b>	<b>100</b>	<b>12</b>	<b>119</b>	<b>117</b>	<b>73</b>	<b>23</b>

It would be seen from the above table that out of 173 schools, 121 had less than the

prescribed number of 14 class rooms 146 schools had no laboratory rooms for science classes 117 had student enrolment of less than 150 in class IX and X 100 had no hall 136 had less than minimum 2 store rooms and 23 schools were located in the areas having less than 5 000 inhabitants Out of the 5 districts the absence of infrastructure etc was most acute in the schools of Ambala district followed by Jind and Panchkula districts

In these cases also even though the proposals for upgradation of schools were not recommended by the Director Secondary Education and by the Secretary Education Department these were upgraded at the instance of the Education Minister/Chief Minister Worse even after the upgradation no steps were taken by the State Government to provide necessary minimum infrastructure required for senior secondary schools Instead of providing necessary infrastructure and laboratory facilities to the schools already upgraded Government continued to upgrade more and more schools which did not have required infrastructure This had adverse impact on their quality of education as reflected in the poor performance in the examinations vide paragraph 3 1 8 below The Secretary to Government of Haryana Education Department attributed absence of infrastructure facilities to non provision of funds for providing infrastructure for the upgraded schools However the reply was silent as to why the schools were upgraded without ensuring prescribed level of infrastructure

### 3 1 8 Low Pass percentage

In 4 districts it was noticed that pass percentage of students at plus 2 was either zero or extremely low in some schools as per Appendix -XI

As would be evident from the Appendix -XI result of science stream in 16 schools was zero *per cent* All these schools were upgraded even though they did not fulfill the prescribed criteria In 17 schools mentioned at Sr no 1 to 16 and 19 in Appendix XI where pass percentage was zero Rs 1 38 crore were spent on the salaries of lecturers during the period indicated against each The concerned DEOs stated (July 1999) that analysis of poor pass percentage was being done at district level and the effect was given in the Annual Confidential Reports of the concerned principals/lecturers It was surprising that no such evaluation and corrective action was taken at Directorate/Government level

Student teacher ratio in science stream of 16 senior secondary schools (Sr no 1 to 16 of Appendix XI) during 1997 98 was as under

District	Number of schools	Number of students enrolled*	Number of lecturers	Student teacher ratio
Ambala	4	20	10	2 1
Hisar	7	17	23	1 1
Jind	1	8	3	3 1
Panchkula	4	12	5	2 1
<b>Total</b>	<b>16</b>	<b>57</b>	<b>41</b>	

As was evident from the above on an average one lecturer was deployed for every 1 to 3 students in these schools in science stream which was on higher side as compared to normal teacher student ratio of 1 : 18 obtaining at senior secondary school stage in the State in 1997 -98

In GSSS Tikker Hillis (District Panchkula) for 2 to 3 students on roll in plus I and plus 2 classes during 1997 -98 and 1998 -99 there were 4 lecturers in position as of March 1999. Thus teacher-student ratio was very high.

### 3.1.9 Staffing pattern

As approved by Education Department in 1985-86 each upgraded senior secondary school was required to have one principal, 3 lecturers for science, 3 for commerce group and 5 for humanities group, 3 laboratory attendants (for science group), one junior librarian (where library had at least 2,500 books) and one Demonstrator Physical Education (DPE).

Initially at the time of upgradation of schools the posts of teaching staff were sanctioned by the Government based on norms prescribed for commerce, science and humanities streams and these were sanctioned by the government for continuance without reviewing the position with reference to actual student enrolment in various streams. Posts of lecturers in science/commerce streams in several schools continued and lecturers were posted though there was either no student on roll or student enrolment was negligible as discussed in paragraph 3.1.10.

#### 3.1.9.1 Staff strength

The sanctioned strength as on 30 September in the cadres of Principals, Lecturers, Laboratory Attendants, Junior Librarians and actual strength during 1996-97 to 1998-99 in 689 Government Senior Secondary Schools was as under:

Sr No	Posts	1996-97		1997-98		1998-99	
		Number of posts		Number of Posts		Number of posts	
		(a)	(b)	(a)	(b)	(a)	(b)
		sanctioned	filled	sanctioned	filled	sanctioned	filled
I	Principals	546	377	603	429	680	501
II	Lecturers	6,281	5,167	6,701	5,490	8,181	6,629
III	Lab Attendants	1,024	596	1,046	547	Awaited	
IV	Junior Librarians	92	52	92	63	do	

During 1996-99 vacancies in the cadres of Principals varied between 26 and 31 per cent, Lecturers 18 and 19 per cent and during 1996-98 Laboratory Attendants from 42 to 48

*per cent* and Junior Librarians from 32 to 43 *per cent* Reasons for large number of posts remaining vacant were not intimated by the department (April 1999)

### **3 1 10 Deployment of teaching and other staff**

#### **(i) *Payment of salary without any work***

It was noticed that during 1994 95 to 1998-99 143 lecturers of science stream in 58 schools and 23 lecturers of commerce stream in 23 schools of 5 districts test checked did not take any class as there was no student on roll in these streams in these schools Rs 1 90 crore were spent on salaries of these lecturers without having done any teaching work

The department failed to transfer lecturers/teachers to the schools where the science and commerce students were on roll and vacancies in these cadres existed During 1996 97 and 1997 98 1 114 to 1 211 posts of lecturers were vacant in various schools in the State The State Government did not monitor the infructuous deployment of teaching staff in relation to the enrolment of students in various streams with the result that the teachers were paid salaries without any work The Government should have considered the desirability of starting science and commerce groups in one lead school in a cluster of few villages

Similarly 60 laboratory attendants in 25 schools (in 5 districts test checked) did not carry out any laboratory work for the duration between 3 and 48 months during 1994 95 to 1998 99 because there was no science student on roll in these schools However Rs 0 47 crore were spent on their salaries Though the concerned schools furnished information about the number of enrolled students and strength of teaching staff every year to the DEOs and the Director no remedial steps were taken by them The Director being head of the Secondary Education Department failed to judiciously deploy the teaching staff

#### **(ii) *Class formation with insignificant student strength***

As provided in Haryana Education Code 25 to 30 students were to form a class Against this in 5 districts test checked it was noticed that in 39 schools number of students in each class of science group and in 65 schools of commerce group varied from 1 to 10 during 1994 95 to 1998 99 Inadequate student strength in science and commerce streams of these schools did not justify heavy expenditure of Rs 3 33 crore towards salaries of 134 lecturers and 54 laboratory attendants deployed for science group and Rs 1 40 crore towards salaries of 63 lecturers deployed for commerce group during the period Reasons for negligible enrolment of students in science and commerce groups were not intimated by the department/ concerned DEOs/schools

In the above mentioned schools (65 schools commerce groups 39 schools science group ) teacher student ratio for science and commerce streams during 1998 99 was as

under

District	Group	Number of schools	Number of lecturers	Number of students + 1 class + 2 class		Total	Teacher student ratio
1	2	3	4	5	6	7	8
Ambala	Science	3	7	16	17	33	1 5
	Commerce	15	11	78	94	172	1 16
Hisar	Science	17	43	53	13	66	1 2
	Commerce	18	14	53	42	95	1 7
Jind	Science	7	15	33	10	43	1 3
	Commerce	15	13	57	56	113	1 9
Panchkula	Science	5	16	26	5	31	1 2
	Commerce	10	7	53	38	91	1 13
Panipat	Science	7	19	29	18	47	1 2
	Commerce	7	5	33	19	52	1 10

As evident from the above table teacher-student ratio in science stream and commerce stream in above mentioned schools during 1998-99 ranged from 1 2 to 1 5 and 1 7 to 1 16 respectively as against the normal ratio of 1 18 obtaining in the State. Though the teacher student ratio was uniformly high in all these schools it was more pronounced in science stream particularly in Hisar and Jind districts.

### (iii) Librarian

Every senior secondary school was to maintain a well equipped library with book strength of not less than 2 500 under a qualified librarian. Of the 173 senior secondary schools test checked 37 schools had sufficient number of books in their libraries i.e. more than 2 500 books in each library. However in 25 schools of the 37 schools no librarian was posted during 1994-95 to 1998-99. Remaining 136 schools did not have the prescribed number of books in their libraries and hence no librarian was posted in these schools.

### 3 1 11 Training

As per State Programme of Action -1994 training/ refresher courses of 5 to 7 days duration were to be organised by Education Department for lecturers to improve their teaching ability and to upkeep the standards of education. During 1994-95 to 1998-99 State Council of Education Research and Training (SCERT) Gurgaon organised 49 refresher course/training programmes for the principals and lecturers working at 10+2 stage. 2 022 principals/lecturers were called by SCERT for attending the training programmes during this period but only 1 717 actually participated. Thus taking an average strength of 5 544 teaching staff (lecturers/ principals) during 1996-97 3 827 (69 per cent) teaching staff were not provided refresher course.

### **3 1 12 Purchases**

The State Government sanctioned funds to the upgraded senior secondary schools for purchase of furniture library books sports material and other articles according to the scales ranging between Rs 2 000 to Rs 50 000 for different streams library equipment etc Scrutiny of records of purchases made by 91 schools upgraded during 1994 95 to 1998 99 in 5 districts test checked revealed the following

#### **(i) *Purchase of typewriters***

State Government released Rs 18 20 lakh for purchase of typewriters and other articles for 91 senior secondary schools for use by commerce group of students during 1994 95 to 1998 99 though no demand for typewriters was received from any school Against this Rs 12 92 lakh were spent on purchase of typewriters by concerned DEOs/Principals All these 182 typewriters were lying idle as there was no commerce class in 45 schools and there was no student having typing group (optional subject for Commerce) in 46 schools since 1994 95 Purchase of typewriters without assessment of actual requirement resulted in wasteful expenditure of Rs 12 92 lakh The fact that funds were also released to 45 schools which had no Commerce class testifies the casual manner in which funds for the purpose were released

#### **(ii) *Purchase of science material***

State Government released Rs 27 30 lakh for purchase of science material to 91 schools in districts test checked during 1994-95 to 1998 99 It was noticed that there was no science class in 58 schools during this period but science material worth Rs 17 40 lakh was purchased by the concerned DEOs/ Principals which was not justifiable

### **3 1 13 Monitoring and evaluation**

As laid down in the State Programme of Action 1994 for primary secondary and higher education a monitoring cell was required to be set up at directorate district and sub divisional level for monitoring the action plan to develop secondary education system in the State The Secretary Education Department was required to monitor the implementation of Government s policy for development of secondary education upgradation of schools provision of required infrastructure for schools as per prescribed norms quality of education and deployment of manpower It was however noticed that annual and half yearly returns/information regarding number of students of different categories areas and streams staff statement showing vacancy position of the lecturers in different subjects prescribed by the department were sent to the Directorate of Secondary Education by DEOs during 1994-95 to 1998-99 no action or follow up on such returns was however initiated by the Director except incorporating the statistical data in annual Administrative Reports Absence of monitoring of the implementation of the scheme either at the Director level or at the government level contributed to tardy implementation of the scheme due to which large number of schools remained without required infrastructure and teachers continued to be deployed in many schools with negligible or no student on roll

### 3 1 14 Conclusion

State Government introduced 10+2 pattern of education to fall in line with the National Policy on education with the object to provide quality education at school level at senior secondary stage. All areas identified for coverage under this scheme were to be covered by 2000 AD. However, the State Government did not identify areas for extending plus 2 pattern of education and also did not take up school mapping programme for assessing actual requirement of senior secondary schools in the State to fix annual targets for upgradation. Even though various norms were prescribed for upgradation of high schools to senior secondary schools, these were not followed due to political interference and inaction at the level of the Director/Secretary Education Department. 143 lecturers of science stream in 58 schools, 23 lecturers of commerce in 23 schools (in 5 districts test checked) did not carry out any teaching/laboratory work during 1994-99 as there was no student of science and commerce streams in these schools during this period. In the 5 districts test-checked, 91 schools were upgraded during 1994-95 to 1998-99. Out of these, results of 17 schools at +2 stage were very poor, having zero pass percentage.

The matter was referred to Government in May 1999. Their reply had not been received (September 1999).

The department, in their written reply, explained the position as under —

### 3 1 5

The norms for up gradation of schools were made and approved by the Government in December 1999. The factual position regarding eligibility of up gradation was conveyed to the Government every year before up gradation of the schools. Keeping in view the public demands, necessity, the Government decided to up grade these schools.

The District Education Officer concerned submitted the proposal for up gradations of schools on demands of local public, keeping in view the requirement of area. The District Education Officer, being well conversant with the areawise locations of the schools and distance of each school, all the proposals for up gradation of schools were received, keeping in view the special emphasis of backward area and coverage of unserved areas.

### 3 1 6 (i)

The District Education Officer of the district sent the proposals for up gradation of schools on the basis of students' strength and availability of infrastructure. While up grading of the schools, the appropriate building, land and distance of school were also kept in view. Hence the criteria meant for up gradation of schools was followed.

### 3 1 6 (ii)

It is submitted that on the demand of public, the schools are up graded when a High School is required to be up graded to a senior secondary school. The case was moved by the Headmaster at the first instance to the District Education Officer. The

Headmaster of the school and the District Education Officer ensure that such schools fulfill the prescribed norms and infrastructure. It is a fact that no control registers were maintained at Secretariat and Directorate level. The District Education Officer was also to ensure that the up gradation of schools was made on the suitability of the area. The District Education Officer was also supposed to know the locality of area where the school is up-graded so that no imbalance is made in a particular area. Further efforts are being made that at each and every level the control registers are made for up gradation of Schools.

Admitted. However, it is submitted that the schools were upgraded on the General demand of the public either it was made through public representatives i.e. M.L.A. / Minsiters. It is also submitted that norms and criteria have also been kept in mind in future.

### 3 1 7

The proposal of up gradation of schools was received in the Directorate from District Education Officers of the State and directions were also received from Education Minister and Chief Minister. The factual position regarding eligibility of up gradation was conveyed to the Government before up gradation of these schools. The Govt took decision regarding up-gradation of these schools at its own level. So far laboratory facilities are concerned the Science Material of Rs. 20744105 has been supplied to Director S C E R T Haryana Gurgaon for providing science material in upgraded schools laboratories after inspection and it was approved by the Higher Powered purchase Committee.

Now all the deficiencies pointed out by the inspection committee have been fulfilled. Science laboratories have been equipped with science material and science teachers have been posted in such schools for providing proper guidance to the students.

### 3 1 8

Due to the shortage of teaching staff and curbing the menace of copying, the pass percentage was very low. Now the regular inspection of schools has been conducted and the institutions have been made more intensive and extensive steps have been taken against those who showed 50% pass percentage. System of conveying results of monthly tests of the students to parents has been introduced. Extensive in service Training Programmes are being organised for the professional growth of teachers. The pattern of internal examination of the schools has been made uniform in order to prepare the child for the Board examination. Efforts are being made to fill up the vacant posts and to provide maximum infrastructure. The surplus posts of science & commerce subjects have been shifted to schools where these are required on the basis of students strength through rationalization. As far as teacher/student ratio is concerned in Senior Secondary School 10 + 2 classes subject wise lecturers have been appointed.

### 3 1 9

Out of 1260 posts, 582 posts of lecturers have been filled up in June/July 1999 by recruiting through Staff Selection Commission. For filling up the remaining posts

the process of recruiting the Staff/posts is under consideration and these will be filled up soon Promotional quota of lecturers have also been filed and this is a continuous process

Recently the department has filed 2129 posts of C & V teachers 162 posts of DPE 32 posts of Home Science Mistress 131 Posts of Science Masters and 603 posts of Math Masters Moreover the department has promoted 146 Principals 129 Head Masters 402 Lecturers and 115 Masters Beside this the department has filled up 16 posts of Principals and 200 posts of Headmasters by way of direct recruitment These posts have been filled up in those schools which need the above staff for providing better education to the students

### 3 1 9 (1)

The teaching staff was provided to the up graded schools as per strength of the students at the time of admission to make up the deficiency of staff Recently the department has filed 2129 posts of C&V Teachers 162 posts of DPE 32 Posts of Home Science Mistresses 131 posts of Science Masters and 603 posts of Math Masters Moreover the department has promoted 146 Principals 129 Headmasters 402 Lecturers and 115 Masters Beside this the department has filled up 16 posts of principals and 200 posts of Headmasters by way of direct recruitment Now regular check is exercised for the good performance by the students in annual exams

### 3 1 10 (i)

After receiving the information from the DEOs of the district the Surplus lecturers in Commerce Science and Humanities have been shifted to those schools through rationalization which have been in demand for these posts on the basis of students strength

Details of shifted posts are as under —

Year of Rationalization	Post converted into other subject	Post shifted others schools	Post converted into other subject	Post shifted others schools
1995	1	16	—	56
1996	—	21	—	56
1997	1	10	16	50
1998	—	10	—	24

The department has recently rationalized the post of teaching staff in the schools The surplus posts of teaching staff were shifted to needy schools where there were required on the basis of work load and students strength 1732 posts of teaching staff were made surplus and have been shifted to the schools where the posts

were urgently required. These teachers were shifted along with posts to the needy schools. Moreover, 435 posts of lecturers became surplus and their services were placed at the disposal of SSA.

So far the posts of laboratory attendant are concerned these posts are attached with the posts of lecturer in Science subject and these posts have been shifted to the demanding schools through rationalization. The Rationalization of these posts is still under process.

### **3.1.10 (ii)**

The number of students in Science Groups and Commerce groups is very much below the requirement as per instruction. During the year of 1994-95 to 1998-99 it was all due to non-availability of infrastructure in the schools. Now all the upgraded schools in the state have been provided with necessary infrastructure so that the Maximum numbers of students as per norm could get admission. The surplus staff have been shifted to another needy school under the rationalization.

### **3.1.10 (iii)**

There are 138 posts of librarian which are lying vacant. Requisition has been sent to Staff Selection Commission by the department to fill up these posts. Every school library has been provided with sufficient number of books. Moreover every DDO has been empowered to purchase books for school library according to requirement.

### **3.1.11**

1719 lecturers have been trained in various programmes organized by SCERT since 1994-95. It is also clear that 78 lecturers have been trained in one programme only of 5 schools from the surveyed districts 1997-98. Efforts are being made to provide training to the maximum number of principals and Lecturers. Beside this 700-800 teaching personnel are provided in service training every year. It is not possible to provide in service training to all teaching staff in one lot. It is organized in phased manner.

### **3.1.12 (i)**

These typewriters were not purchased in waste full expenditure. These typewriters were utilized in the next academic session. No typewriter is lying unutilized. The typewriter were purchased by the District Education Officer as per requirement. No Government funds have been misutilized by the department. The students are learning from these typewriters. The District Education Officers have been informed that in future such typewriters be purchased only for those schools where the students of commerce exit so that the wasteful expenditure could be avoided.

### **3.1.12 (ii)**

Admitted. However it is a fact that science material was provided to the up graded schools where science classes were to be started. It was expected that on the

availability of infrastructure in science lab. Students will be admitted. It was done to strengthen the Education of science and technology in the State if the science material could have not been provided to the school no students would come forward to get admission in science subjects. This point has also been kept in mind for future also.

### **3.1.13**

As laid down in the State Programme of action 1994 for primary secondary and higher education no monitoring cell has been set up at Directorate District and Sub division level for monitoring the action plan to develop secondary education system in the State. So no annual and half yearly return/information regarding students of different category area and stream staff statement showing vacancy position of lecturer in different subject are collected. A proposal will be sent to Government in future of setting up of monitoring and evaluation cell according to the recommendation of State Programme of Action 1994.

### **3.1.14**

The proposal for up gradation of school was received from different source / e District Education Officer E M or C M. Factual position regarding eligibility of up gradation as per norms was conveyed to the Government. Science classes were to be started as per demand of the public to strengthen the scope of Science & Technology of the State. It was expected that more students will get admission in science subjects for their bright future. However it is fact that students did not response of getting Science & Commerce streams during the year 1994-95 to 1998-99. As compared to other states the students of the state did not show any interest in science & Commerce stream but it was the duty of the state to provide opportunity to children for science education.

**After hearing the departmental representatives, the Committee observed some deficiencies in regard to infrastructural facilities, deployment of teaching staff/ Librarian and purchase of typewriters and science material during the early stage of implementation of 10 + 2 pattern of education in the State. The Committee also felt concern over the low pass percentage in many schools. The Committee therefore desired to have more details/information and latest position in regard to student teacher ratio in science stream and the present status of all the items purchased during the period under review. The Committee further desired that schools should be up-graded area wise and preference be given to rural/uncovered areas.**

**The Committee also recommends that a Monitoring and Evaluation Cell be set up in the Directorate, District & Sub division level as per the recommendation of the State Programme of Action 1994 to check the Action Plan/working of the department.**

**The desired information may be sent to the Committee within the period of three months.**

#### [ 4 ] 3 2 *Nutritional Support to Primary Education*

##### **Highlights**

The State Government failed to provide nutritional support to children in primary schools as the provision to serve cooked food (mid day meal) in primary schools was discontinued from July 1996 and only foodgrains were distributed thereafter. Huge expenditure incurred on construction of kitchen sheds was rendered infructuous. Seriousness of purpose in implementing the scheme can be gauged from the fact that the State Government did not fix any target for increasing enrolment, attendance of students and reducing drop out rate for primary school children and did not monitor these aspects. The scheme turned out to be merely as assistance in kind (distribution of foodgrains) to the families of students.

##### **3 2 1 Introduction**

The Scheme Nutritional Support to Primary Education (NSPE) a Central Plan Scheme popularly known as mid day meal scheme was launched on 15 August 1995 by Government of India (GOI) and simultaneously in Haryana (Haryana Government decision dated 7 August 1995) to cover in a phased manner (three years period) all primary schools run by Government, local bodies or aided by the Government.

##### **3 2 2 Scheme objectives**

The objective of the scheme was to give a boost to universalisation of primary education by increasing enrolment, retention and attendance and simultaneously impacting on nutrition of students in primary classes. To achieve this objective, the scheme provided for free meals having a calorific value equivalent to 100 gms. wheat/rice per day per student to school children in primary classes I to V subject to a minimum attendance of 80 per cent in a month for ten academic months during a year.

##### **3 2 3 Organisational set up**

The Chief Secretary to Government of Haryana and the Commissioner and Secretary Education Department at Secretariat level were responsible for the implementation, monitoring and evaluation of the programme. Director Primary Education (DPE) at Directorate level was in overall charge and was assisted by one Deputy Director at Headquarter, 19 District Primary Education Officers (DPEOs) and the Additional Deputy Commissioners (ADCs) in the field for the implementation of the programme in 111 Blocks (3 209 to 8 976 primary schools) during 1995-96 to 1998-99.

##### **3 2 4 Audit coverage**

Records relating to the implementation of the scheme for the period 1995-96 to 1998-99 were test checked in the offices of the Director Primary Education, 7 of the 19 District Primary Education Officers, 26 of the total 111 Block Education Officers and 1 792 (20 per cent) of the total 8 976 primary schools in the State. Selection of 7 districts for test check was made to represent all the areas from north, south, west and central regions of the State. Of the total value of Rs. 90.36 crore of foodgrains lifted by State Federation of Consumers

Co-operative Wholesale Stores Limited (CONFED) during 1995-96 to 1998-99 records relating to Rs 40.65 crore (45 per cent of total value of lifted foodgrains) were test checked. Important points noticed during review are discussed in the succeeding paragraphs.

### **3.2.5 Funding pattern**

The scheme provided 100 per cent Central assistance to meet economic cost of foodgrains and their transportation from Food Corporation of India (FCI) godowns to schools at prescribed rate. Transportation cost was to be reimbursed by GOI to District Rural Development Agencies (DRDAs). Expenditure on construction of kitchen sheds and labour charges for cooking food was to be met from GOI's Poverty Alleviation schemes (Jawahar Rozgar Yojna (JRY)/Nehru Rozgar Yojna (NRY)) and balance cost for conversion of foodgrains into cooked food was to be met by the State Government.

### **3.2.6 (c) Non submission of expenditure accounts**

In 4 districts the DPEOs released Rs 4.12 crore during 1995-96 and 1996-97 to 32 BEOs. Of this Rs 0.53 crore unspent were returned (September 1996 and March 1997) to the DPEOs by 25 BEOs of Hisar, Bhiwani and Sirsa districts. Expenditure accounts in adjustment of the remaining Rs 3.59 crore were not rendered by the concerned 32 BEOs to the DPEOs as of March 1999.

### **3.2.10 Non-verification of the quality/quantity of foodgrains**

Food grains lifted from FCI's godowns by CONFED were required to be verified by Education Department before their lifting to ensure that there was no deficiency in their quality and quantity. It was noticed in 7 districts test checked that no certification in this regard was carried out at the time of lifting of foodgrains during 1995-99. Further, the Education Department did not exercise any check on the quality of foodgrains supplied to schools in the districts test checked.

### **3.2.11 Non reconciliation of foodgrain quantities**

As per information supplied by DPEO Hisar, 4,753.24 metric tonnes (mt) of wheat was lifted from FCI godowns during 1995-96 to 1997-98, whereas according to the figures supplied by District Manager CONFED Hisar, 4,858.76 mt of wheat was lifted.

Similarly, during the same period, 4,775.44 mt of rice was lifted from FCI godowns as per figures supplied by DPEO Hisar, whereas 4,882.52 mt of rice was lifted according to the information furnished by CONFED Hisar. Discrepancy of 105.52 mt of wheat and 107.08 mt of rice valuing Rs 17.43 lakh had not been reconciled by the DPEO Hisar as of March 1999.

### **3.2.12 Infructuous expenditure**

#### **(a) Unused kitchen sheds**

In 5 districts the DRDAs spent Rs 1.60 crore on construction of 305 kitchen sheds during 1995-96 to 1998-99 for arranging cooked food to school children, of which Rs 47.70 lakh were spent on construction of 90 kitchen sheds after discontinuance of cooked food scheme in July 1996, thereby rendering the entire expenditure of Rs 1.60 crore infructuous.

The concerned DPEOs stated (December 1998 - March 1999) that complete details of schools where these kitchen sheds were constructed had not been made available to them by the DRDAs and therefore the manner in which these sheds were being used was not on record

*(b) Non disposal of steel plates*

Similarly 3 DPEOs purchased (May 1996) steel plates worth Rs 75.28 lakh and distributed to schools according to enrolment of students. Since the State Government withdrew the scheme for provision of cooked food in July 1996 their disposal should have been expedited. No instructions were however issued by the department for disposal of steel plates which were lying idle/undisposed of (March 1999)

*(c) Non maintenance of expenditure account*

Wages paid to cooks and helpers for cooking food were required to be debited to GOI's poverty alleviation scheme through respective DRDAs. As per State Government's instructions cook and helper engaged for this purpose were to be paid at Rs 0.44 per beneficiary per day. In 4 of the 6 districts where cooked food was served the concerned ADCs released Rs 1.33 crore to BDPOs for payment of wages to cooks/helpers during January 1996 to February 1997 but the concerned ADCs did not maintain records indicating the number of cooks employed, number of students provided cooked food and details of expenditure incurred etc. None of these ADCs furnished to audit details of expenditure actually incurred, details of beneficiaries, number of days for which cooked food was served and number of cooks/helpers engaged in each month. In the absence of these details, correctness of rates paid to cooks/helpers and amount booked to poverty alleviation scheme could not be verified in audit.

ADC Rohtak did not intimate the amount released to different BDPOs in Rohtak district during 1995-96 to 1998-99.

### **3.2.14 Non disposal of empty gunny bags**

In 7 districts test checked 44,260.9 mt of wheat/rice were distributed to the students during 1995-96 to 1997-98. No record of empty gunny bags was maintained by any of the schools. However, by taking one bag for one quintal of foodgrains, 4,42,609 gunny bags should be available with the concerned schools. Directorate of Primary Education issued instructions in August 1997 that all empty gunny bags be sold either at the rate of Rs 10 per bag or through auction (where auction fetched higher rates). Taking Rs 10 per bag as sale rate, value of 4,42,609 empty gunny bags worked out to Rs 44.26 lakh. Against this DPEOs Sirsa and Rohtak deposited into Government treasury Rs 2.43 lakh and Rs 0.90 lakh respectively against sale proceeds of 33,343 gunny bags. The remaining 4,09,266 gunny bags worth Rs 40.93 lakh were not disposed of (March 1999).

### **3.2.15 Monitoring and evaluation**

As stipulated in the scheme, the State Government was required to follow computerised management information system developed by GOI for proper monitoring of the programme. Though a computer at a cost of Rs 8.15 lakh was installed (September 1997) in DPE's office, there was nothing on record to show that DPE's office used the computer for any

monitoring purposes Since monthly returns to GOI showing allocation lifting and utilisation of foodgrains were not being furnished by the DPE's office it was apparent that computer was not used for management information system

To monitor the programme the State Government formed three Committees i.e. at State level under the chairmanship of the Chief Secretary at district level under the chairmanship of Deputy Commissioner and a Village Education Committee at village level These committees were required to hold monthly meetings to ensure proper functioning of the programme No such meetings were held during 1996-97 to 1998-99 indicating a total absence of any monitoring mechanism

The department in their written reply explained the position as under —

### **3.2.6**

(c) All the BEOs/ DPEOs who have not submitted their expenditure account have since submitted their account They will also be warned to be careful in future

### **3.2.10**

So far as verification of quantity lifted from FCI godowns by CONFED is concerned It does not come under the jurisdiction of education department It may also be added There is no complaint in regard to quantity & quality of foodgrains in the Directorate However district level committees have been constituted to ensure quality & quantity of foodgrains being supplied under the scheme

### **3.2.11**

Immediately after the matter came to the notice of Department/Field Offices the statements duly certified both by CONFED & DPEOs are being received in the Department

### **3.2.12**

(a) The Directorate issued instruction to use such kitchen sheds as store/class room after the discontinuance of the scheme of cooked food to students

(b) As per the scheme of serving cooked food was introduced in 6 districts out of 6 districts only 3 DPEOs purchased steel plates out of the amount provided by the State Government for this purpose These are now article of store and as per report obtained from DPEOs concerned these are lying with them Decision in regard to dispose off article will be taken soon

(c) This para relates to DRDA No comments

### **3.2.14**

Actual sales proceeds Rs 21.95 lakh from empty gunny bags against Rs 40.93 Lakh which should have been sale price have since been deposited to the Government Treasury The reasons for lesser realization is that all the empty bags

were not in good condition as some were damaged/torn and as such these damaged bags fetched lesser price

### **3 2 15**

Though computer were purchased yet it has not been possible to deploy trained professional to run system due to none sanction of posts on account of financial constraints. Therefore monitoring and evaluation as a whole could not be done through computer. However computer were put to use for sending data/reports to GOI. Now existing manpower is being trained.

**After hearing the departmental representatives the Committee was not satisfied with departmental reply on certain points. The Committee observed slackness on the part of department in respect of non submission of expenditure accounts, non verification of the quality and quantity of food grains, non reconciliation of food grains quantities, infructuous expenditure on construction of Kitchen sheds and non disposal of empty gunny bags etc. The Committee also observed total absence of any monitoring mechanism. The Committee, therefore recommends as under —**

- 1 Action be initiated against the officials who are responsible for non submission of expenditure accounts**
- 2 The quality and quantity of food grains dispatched to schools be verified by the department before taking delivery**
- 3 The discrepancy pointed out in the supply of food grains be reconciled with the AG Office and a report be sent to the Committee**
- 4 The expenditure accounts be maintained properly and the concerned ADCs be directed to send the required details to the AG, Office for verification**
- 5 Status report in regard to unused Kitchen sheds, disposal of steel plates and gunny bags etc be sent to the Committee**
- 6 Besides above an effective monitoring and evaluation cell be set up so as to derive maximum benefits from the scheme**

**Action taken as per above recommendations be intimated to the Committee within the period of three months**

## FOREST DEPARTMENT

### *[5] 3 3 Rehabilitation of common lands in Aravalli Hills*

#### **Highlights**

The project aimed at reversal of trend of environmental degradation reestablishing a productive vegetation cover checking soil losses etc in Aravalli Hills areas through plantations. To assess the impact of the project the department entrusted the job to Haryana State Remote Sensing Application Centre Hisar in July 1993. Its interim report (final report not yet submitted) revealed that green cover in project area had increased. However review study revealed that employment generation for local villagers reflected as 126.79 lakh labour days was fictitious as wages paid to labourers through muster rolls involved substantial amount of suspected payments and recoveries from forest guards/foresters ordered in large number of cases by divisional forest officers. Project involved huge cost escalation due to unauthorised plantations excess raising of seedlings etc.

#### **3 3 1 Introduction**

To rehabilitate and protect the environment through restoration of vegetation cover in the semi arid Aravalli Hills the project Rehabilitation of common lands in Aravalli Hills was started in the year 1990-91. The project was to be completed over a period of 8 years i.e. by the end of 1997-98. During first 6 years of the project plantation programmes were to be implemented and during the last 2 years only maintenance works (for plantations done in the 5th and 6th years) were to be carried out. Project cost was to be financed by European Economic Community (EEC) and the State Government in the ratio of 82 : 18. However the project was extended (May 1998) by EEC upto October 1999. The project envisaged coverage of 33,000 hectare area (revised to 37,600 hectare in 1997-98) under plantation in the common lands of 293 villages (294 villages from the year 1997-98) bordering Aravalli hills in 5 districts namely Bhiwani Faridabad Gurgaon Mohindergarh and Rewari with the objectives to

- (a) provide a vegetative cover in the quickest possible time in the denuded hills by afforestation and closure. Also it would reverse the trend of environmental degradation check the soil losses and improve the fertility and productivity of the land.
- (b) provide employment generation of 122 lakh labour days during the project period.
- (c) meet the basic needs of the local population in terms of firewood small timber and fodder consistent with the maintenance of ecological balance and locality factors.
- (d) build village level institutions to protect vegetation and ensure regulated management of the rehabilitated area and
- (e) ensure restoration of ecologically healthy environment.

#### **3 3 2 Organisational set up**

The Principal Chief Conservator of Forests (PCCF) Haryana was overall incharge of the project who was assisted by a Chief Conservator of Forests (Project Director) Aravalli

Project Gurgaon a Conservator of Forests 7 Deputy Conservators of Forests/Divisional Forest Officers The project was implemented in 5 operational divisions

### 3 3 3 Audit coverage

Records relating to the implementation of the project during 1992 93 to 1998 99 were test checked (January 1999 to March 1999) in the offices of the Principal Chief Conservator of Forests Haryana Panchkula Chief Conservator of Forests (Project Director) Aravalli Project Gurgaon Conservator of Forests (Monitoring and Evaluation and Publicity and Extension Divisions) in 3\* of the 5\*\* operational divisions Monitoring and Evaluation Division and Publicity and Extension Division Important points noticed during test check are mentioned in the succeeding paragraphs

### 3 3 4 Funding pattern

(i) The total project cost was Rs 48 16 crore (revised to Rs 120 99 crore) and is shared between the EEC and State Government in the ratio of 82 18 Financial assistance from EEC was to meet expenditure on plantation works purchase of vehicles/machinery/equipment construction of forest guard houses training publicity external technical assistance whereas the State Government was to meet expenditure on project staff operation and maintenance of vehicles/equipment office expenses tax on procurement of supplies for the project and construction of buildings (other than forest guard houses) and maintenance of buildings

(ii) *Budget provision and expenditure*

Year wise budget provisions aggregated Rs 98 56 crore for the project during the period 1992 99 while actual expenditure was Rs 96 10 crore

(iii) *Huge cost escalation*

The project cost was initially pegged at Rs 48 16 crore (July 1989) it was revised to Rs 120 99 crore in 1998 99 Actual expenditure upto March 1999 was Rs 107 65 crore \*\*\* Project time frame had been extended by two years i e upto October 1999 This huge increase in the cost (Rs 59 49 crore) contributed by rise in staff cost (Rs 10 40 crore) and plantations (Rs 42 44 crore) details vide Appendix XIII State s own share of expenditure was Rs 3 20 crore upto 1998 99 and constituted 21 55 per cent of the upto date expenditure till that time against their share of 18 per cent

Audit analysis revealed that of the total increase Rs 42 44 crore were accounted for by plantation works This consisted of coverage of 5 050 hectare unauthorised area i e more area than the targeted area (Rs 9 03 crore) raising of 1 07 crore excess seedlings (Rs 1 57 crore) unauthorised plantation over 7 750 90 hectare area not even identified under the project (Rs 4 56 crore) rise in wage rates of labourers (Rs 16 37 crore) etc

Audit scrutiny further revealed that activities such as incentive to Village Forest Committees gully plugging water harvesting etc costing Rs 4 93 crore not envisaged for plantation works were also taken up The Chief Conservator of Forests (CCF) Aravalli Project

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Aravalli Project (AP) Divisions Charkhi Dadn Ferozepur Jhirka and Sohna

\*\* Charkhi Dadn Ferozepur Jhirka Narnaul Rewari and Sohna

Departmental figure

Gurgaon attributed (March 1999) the increase in expenditure to implementation of the Pay Commission recommendations increase in daily wage rate. However the reply was silent on the unauthorised plantation extra raising of seedlings etc. It was also seen that a revised work plan was got approved from EEC since devaluation of rupee vis a vis ECU \*yielded more local currency funds

*(iv) Financial aid commitment by European Economic Community*

Government of India (GOI) and European Economic Community (EEC) executed an agreement in March 1990 wherein EEC committed financial assistance (grant) of 2 32 crore ECUs for the project. Of this 1 99 crore ECU were released by EEC and balance of 0 33 crore ECU was yet to be released (March 1999)

### **3 3 5 Programme implementation**

For rehabilitation and protection of environment through restoration of vegetation cover in Aravalli Hills areas the project comprised the following main components/activities

- I Villages based micro planning
- II Plantation works including nursery works

A scrutiny of records relating to implementation of these activities revealed the following deficiencies/irregularities

#### **3 3 5 1 Village based micro-planning not done**

Project Appraisal Report envisaged micro planning involving identification of villages areas for plantation fuel/fodder source in the area execution of agreements with the village *Panchayats* for plantation works etc for all the 293 villages covered under the project and recommended that no physical work should be undertaken without involving the village house holds. It was however noticed that the department executed plantation works and other rehabilitation works at a cost of Rs 15 54 crore in 187 villages upto 1992 93 but micro plans were not prepared for any of these villages. Demarcation and mapping of the planted areas was not done. Though village forest committees (VFCs) were formed during 1993 94 community involvement/participation was negligible during 1993 97 due to infrequent meetings and insufficient contact with VFCs by DFO/SDO/RO

No Reasons for undertaking plantation works without preparation of micro plans were furnished by CCF (AP) Gurgaon (April 1999)

#### **3 3 5 2 Plantation**

Main objectives of the project was to reverse trend of environmental degradation through plantation over 33 000 hectare (revised to 37 600 hectare in 1997 98). The project also envisaged employment generation for 122 lakh labour days (10 per cent to be women). During 1991 92 to 1998 99 38 050 hectare area was covered in plantation which included 7 750 90 hectare of unauthorised plantation not covered by project

#### **A Nurseries**

For the purpose of plantations all the 5 operational divisions raised seedlings in departmental nurseries during 1990 91 to 1998 99. A scrutiny of records revealed following irregularities

(ii) *Extra expenditure due to unjustified excess raising of seedlings*

According to the norms\* for plantation and replacement of plants a total of 6.16 crore seedlings were required for new plantation on 28,346 hectare area and for replacement of plants for 20,310 hectare area during 1992-99. These norms included 15 per cent extra seedlings (on the stock of seedlings as on June) on account of damage of seedlings in nurseries and transportation. Against this 7.23 crore seedlings were raised in the 5 divisions resulting in excess raising of 1.07 crore seedlings involving an extra expenditure of Rs. 157\*\* crore as indicated below.

Division	Requirement of total seedlings	Seedlings actually raised	Seedlings raised in excess	Extra expenditure involved in raising seedlings
	(Seedlings in lakh)		(Rupees in lakh)	
Charkhi Dadri	106.05	126.03	19.98	29.31
Ferozepur Jhirka	155.42	191.61	36.19	53.09
Namaul	113.36	127.98	14.62	21.45
Rewari	85.54	86.70	1.16	1.70
Sohna	155.13	190.39	35.26	51.73
Total	615.50	722.71	107.21	157.28

While the PCCF confirmed (September 1998) that left over stock of seedlings in nurseries became unusable due to overgrowth, non provision of budget for the maintenance of left over stock of seedlings in nurseries and overgrowth of plants, Chief Conservator of Forests (CCF) AP Gurgaon defended (June 1998) raising of extra seedlings since extra seedlings 35 to 40 per cent - were required on account of damage of seedlings and transportation. Reply of the CCF AP was not tenable since the norms very clearly stipulate (as confirmed by his superior authority PCCF) that only 15 per cent were to be added to the per hectare requirement of seedlings on account of wastage in nurseries and transportation from nurseries to plantation sites on the stock of June each year. The cushion of 35-40 per cent extra seedlings claimed by the CCF AP Gurgaon included the mortality factor for seedlings in nurseries during the period of their growth (from sowing stage to the stage of full growth) i.e. upto June each year. After the seedlings attained full growth in nurseries and were ready for plantation at plantation sites, mortality stage was over and thereafter only 15 per cent extra was to be added to the per hectare requirement of seedlings on account of wastage in nurseries and transportation from nurseries to plantation sites. Since audit figures quoted above represent the stock of seedlings

As per norms 1,100 seedlings were required for plantation in one hectare whereas norms for replacement of plants not survived in 1st, 2nd and 3rd year after plantation year were 40 per cent, 20 per cent and 10 per cent upto 1995-96 and 30 per cent, 20 per cent and 10 per cent from 1996-97 onwards.

At an average rate of Rs. 1,467 per seedling

as of June each year (stage of full growth after mortality period was already over) the contention of the CCF AP Gurgaon was not correct. Further non provision of any budget for maintenance of any extra stock clearly reflects the policy that no extra seedlings should be raised beyond what was permitted through norms. The case calls for full investigation and fixing of responsibility by the Government.

*(ii) Irregular raising of acacia tortilis seedlings*

Chief Conservator of Forests AP Gurgaon issued instructions (January 1995) to the operational divisions that acacia tortilis seedlings should in no circumstances be raised in nurseries as the wood obtained from these trees were termite prone and were not liked by the general public. Disregarding these instructions all the 5 divisions raised 15.09 lakh Acacia tortilis seedlings at a cost of Rs. 26.36 lakh during 1996-97 to 1998-99. No reasons for raising acacia tortilis seedlings in violation of departmental instructions were given even though called for (March 1999).

*(iii) Excess consumption of polythene bags in nurseries*

In the 3 divisions test checked against requirement of 807.72 # quintals of polythene bags at the rate of 4 kg per hectare from July 1993 to June 1998 consumption of polythene bags was shown as 935.45 ## quintals which was excess by 127.73 quintals valuing Rs. 10.40 lakh. Divisional Forest Officers AP Divisions Sohna and Charkhi Dadri stated (February-March 1999) that excess consumption of polythene bags was due to wastage during earth filling and availability of less number of polythene bags per kg due to thicker polythene gauge. Replies of the DFOs were not supported with any documentary evidence. However during audit it was noticed that the stock registers maintained by the divisions did not indicate the gauge of polythene being thicker than required. The contention of DFOs was therefore not valid.

## **B Plantation coverage**

A scrutiny of records in 3\* divisions (test checked) revealed irregularities in coverage as given below

- (i) Rehabilitation works (plantation sowing of grass construction of stone walls etc) over an area of 4220<sup>1</sup> hectare were done during 1991-92 to 1998-99 at a cost of Rs. 2.44 crore (average cost) in 56 villages not identified under the project

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# AP Divisions Sohna 309.88 quintals Ferozepur Jhirka 301.86 quintals and Charkhi Dadri 195.98 quintals

## AP Divisions Sohna 379.02 quintals Ferozepur Jhirka 349.21 quintals and Charkhi Dadri 207.23 quintals

Aravalli Project Divisions Charkhi Dadri Ferozepur Jhirka and Sohna

<sup>1</sup> AP Divisions Charkhi Dadri 558.5 hectare cost Rs. 0.34 crore Ferozepur Jhirka 2304 hectare cost Rs. 1.33 crore and Sohna 1357 hectare cost Rs. 0.77 crore

- (ii) According to land use classification indicated in Appendix V of the project document prepared by Haryana Government only hilly areas were identified for taking up land treatment works. In 35 villages identified under the project against 2 995 50 hectare hilly area available for land treatment works 5 349 hectare area was shown as covered in the progress reports by the concerned divisions during 1991-92 to 1998-99. Irregular coverage of 2 353 50<sup>1</sup> hectare non hilly area entailed an expenditure of Rs 1 41 crore.
- (iii) In 18 villages common lands available for plantation was shown as 2 889 hectare in the land use classification of the project area against which the concerned divisions showed over 4 066 90 hectare area as being covered in their Progress Reports during 1991-92 to 1998-99. Excess plantation over an area of 1 177 90<sup>2</sup> hectare entailed an expenditure of Rs 0 71 crore. DFOs (AP) Divisions Ferozepur Jhirka and Charkhi Dadri stated (February-March 1999) that matter was being investigated and reply would follow.

For extra plantations in the villages not identified under the project and plantation in non hilly areas etc. as discussed in sub para (i) to (iii) above the concerned DFOs were primarily responsible. The CCF (AP) Gurgaon who released funds for plantation/land treatment works should have withheld the release of funds for unauthorised plantations. Being over all in charge of the Aravalli Project the CCF (AP) Gurgaon failed to ensure that plantation and other land treatment works were as per project document stipulations.

- (iv) Haryana Government Forest Department notified (April 1970) 21 hectare private land of Raipur village of AP Division Sohna as closed for 25 years. The land was denotified in January 1996 and handed over to the land owners. The division spent Rs 3 83 lakh for plantation over this private land in 1994-95 and their maintenance for 2 subsequent years.

Reasons for plantation on private land were called for from the department but no reply was received (July 1999).

- (v) The forest guards were required to maintain Beat registers showing plantation activity along with percentage of survival of plants. Besides village files showing percentage of survival of plants were also required to be maintained at sub-divisional level. During test check of records it was noticed that Beat registers were not maintained by forest guards upto September 1998. As a result correctness of percentage of survival of plants shown by the project could not be verified in audit. Scrutiny of village files at Sub divisional level revealed that in 28 cases in divisions test checked survival percentage of plants shown in village files was more than that was actually found at sites during physical checking by the Monitoring and Evaluation division/departamental

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<sup>1</sup> AP Divisions Charkhi Dadri 861 5 hectare cost Rs 0 52 crore Ferozepur Jhirka 971 hectare cost of Rs 0 58 crore and Sohna 521 hectare cost Rs 0 31 crore

<sup>2</sup> AP Divisions Charkhi Dadri 288 50 hectare cost Rs 0 17 crore Ferozepur Jhirka 540 hectare cost Rs 0 33 crore and Sohna 349 40 hectare cost Rs 0 21 crore

officers as indicated below

Division	Area in hectare	Year of plantation	Number of village sites	Survival percentage	
				as per village files	as per physical verification by M&E Division/ departmental officers
Charkhi Dadn	75 00	1996 97	2	78 to 83	45
Ferozepur Jhirka	45 00	1995-96	2	68 to 78	50 to 51
Namaul	149 00	1991 92	8	60 to 95	35 to 60
	24 50	1992 93	2	60 to 65	30 to 60
	5 00	1994 95	1	75 to 80	60
	4 00	1995-96	1	60 to 65	32
Rewari	28 00	1994 95	3	74 to 91	49 to 66
	5 40	1995-96	2	68 to 73	36 to 66
Sohna	90 00	1993 94	5	65 to 90	50 to 60
	22 00	1995 96	2	70 to 85	35 to 65
<b>Total</b>	<b>447 90</b>		<b>28</b>		

It was thus apparent that records maintained for survival of plants at sub division level were not at all reliable. PCCF Haryana issued instructions in January 1992 for taking disciplinary action including action to effect recovery against the defaulting officials in cases where survival of plants was below 70 per cent. However, no such action was taken against any official as of August 1999 nor the recoverable amount worked out so far even after more than 7 years of the PCCF orders.

### 3.3.6 Muster rolls

#### (i) Suspected payments

As per laid down procedure, muster rolls at work sites were maintained by forest guards who marked daily attendance of labourers for departmental works. After completion of work or at the close of the month, whichever was earlier, muster rolls were to be submitted to the respective Divisional Forest Officers by forest guards through Sub-Divisional Officers or sanction and passing for payment. A certificate to the effect that the works had been checked 100 per cent, 25 per cent and 5 per cent by the Forester, Sub-Divisional Officer and Divisional Forest Officer respectively was required to be recorded on muster rolls to ensure correctness of quality and quantity of the work.

Where the DFO disallowed/reduced the quantities of executed work at the time of passing muster rolls due to execution of less work, recoveries to the extent of value of less work were recorded in the muster roll register maintained at division level. After effecting recovery, the amounts were recorded in the cash book as well as in the muster roll register.

In three divisions test checked payments made through muster rolls for plantations and other land treatment works during 1992-99 were as under

Year	Charkhi Dadri		Ferozepur Jhirka		Sohna	
	Total payment through muster rolls	Amount disallowed and recovered	Total payment through muster rolls	Amount disallowed and recovered	Total payment through muster rolls	Amount disallowed and recovered
(Rupees in lakh)						
1992-93	121.97	1.93	142.10	1.32	70.84	10.40
1993-94	137.16	1.67	204.80	1.90	233.79	27.16
1994-95	164.44	9.38	220.08	3.05	282.15	46.74
1995-96	122.19	10.28	145.43	6.27	261.33	24.55
1996-97	74.86	12.01	109.13	4.00	198.98	9.83
1997-98	52.09	8.62	74.73	3.60	105.31	14.22
1998-99	36.51	8.31	48.40	3.12	36.45	1.51
<b>Total</b>	<b>709.22</b>	<b>52.20</b>	<b>944.67</b>	<b>23.26</b>	<b>1188.85</b>	<b>134.41</b>

Of the total payment of Rs. 28.43 crore through 18,081 muster rolls during 1992-99 by above mentioned divisions scrutiny of 5,075 muster rolls revealed following deficiencies

- Dates of making payments of wages to labourers were not recorded on muster rolls
- Certificates of 5 per cent check of works by the concerned DFOs were not found recorded. The DFOs disallowed the quantities of works without any recorded reasons or any reference to his site inspections, if any.
- The concerned SDOs recorded certificates on each muster roll that the full amount had been disbursed by them to the labourers. This being the case, it was not clear as to how substantial amounts were then arranged and deposited by foresters/forest guards towards recoveries against less work ordered by DFOs.
- The quantities of works executed on muster rolls were certified to be correct by SDOs but the DFOs did not accept such certification as correct and passed muster rolls for lesser quantities for which recoveries were ordered from the forest guards/foresters. Incorrect certification of work quantities by SDOs was not investigated by DFOs. Though SDOs supervised 25 per cent works, they were never held responsible for less work and no recovery ordered from them. Recoveries were generally ordered from forest guards/foresters. Thus there was a lack of supervision at sites of work at the level of SDOs/DFOs.

*(ii) Inflated labour strength on muster roll*

A scrutiny of muster roll registers in 3 divisions test checked revealed that Rs 2 10 crore (AP divisions Sohna Rs 1 35 crore Ferozepur Jhirka Rs 0 23 crore Charkhi Dadri Rs 0 52 crore) were ordered for recovery by DFOs from the concerned foresters and forest guards when the muster rolls (18 081 in numbers) during 1992 93 to 1998 99 amounting to Rs 28 43 crore were submitted to them by concerned SDOs To ascertain the magnitude of recovery amount from each individual muster rolls for the plantation and other works executed departmentally by 3 selected divisions during 1992 99 were checked It was found that the amount of recovery ordered and effected by the concerned DFOs from forest guards/foresters in respect of 5 075 muster rolls during the above period was as under

Year	Charkhi Dadri			Ferozepur Jhirka			Sohna		
	Number of muster rolls	Number of officials from whom recovery ordered/ made	Amount (Rupees in lakh)	Number of muster rolls	Number of officials from whom recovery ordered/ made	Amount (Rupees in lakh)	Number of muster rolls	Number of officials from whom recovery ordered/ made	Amount (Rupees in lakh)
1992 93	86	22	1 93	35	18	1 32	265	51	10 40
1993 94	81	24	1 67	68	28	1 90	823	59	27 16
1994 95	281	35	9 38	73	19	3 05	963	50	46 74
1995 96	237	33	10 28	150	31	6 27	665	57	24 55
1996 97	212	37	12 01	82	32	4 00	264	47	9 83
1997 98	150	35	8 62	84	27	3 60	295	45	14 22
1998-99	124	27	8 31	42	20	3 12	95	37	1 51
<b>Total</b>	<b>1171</b>	<b>213</b>	<b>52 20</b>	<b>534</b>	<b>175</b>	<b>23 26</b>	<b>3370</b>	<b>346</b>	<b>134 41</b>

As is evident from the above table such recoveries were ordered by DFOs and effected from the lowest level of staff like forest guards/foresters These recoveries were being made routinely from muster rolls which raises doubts about the authenticity of attendances of labourers on muster rolls in other cases also A thorough examination of the current system of payments through muster roll is called for In particular the role and responsibility of SDOs should be looked into since their control and supervision appeared totally lax The CCF AP Gurgaon replied (July 1999) that recoveries on account of less work or sub standard work against officials were ordered by DFOs while passing muster rolls for payment as per procedure prescribed by the Conservator South Circle Haryana vide order No 2/79 80 dated 9 July 1979 (re issued by the PCCF Haryana vide his standing order No 1/1998 99) He further stated that though the recoveries were imposed on the concerned officials but in reality these were made from labourers by the concerned officials It was however noticed during audit that above referred order contained instructions/procedure for recovery on account of less work/sub standard work etc from the staff and not from the labourers The reply confirmed the fact that the

amount shown as disbursed to individual labourers on muster rolls under their thumb impressions were not actually disbursed. Exact amount paid to labourers individually from government funds in above mentioned cases and the number of days for which each labour was deployed at work site was not verifiable from muster rolls either in audit or by the departmental officers and thus muster rolls were not reliable. Further when labourers were marked present on muster rolls reduction of their wages not only violated the provisions of the Minimum Wage Act (according to which wages were to be paid at the rates notified by the State Government) but also falsified the muster rolls.

Cases at (i) and (ii) above have strong vigilance angle and call for a thorough investigation accordingly.

### (iii) Employment generation

Against the target of employment generation of 122 lakh mandays during the life of the project actual employment generated was shown as 126.79 lakh mandays upto March 1999 by the department. This was due to the increased expenditure on account of additional/unauthorised plantations etc.

Year	Target	Achievement (Mandays in Lakh)
1991-92	16.05	
1992-93	21.20	18.46
1993-94	27.96	23.08
1994-95	24.65	25.60
1995-96	22.62	21.99
1996-97	4.32	16.80
1997-98	2.90	14.60
1998-99	1.60	6.26
<b>Total</b>	<b>121.30</b>	<b>126.79</b>

The figures of achievement towards employment generation are based on the monthly progress reports on project activities prepared by the Chief Conservator of Forests A P Gurgaon.

However during scrutiny of muster rolls in 3 divisions test checked it was noticed that inflated number of labour days were shown as deployed on muster rolls during 1992-93 to 1998-99. Rs. 2.10 crore were ordered to be recovered from the concerned forest guards/foresters on account of disallowed/less work done through 5,075 muster rolls involving payment of Rs. 10.99 crore. The consequential inflated labour days on the recovered amount worked out to 4.44 lakh. Thus generating of 126.79 lakh mandays employment reported by the department was not reliable.

### 3 3 7 Non handing over of plantation to village panchayats

As stipulated in PAR plants were required to be maintained by the Forest Department for first 3 years after the year of plantation. Thereafter these were to be handed over to the concerned village *Panchayats*. Contrary to this the department entered into agreements with the concerned village *Panchayat* to handover plantations to them after 6 years after which village *Panchayat* were to take over the responsibility for the land's management. The department carried out plantation work on 24 250 hectare area during 1991-92 to 1994-95 which fell due for handing over to *Panchayats* during 1995-96 to 1998-99 as indicated below

Plantation year	Area planted in hectare	Year in which fell due for handing over
1991-92	5 050	1995-96
1992-93	6 400	1996-97
1993-94	6 400	1997-98
1994-95	6 400	1998-99
<b>Total</b>	<b>24 250</b>	

However these plantations had not been handed over to the concerned village *Panchayats* till date (July 1999). To an audit enquiry (January-March 1999) the concerned Divisional Forest Officers stated (February-March 1999) that instructions in this regard were not received from higher authorities. No reply from the CCF was received in audit.

Non handing over plantation to village *Panchayats* result in apart from other things to extra expenditure on operations like pruning and thinning operations which had to be undertaken by the department itself.

### 3 3 8 Pruning of plants

The consultant of the EEC recommended (March 1995) to take up pruning operation in 1995-96 in respect of plantation of 1991-92 and 1992-93 by the concerned VFCs though the PAR did not provide for pruning of plants. The Chief Conservator of Forests (CCF) Aravalli Project Gurgaon directed (November 1996) all the concerned DFOs that pruning operation should be carried out wherever required. Rs 25 per hundred trees were to be borne by the department and balance by Village Forest Committees (VFCs) in cash or in kind. However even before issue of instructions for pruning operation by CCF AP Gurgaon an expenditure of Rs 14.57 lakh had already been irregularly incurred by all the 5 operational divisions on pruning operations during 1993-94 to October 1996. The Principal Chief Conservator of Forests should initiate action to effect recovery of this amount from the concerned DFOs and other officials responsible for the irregularity.

Further after receipt of CCF's instructions in November 1996 the department incurred another expenditure of Rs 17.94 lakh between November 1996 and February 1999 on pruning operations of which Rs 9.44 lakh was recoverable from VFCs towards cost of pruning but had

not been recovered as of March 1999. Thus due to non handing over of plantations an extra expenditure of Rs. 32.51 lakh was incurred on pruning operations. Records showing accounting and disposal of fuel wood material were not maintained by the divisions.

Reasons for carrying out pruning operations prior to issue of any instructions to do so for non demanding of contribution from the VFCs and for non maintenance of any records for showing disposal of pruned material were called for (January 1999) but reply had not been received (June 1999).

### **3.3.9 Continuance of post without government sanction**

Haryana Government Forest Department sanctioned one post of Chief Conservator of Forests (CCF) as Project Director in March 1991 and ordered one post of Divisional Forest Officer Monitoring and Evaluation Division to be surrendered by reducing the total number of posts of Divisional Forest Officers from existing 6 (earlier sanctioned by the Government in May 1990) to 5 for this project. It was however noticed in audit that the project continued to operate all the 6 posts of DFOs including the post of DFO Monitoring and Evaluation till date and incurred an expenditure of Rs. 7.17 lakh on his pay and allowances during 1991-92 to 1998-99 (upto December 1998).

The Conservator of Forests Monitoring and Evaluation Aravalli Project Gurgaon stated (March 1998) that this was a case of posting of Divisional Forest Officer against a post surrendered on technical grounds for which sanction of the State Government for its regularisation would be desirable.

### **3.3.10 Inadequate training**

Local consultants were to be appointed for the training of the project staff during the initial period of three years i.e. from 1990-91 to 1992-93. Consultants were appointed only in 1992-93 and hence no training in nursery plantation, micro planning, survey, demarcation, monitoring and evaluation activities was arranged during 1990-91 and 1991-92. In 1992-93 training of one day duration in nursery/plantation and 2 spells of training of only one day duration each in micro planning for 20 rangers/forest guards etc. were organised. Thus payment made to consultants was wasteful expenditure.

### **3.3.11 Other points of interest**

#### *(i) Construction of Training cum Convention Centre*

Construction of Training cum Convention Centre at Raipur (Sohna) was sanctioned (March 1998) at an estimated cost of Rs. 19.21 lakh by the PCCF Haryana Panchkula AP Division. Sohnna started the work in February 1998 and spent Rs. 25.29 lakh on the work upto June 1998. Of this Rs. 7.58 lakh were spent on construction of Rest House which was not included in the cost estimates sanctioned by PCCF Panchkula. The work was got executed through petty contractors at Haryana Schedule of Rates (HSR) 1988 plus ceiling premium by arranging material departmentally without invitation of tenders and allotment of work.

It was noticed that Rs. 1.27 lakh were irregularly paid by DFO AP Division Sohnna to the petty contractors towards labour and cost of material for centering and shuttering for reinforced cement concrete works in addition to the payment made at labour rates.

(ii) *Non use of mist chamber*

A mist chamber for raising nursery under controlled weather was got fabricated (March-September 1991) at a cost of Rs 2.01 lakh by AP Division Charkhi Dadri. However the chamber had not been put to any use (March 1999). Non use of mist chamber was attributed (March 1999) by DFO Charkhi Dadri to non availability of expert staff and also higher cost of raising nursery in mist chamber.

(iii) *Loss due to floods*

As estimated by the concerned DFOs plantations worth Rs 2.62 crore (AP Divisions Ferozepur Jhirka Rs 0.49 crore, Sohna Rs 0.13 crore, Charkhi Dadri Rs 0.63 crore, Narnaul Rs 0.89 crore and Rewari Rs 0.48 crore) and buildings and machinery worth Rs 0.21 crore were damaged during floods of 1993-94, 1995-96 and 1996-97. There was no record maintained for verifying as to how the loss of Rs 2.62 crore had been arrived at by the divisions. The department should have got the extent of loss of plantations (due to floods) assessed from the revenue authorities to arrive at accurate figures. The loss had not been got written off. As required under financial rules, the department was to send the report of loss to the office of the Accountant General (Audit) also which was not sent. The Chief Conservator of Forests (AP) Gurgaon stated (June 1998-August 1998) that the reports of these losses were forwarded to the Principal Chief Conservator of Forests but no action was taken by his office and losses were not got assessed/certified from the revenue authorities.

(iv) *Destruction of Plants*

Protection of plantation till their handing over (as per PAR first 3 years and as per agreements with the village *Panchayats* first 6 years) to the concerned village *Panchayats* was the responsibility of Forest Department. However plantation over an area of 57 hectare was destroyed due to mining activities as indicated below.

Sr No	Name of Division	Site of plantation/village	Area in hectare	Year of plantation	Expenditure on plantation (Rupees in lakh)	Year of destruction
1	Ferozepur Jhirka	Mohtabad	15	1992-93	1.93	1992-93
	do	Dedoli Kalan	5	1995-96	0.81	1996-97
2	Sohna	Bandhwari	5	1993-94	1.00	1996-97
	do	-do-	4	1994-95	0.74	1996-97
	do	do	18	1995-96	2.90	1996-97
	do	Rozka Gujar	4	1992-93	0.77	1996-97
	do	Bchlpa	6	1995-96	0.97	1996-97
<b>Total</b>			<b>57</b>		<b>9.12</b>	

Due to lack of co ordination between Forest Department and Mining Department expenditure of Rs 9.12 lakh incurred on plantation and their maintenance was rendered wasteful. The CCF AP Gurgaon stated (March 1999) that these cases had been reported to the Mining Department but further action by them was awaited.

### **3.3.12 Monitoring and evaluation**

As prescribed in PAR, an effective monitoring and evaluation system was to be worked out to follow the technical achievements and also to assess the socio economic impact of the project activities. Accordingly Haryana State Remote Sensing and Application Centre (HARSAC) was entrusted the work to find out the impact of the project. Interim report submitted (September 1998) by HARSAC indicated that dense forest and green cover in 1997 had increased in comparison to 1990. However the report was silent about the impact on check of soil losses and improvement in fertility/productivity of land. Monitoring and Evaluation Division which came into existence in 1992-93 was responsible for the concurrent monitoring of field activities like nursery works, earth works, plantation works, maintenance works and demarcation works etc. The Division however did not prescribe any periodical return/monitoring system to monitor/evaluate concurrently the implementation of the project. Hence the adequacy and effectiveness of monitoring could not be assessed in audit. DFOs took up plantations beyond approved acreage and also in unauthorised areas which indicated lack of monitoring.

Though 23 cases each of short execution of earth work and short plantation and 32 cases of incorrect recording of percentage of survival of plants was detected by Monitoring and Evaluation division, the department had not fixed responsibility for lapses/failures in these cases (March 1999) except for ordering recovery of Rs 0.47 lakh in 5 cases of less earth work (4 cases) and short plantation (one case).

### **3.3.13 Conclusion**

Main objectives of the project were to reverse the trend of environmental degradation and to re-establish a productive vegetation cover, check soil losses, improve fertility and productivity of land in Aravalli Hills through plantations over 37,600 hectare area against which 38,050 hectare was planted upto 1998-99. To ascertain achievement of said objectives Haryana State Remote Sensing Application Centre, Hisar (HARSAC) was entrusted (July 1993) the job of finding out the impact of the project. While the interim report of HARSAC submitted in September 1998 was silent on the aspects of soil erosion, fertility/productivity of land in the project area, final report had not yet been submitted. However audit scrutiny revealed that the project was extremely badly executed and frauds were wide spread. Employment generation to local villagers reflected as 126.79 lakh labour days during 1991-92 to 1998-99 by the department was fictitious. Audit examination of 5,075 muster rolls for Rs 10.99 crore in 3 divisions tested revealed that these muster rolls depicted deployment of 4.44 lakh inflated labour days for which suspected payment of Rs 2.10 crore was shown as disbursed to labourers. The project involved huge cost escalation. Initial cost estimates Rs 48.16 crore (July 1989) were revised to Rs 120.99 crore (in the year 1998-99) and actual expenditure till the end of 1998-99 had already touched Rs 107.65 crore and the project was still continuing. Plantation works entailed cost escalation to the tune of Rs 42.44 crore due to unauthorised plantation over 7,750.90 hectare area not identified under the project, coverage of 5,050 hectare more area than the targeted area, taking up activities such as gully plugging, water harvesting etc not provided in the Project Appraisal Report, rise in wage rates, suspected payments to

labourers on muster rolls raising of 1.07 crore extra seedlings etc. Considering the magnitude of suspected payments on muster rolls and other serious irregularities Audit proposes to take up an extensive verification of transactions

The matter was referred to Government in May 1999 their reply had not been received (September 1999) The department in their written reply explained the position as under

*(iii) Huge Cost escalation*

Though the project cost was initially pegged at Rs. 48.16 crore (July 1989) it was revised to Rs. 120.99 crore in 1998-99 because initially the project was estimated by taking the wage rate of Rs. 21 and 1 ECU equal to Rs. 17. Cost of various activities was worked out in the project document in terms of person days and financial figures were arrived at by multiplying wage rate to man (person) days. During the project upto 1997-98 while the wage rate increased from Rs. 21 to Rs. 67 the ECU also increased from Rs. 17 to Rs. 48. The increase in wage rate led to cost escalation in labour component of various project activities to the tune of over 300 percent. As against this annual price escalation in ECU terms provided in the project document was only four percent. Thus the escalation in wage rate was compensated by negative escalation in exchange rate. In fact this acted as a balancing factor and helped project implementation.

Increase in salary of the staff was far more than that provided in the project document for example an amount of Rs. 60.6 million was provided as salary upto 1997-98 in the project but actual expenditure was Rs. 165.14 million during the same period. The increase is about 275 percent of the cost provided in the project document. Thus difference in cost estimates as provided in PAR and higher expenditure was due to the fact mentioned above particularly the increased wage rate, foreign exchange fluctuation and Increase in salary.

As far as total increase of Rs. 42.44 crore accounted for by plantation works is concerned Justification/ clarification regarding (i) raising of 1.07 crore excess seedlings (Rs. 1.57 crore) (ii) Unauthorized plantation over 7750.90 hectare area not even identified under the project (Rs. 4.56 crore) has been given in the reply to paras 3.3.5.2 (A) (i) and 3.3.5.2 (B) (i) (ii) & (iii) respectively. As far as coverage of 5050 hectare unauthorized area i.e. more than the targeted area (Rs. 9.03 crore) is concerned the project document initially provided plantation for 33000 ha which was achieved upto 1995-96. Annual Work Plans (AWP) for the year 1996-97, 1997-98 and 1998-99 provided additional targets and implementation was done accordingly. The annual work plans have been approved by the Govt. and EEC. Thus there was no unauthorized plantation. The project should in fact be given credit for exceeding the physical targets.

Various supporting activities like gully plugging, water harvesting etc. were actually undertaken only after the soil and water conservation activities were recommended by Mild Term review Mission in 1994. These activities whenever carried out were incorporated in the AWP. Similarly incentives to VFCs were given only after the same was incorporated in the AWP which was approved by the Govt. and the EEC. This was designed as part of entry point activity which is now an essential component approved by the Govt. of India for such forestry projects. This issue was examined by Mild Term Review Mission (MTRM) who appreciated this activity. It has been mentioned in the MTRM report that the MTRM endorse this policy and recommends continuation.

*(iv) Financial aid commitment by European Economic Community*

The matter for the balance release of funds has been taken up by the department with EEC

**3 3 5 1 1 Village based microplanning not done**

The Aravalli Project was started in 1990 and the plantation activities were started in the next year (1991-92) with active involvement of local communities. There was adequate interaction between project staff and villagers. The process of preparing microplan for the villages was started in the year 1990-91 itself adopting guidelines of NWDB (National Wasteland Development Board New Delhi) vide CF Aravalli Project letter no 989/92 dated 28.11.90. As working on common lands required very different approach it was soon felt by the project that these guidelines need to be modified/improved. The consultants were fielded by the EEC in 1992 and a series of workshops were held wherein a new format and guidelines were formulated leading to the compilation of Microplanning manual. Thereafter all microplans were prepared as per these guidelines. Thus the microplans based on NWDB guidelines were prepared for the villages where plantations works and other rehabilitated activities were carried out upto 1992-93. Later on these microplans were revised according to the guidelines given by the project consultants. There was adequate interaction with the local communities. In any case the project undertook physical activities only after a resolution was passed by Village Panchayat to that effect. It must be pointed out that this activity (microplanning) were not only new to the state but in the entire country and there were no precedents/guidelines to fall back on. The project evolved these guidelines which today are an example for many other projects in the country. The existing village microplans have been evolved and modified based on project experience.

Village institutions like VFCs take time to develop and sufficient contact has been increasingly made by respective divisions. A perusal of the number of the meetings indicate excellent interaction between project and VFCs. Therefore the para may please be dropped.

*(i) Extra expenditure due to excess raising of seedlings*

As per Technical note No. 3 of Haryana Forest Department the number of seedlings to be raised in nurseries should be increased by 30 to 40 percent over actual requirement keeping in view the rejection/mortality of seedlings during shifting, grading, transportation, loading and unloading and beating of failure of plants in the current year plantations. It may be added here that in semi arid areas mortality of seedlings are more and additional seedlings must be raised to meet any eventuality.

*(ii) Irregular raising of Acacia tortilis seedlings*

Instructions issued by CCF AP were in the nature of general guidelines as in some villages it was observed that the general public in some cases has preferences for species other than *Acacia tortilis*. The situation varies from site to site even within the same village. The objective was to plant alternate species wherever feasible. However choice of species depends on the villagers' choice as well as the climatic/edifice conditions which may vary from

village to village. In many places no other species comes up and the villagers also prefer *Acacia tortilis* as it is an excellent species for sand dune stabilization. It grows very fast and meets the demand of fuelwood. The concerned D F Os have to take on the spot decision as per the wishes of people and plant appropriate species as per the site conditions. Therefore the para may please be dropped.

*(iii) Excess consumption of polythene bags in nurseries*

Not all plants are raised in the similar size of polythene bags. About 15 to 20% of plants are raised in larger Polythene bags (20 x 30 cm) and the remaining in 12x22 cm size. If we calculate the quantity of P bags consumed after taking this thing into consideration, the quantity of polythene bags used is reasonable to explain this the quantity of P bags used in Sohna Division is given in Annexure V.

As per report P bags used	Total No of Plants raised	15% big size P bags used	Balance 15x22 P bags
379 1 qntl	1 26 99 000	19 04 850	1 07 94 150

**Consumption of P bags as per above (For example)**

@175 No bags per kg (Big size)	@390 to 400 12 x 22	Total P bags used
108 84 Kg	269 85	378 69

It would thus appear from the above that there is no excess consumption of polythene bags.

**B Plantations coverage**

(i) All works done by the Project are as per the annual work plan submitted to EEC and Government of Haryana from time to time. Project policy and decision making is guided by the Project Co ordination Committee which meets twice a year to approve the work. A list of all villages was submitted and approved by the 7th Co ordination Committee meeting. The para may kindly dropped as these 56 villages have been approved by the Co ordination Committee and fall in the project districts.

(ii) Four physiographic units have been identified and different models for treatment have been prescribed. These units are —

- \* Eroded hill slopes 5 20 cm soil depth 20% rocks and boulders
- \* Table lands on hill tops soil depth more than 20 cm
- \* Alluvial deposits in foot hills loamy soils
- \* Loamy deposits (sands)

The Project is not confined to hilly areas alone. Therefore 2350 50 ha area (mentioned as non hilly areas in the para) pertains to above unit no 3 & 4 which extends in the forms of plain areas (Bhur) even up to long distances from the basal corner of the hills. Thus there is no irregular coverage.

(iii) List of villages mentioning details of land available for plantation which has been obtained from and certified by Revenue Authority is clear that the common lands available for plantation in these villages is much more than the plantation target achieved till 1998-99. It is not correct to say that plantations are to be carried out on hilly areas alone. According to Project Appraisal Reports plantations to be carried out on hilly as well as foot hills. The para is based on misconceptions. All the plantation activities have been carried out according to provision contained in Project Appraisal Report.

(iv) The land in Raipur village where 21 ha plantation has been done during 1994-95 is not a private land but it belongs to Haryana Forest Department which was declared Reserved Forest in 1989 by Government of Haryana. The 21 ha plantation has been done on the hilly area of this Reserved Forest. Some people tried to encroach upon this land. Staff of the Forest Department along with Panchayat of village Raipur thwarted their attempt to grab this land. Thus the plantation has not been done on the private land.

(v) Village files have been maintained for each project village and have been shown to audit. Village files contain details of plantation including their survival percentage and other activities undertaken in the village. Village files in fact contain more detailed information than beat register. Territorial jurisdiction of a Forest Guard is known as Beat and there are a number of villages in a beat. Beat register though not mandatory to maintain has been maintained by the project authorities and contain abstracts of the village files. Beat register for all the beats/villages of the project have been prepared and information such as plantation targets achieved modelwise and yearwise, species and No. of plants planted and plantation map of the area is maintained in the beat register. Moreover description and observation by Forest officials for each plantation site is also maintained in the beat register.

Survival percentage for a particular plantation site is recorded in the village file at the end of the plantation year. The survival percentage of that particular plantation may increase or decrease subsequently in the following years due to factors such as grazing, frost, pest attack or illicit felling/lopping of branches/biotic interference etc. Therefore in certain plantation difference between survival percentage recorded in village file and as observed by the Monitoring and Evaluation division/departmental officers does occur. In such cases and in case of all those plantations where survival is found less than 70 percent action has been taken after following the departmental rules and procedures.

### **3.3.6 Muster Rolls**

#### ***(i) Suspected payments***

Recoveries on the muster rolls on account of less work are ordered by DFO at the time of sanctioning the Muster Rolls according to the procedures prevailing within the department. In this regard please find enclosed standing order no. 2/79-80 (Recoveries from the staff by Conservator South Circle Haryana dated 9-7-79). This procedure is being followed throughout the State and this order is endorsed and re-issued by the PCCF Haryana vide his standing order No. 1/1998-99 which states: "If any muster roll or bill sanctioning authority is convinced that excess work has been charged or sub-standard work has been done, the sanctioning authority will sanction the vouchers subject to the necessary recovery. This clearly means that recovery is not punishment under the Haryana Civil Services (Punishment and Appeal Rules 1987)."

This standing order clearly indicates that these recoveries must be made before the disbursement of payment. Physical work in the field is carried out according to Schedule of rates fixed by the Forest Department. Daily wages worker is paid wages according to Minimum Wages Act. The labourers are required to execute fixed quantity of work which has to be commensurate with wage rate and schedule of rate for work. Sometimes a labourer may be present on duty for the whole day (thus entitling him the full wages for the day under the Minimum Wages Act) but he may not execute the work according to schedule of rate for works. Such a situation calls for recovery due to less work or substandard work. While sanctioning the Muster Rolls the recovery orders are issued by the DFOs from the concerned Forest Guards and Foresters who are hundred percent responsible for the works. There is no procedure of entering the dates in the muster rolls on which labourers are paid as these are entered in the cash book. Therefore the para may please be dropped.

*(ii) Inflated labour strength on muster rolls*

The process of recovery due to less work or substandard work has been explained. This is a standard practice prevailing in the Department and this is being done as per prescribed Departmental procedure issued *vide* Departmental circular/Letters quoted in the above para. The Government of Haryana has recently taken a decision to do away with the system of Muster rolls in the Forest Department and has decided to carry out the departmental works under Piece Rate Contract System. With the start of this new system the problem of recovery for the less work done will be taken care of.

*(iii) Employment Generation*

Generation of 126.79 lakh mandays shown as achieved by the project is correct and reliable because this figure is arrived at on the basis of monthly progress reports on project activities. As far as increased expenditure on additional/unauthorized plantations etc. is concerned the same has been answered in the concerned paras. Though Rs. 2.10 crore were ordered to be recovered from the concerned forest guards/foresters on account of disallowed/less work done through 5075 muster rolls involving payment of Rs. 10.99 crore, the labour days on the recovered amount which comes out to 4.44 lakh cannot be ignored because though the recovery was made for the less work done yet these labour days were actually created by project activities.

### **3.3.7 Non handling over of plantations to village panchayats**

The PAR does not stipulate that the planted area should be handed over to the concerned Panchayats after three years. In Aravalli Project the land for plantation is taken for 6 years on the agreement with VFCs. Management of these lands is carried out with the participation from VFCs and hitherto VFCs are yet to attain levels wherein they can manage these rehabilitated lands entirely on their own. If these plantations are handed over before village level institutions are fully developed, there is a danger that years of work may come to naught. Therefore the project is still to hand over these areas to VFCs. Moreover the project is not managing the areas exclusively on its own. It is under joint management of the project and VFCs. The project has achieved national importance in joint management of common property resources. The benefits in any case from all such treated land accrue/will accrue entirely to villages. As and when plantations reach the beyond damage stage and VFCs attain maturity the treated areas will be transferred from joint management to the exclusive management of VFCs. Though

pruning and thinning operations have to be carried out on such older plantations the yield obtained from the operations go to the villagers and they get benefited by such operations in terms of fuelwood fodder etc which is one of the main objectives of the project Moreover scientifically operations such as pruning and thinning help in development and growth of the plantations All such activities were carried out according to the Annual Work Plan approved by the Government and the EEC In fact the project has achieved higher survival rate and better management of rehabilitated and due to the longer duration of joint management by the Deptt & Panchayats

### 3 3 8 Pruning of plants

Pruning and singling operations in old mesquite plantations was carried out since 1996 97 CCF Aravalli Project Gurgaon instructed that in pruning and singling operations the project will pay @ Rs 25/ per hundred trees and the rest amount will be paid by VFC out of the fuel wood obtained from such operations The work was started only after discussing the matter with the VFCs

After few days of work it was observed that pruning and singling of mesquite cannot be done at departmental schedule of rate because expenditure in these operation is much more than the rate of Rs 55 per hundred trees In such a situation if the project were to offer Rs 25/ per 100 trees then the VFCs would have to bear extra financial burden for payment of the rest amount As a result of this VFCs did not agree for payment of rest amount apart from this the material obtained from singling and pruning could not fetch any amount so that the same could not be utilised by VFCs for payment of the rest of the amount

Difficulties observed in pruning and singling operations were discussed in detail during DFOs meeting with CCF In this meeting it was decided that pruning and singling operations of mesquite will be done at the departmental schedule rate i.e Rs 55/ and in lieu of rest expenditure material obtained from singling and pruning operations will be given by VFCs free of cost to the labourers deployed by them

Pruning and singling operations have been carried out in those areas only where it was possible to do the same @ of about Rs 55/ per 100 trees because expenditure in other areas was much more than Rs 55/- per 100 trees

So far as expenditure for pruning and singling operations is concerned it is worth while to mention that a work study on the operation was carried out in the year 1998 99 Accordingly to this work study the rate for pruning and singling of mesquite has been fixed at Rs 1 90/ per tree

Earlier the Aravalli Hills had an excellent vegetative cover But due to increase in biotic pressure and greediness of human being this vegetative cover disappeared The climax species of this tract like Dhok Dhak Gangeran and Amaltas etc are very good coppicer These species tried to shoot fresh coppices in every favourable season but the heavy grazing by Sheep and Goats did not allow these species to grow beyond a crawling bush By taking up the area for plantation and the effective protection carried out by the Project Staff and the VFCs the root stock of above species got a chance to grow But to give them a free shape it was necessary to prune their stems up to a height of one third from the ground level

### 3 3 9 Continuance of post without govt Sanction

Monitoring and evaluation is a vital task and there was considerable amount of pressure from funding agency for the post DFO (M&E) In the 2nd meeting of co ordination committee the need for the position of DCF (M&E) was emphasized This view was expressed in various forums also Hence this position was filled up This was in accordance with the provisions contained in PAR

### 3 3 10 Inadequate Training

The consultants were to be fielded by the funding agency i.e EEC through an institutional contract which could not be finalized before 1992 The international tender floated by EEC Brussels was won by the Fountain Renewable Resources U.K in 1992-93 The international and local consultants were fielded thereafter

Even before the technical assistance could be provided by the funding agency the project authorities did conduct training programmes For example one study tour of 20 staff members two study tours of 45 VFC members two workshops/seminar fifty village drama shows sixteen village film shows and two exhibitions were organised during 1991-92 During 1992-93 technical training was imparted to five DFOs eleven SDOs three FRs two DRs fifteen Frs and 44 Frs In addition to this one study tour of 30 staff members five study tours of 119 VFC members three workshops thirty eight village drama shows four village film shows one TV programme and one Exhibition were organised during the year 1992-93 Therefore the para may please be dropped

### 3 3 11 Other points of interest

#### (i) construction of training - cum convention Centre

Revised Estimates for Training Centre (for Rs 30 86 000) Rest House (for Rs 12 68 000) and Boundary wall (for Rs 2 04 000) have been sanctioned by the PCCF Haryana vide his letter no 38583 dt 19 3 99 34008 dt 3 2 99 and 39531 dt 31 3 99 respectively

All the Works in Forest Department are got done departmentally after deducting 21.5% contractor's profit and departmental charges and not through contractors as has been observed in the para Since work is done departmentally therefore there is no need to invite tenders etc

Regarding the excess payment on account of centring and shuttering it is stated that department is already seized with the matter and departmental action has been initiated against the defaulters Shri Bhoop Singh Forest Range Officer Incharge of Building works has been charge sheeted vide CF AP letter no 3307 dated 23 3 99 Hence the para may please be dropped

#### (ii) Non use of mist chamber

The Mist Chamber was built for experimental purposes There are certain species in Aravalli region like Dhok (*Anogeissus pendula*) which are difficult to raise in nursery germination percentage being less than one percentage Mist chamber has been used from time to time for raising such species Mist chamber was not meant for large scale production of seedlings It may not be necessary for the project to operate the mist chamber all the year round but is certainly used for such purposes as mentioned above and for other propagation trials

### *(iii) Loss due to floods*

Report of damage to plantation and building due to floods were made to PCCF *vide* CCF (AP) letter no 783 dated 17 8 93 no 1418 dated 14 9-95 no 711 dated 27 9 95 etc Replacement of plants in damaged plantations and repair of buildings were carried out as per the instructions given by PCCF *vide* his letter no 18645 92 dated 28 9 93 and no 20442 66 dated 28 9 95 Therefore the para may please be dropped

### *(iv) Destruction of plants*

Some of the rehabilitated areas have been damaged due to mining activities Concerned DFOs have taken up the matter with concerned DCs and Police authorities The matter has also been reported by the C C F to the P C C F who has taken up the matter with the Government so that such incidents are avoided in future The para may please be dropped

## **3 3 12 Monitoring & Evaluation**

Monitoring and evaluation of nurseries work registers micro plans activities of VFCs advance earth works and plantations has been carried out by the M&E unit as per the schedule given on page 7 (under the heading 1 4 Training needs of M&E unit) of the Monitoring and Evaluation manual of the Aravalli Project

To improve the standard of works it was necessary to give an early feed back of the results of monitoring and evaluation to the DFOs (operational) and the higher authorities Therefore after the completion of M&E of an area/activity the DFO (M&E) used to prepare and send the M&E reports immediately to the concerned DFO (operational) CF CCF and PCCF

It will be appropriate to mention here that as per the M&E manual 10% sample evaluation of plantations for survival rate and success index (Model I and Model II) and visual evaluation of Model III area was to be carried out But the unit has carried out sample checking of about 20 556 ha (out of 38 050 ha) which is about 54%

There was no provision of 100% physical checking of earth work and plantation in the M&E manual as 100% physical checking of an area is a very time consuming process But even then out of 32 630 ha of Model I and II 100% checking has been carried out of approx 5100 ha which is about 15%

Regarding disciplinary action and imposing of recovery is concerned disciplinary action has been started in almost all the cases of shortage of earth work shortage of planted area poor survival of plants grazing and areas in which demarcation not done and boundary pillars not fixed Hence the para may please be dropped

## **3 3 13 Conclusions**

Main objective of the project was to rehabilitate degraded Aravalli hills and to simultaneously meet the fuelwood fodder and timber requirement of the local population Reduction in soil erosion improvement in moisture regime and land fertility were consequential benefits of rehabilitation The project has in fact met more than its objectives as is evident from the following The project has successfully rehabilitated the degraded and in hospital Aravalli hills which is no mean achievement This is rated as one of the most successful project According to Haryana State Remote Sensing and Application Centre Hissar (HARSAC) which was specially commissioned by the project to assess the impact of project rehabilitation

program with the help of satellite imageries the forest cover in project villages has increased from 2201 hectares in 1990 (base year) to 28 887 hectares in 1997. Need we say more ?

Reduced soil erosion leads to reduced run off and increase ground water recharge. A study carried out by EEC consultants to assess the impact of project rehabilitation activity on ground water recharge has indicated positive effect. For example according to study in June there is positive change (rise) in the water table of 4.13 m in Ballabgarh sub division, 1.97 m in Ferozepur Jhirka sub division and 1.07 m in Punhana sub division. Similarly in October the rise in water table is 1.25 m, 3.86 m and 2.27 m respectively compared over a period from 1990 to 1996. This is inspite of the fact that the number of tubewell over the same period has increased by 117 to 140%.

The project has the distinction of getting National Award viz. Indira Priyadarshani Vrikshamitra Award (IPVM) conferred by Ministry of environment & Forests Govt of India twice, first in 1996 (to Sohna Forest division) and again in 1997 (Khaleta VFC). This award is given for outstanding contribution in the field of afforestation and wasteland development. One of the land mark achievement of the project is institution building (peoples participation). The project has made many innovations in the field of Participatory Natural Resource Management & is today cited as an example of Joint Forest Management (JFM) Approach. The Premier Forestry institutions of the country for example Indira Gandhi National Forest Academy Dehradun, State Forest Service College, Forest Research Institute Dehradun etc. have regularly sent their teams for training. Many international agencies like GTZ, IDA, DECF etc. have visited the project in order to see the works. All expenditures incurred by the project are strictly in accordance with Government Rules and Regulations. All activities undertaken by the project are as per provisions contained in the PAR/Annual work plan duly approved by the Government and the donor agency the EEC. There is no unauthorized expenditure. The project has achieved its objective successfully and in totality. The project has rehabilitated the degraded Aravalli hills by undertaking plantation activity which has lead to tremendous increase in forest cover in the area. The project has almost met the entire requirement of grass, fodder and fuelwood of the project villages and more importantly has reversed the trend of degradation of Aravalli hills. Increase in forest cover has lead to recharge of ground water resources. People's participation has been mainstay of the project. It was through their participation and dedicated improvement of the project staff that thousands of hectares of degraded Aravalli hills have been rehabilitated/planted successfully by following the concept of social fencing. No barbed wire etc. fencing has been resorted to by the project.

**During the course of oral examination, the Committee is not satisfied with the reply given by the Department in respect of Para No. 3.3 of the C&AG Report. After some discussion, the Committee desired that the Department should prepare a revised reply in support of their contention which they have explained during the course of oral examination and the same may be submitted to the audit party of AG's Office so that they may examine it in detail and thereafter the same may be put up before the Committee for taking a final decision in the matter.**

**The Committee also desired that the Commissioner & Secretary of the Department may also examine all aspects of the issues raised by the audit in its report and a comprehensive report may be sent to the Committee for its perusal so that the Committee may again consider the matter. The said report is awaited till the drafting of the Report.**

## **MEDICAL AND HEALTH DEPARTMENT**

### **[ 6 ] 3 4 Working of Medical and Health Department Including Manpower Management**

#### **Highlights**

Review of the working of Medical and Health Department revealed deficient budgeting leading to substantial savings of funds as well as excess expenditure over budgetary grants. Non sanction of funds by State Government under 29 plan schemes during 1996-99 resulted in surrender of entire budget provision of Rs. 5.18 crore and hence the department could not achieve several goals like upgradation of hospitals, setting up of intensive care units, establishment of drug de-addiction centres etc. Bed occupancy in Government Hospitals/CHCs etc. was low and had a declining trend. Large number of CHCs in rural areas were without doctors. Sizeable number of posts in the cadres of doctors/dental surgeons, multipurpose health workers and staff nurses were vacant which affected health care services. Doctors/paramedical staff in many cases were diverted from rural to urban areas. In many cases, PHCs were upgraded as CHCs and doctors/paramedical staff also deployed as per CHC norms but required number of beds were not provided and the CHCs continued to function similar to PHC level. Large number of employees were posted at the same station by the department for more than five years in violation of State Government's policy on posting/transfer.

#### **3 4 1 Introduction**

Medical and Health Department provides curative, preventive, promotional health care and family welfare services to the people for improving their health status. During 1996-99, the department implemented various programmes for strengthening of hospitals and dispensaries, eradication of malaria, control of tuberculosis, blindness, leprosy, AIDS, prevention of food adulteration, drug control etc. Out of 64 schemes run by the department, 22 were Centrally Sponsored (100 per cent funded), 20 schemes on sharing basis, 2 schemes) and rest were funded by the State Government. As of March 1998, the department had a network of 43 hospitals, 64 community health centres (CHCs), 399 primary health centres (PHCs), 2,299 sub-centres, 12 district TB centres and 47 dispensaries in rural and urban areas (including 18 mobile dispensaries). The department had a total bed strength of 11,416 beds as of March 1998 in its various hospitals in the State.

#### **3 4 2 Organisational set up**

The Commissioner and Secretary to Government of Haryana, Medical and Health Department, was responsible (at secretariat level) for the overall management of the Medical and Health Department. The Director General Health Services (DGHS) was the head of the department as well as the Controlling Officer. He was assisted by one Director, Health Services and 3 Directors (incharge of Malaria and other programmes/schemes) and other officers.

In the districts, Civil Surgeon was overall responsible for all medical and health care activities, proper implementation of programmes and execution of schemes and was assisted by district level medical officers such as District Health Officer, Medical Officer, District TB Control Officer, District Malaria Officer and District School Health Medical Officer.

### 3 4 3 Audit Coverage

Some aspects of the working of the department viz allopathic system excluding family welfare programme and employees state insurance (ESI) scheme for the period 1996 97 to 1998 99 were reviewed in audit through test check of records at Directorate level and in the offices of 4 Civil Surgeons and 8 hospitals of 4 districts<sup>1</sup> (out of 19 districts) during February to May 1999

There were 142 drawing and disbursing officers (DDOs) in the department and records of 25 DDOs were test checked in audit which included 8 hospitals and 15 CHCs. For manpower management 6 districts\* were test checked. Audit findings are discussed in the succeeding paragraphs

### 3 4 5 Health Services Delivery System

The programme for setting up of Sub centres, Primary Health Centres and Community Health Centres for providing health infrastructure delivery system to the community was part of the social safety net developed by GOI in early 90s. Primary Health Care infrastructure has 3 tier system i.e. Sub centre, Primary Health Centre (PHC) and Community Health Centre (CHC). Sub centre is the peripheral contact point set up at village level. One Sub centre is to look after every 5 000 rural population as per norms.

Primary Health Centre (PHC) is the first contact point between the Medical Officer and the village community. For every 30 000 population, one PHC is set up.

Community Health Centre (CHC) is the first referral stage for patients from PHCs/Sub centres. Each CHC has 30 beds and is to cater to 1 20 lakh rural population.

The department had a target of setting up of 14 CHCs and 10 PHCs during 1996 99 against which only one CHC and 2 PHCs were set up. Reasons for shortfall in setting up of the targetted number of CHCs/PHCs were not intimated by the DGHS. Total number of CHCs, PHCs and Sub centres existed in the State as of March 1998 was far less than the requirement in relation to population norms. As per 1991 census (refer statistical abstract of the Planning Development) Haryana State had a rural population of 1 24 crore. Considering the size of rural population, there was a shortfall in setting up of CHCs, PHCs and Sub centres to the extent indicated below.

Sl No	Health Institutions	Number of health institutions as of March 1998		Shortfall
		Required as per norms	Actual (as of March 1998)	
(i)	CHCs	104	64	40
(ii)	PHCs	414	399	15
(iii)	Sub centres	2 481	2 299	182

Against 104 CHCs required in the State as per norms, only 64 CHCs existed as of March 1998. The estimated rural population of the State increased to 1 46 crore by the end of

1997-98 Thus each CHC was catering to a rural population of 2.28 lakh as against norm of 1.20 lakh and hence depriving the rural population of the usual health care as well as referral facilities for treatment of patients

Against requirement of 2481 Sub centres only 2299 Sub centres were set up by March 1998 in the State. Each Sub centre was catering to a rural population of 6350 against the norm of 5000 population (based on estimated population of 1.46 crore). During 1997-98 the department had a budget provision of Rs. 10 lakh for opening of 8 Sub centres which was surrendered as the State Government did not sanction funds for the purpose and hence no Sub centre established in 1997-98.

The department in their written reply explained the position as under —

2416 Sub centres are available against 2481 sub centres. During 1995-96 proposal for upgradation of seven PHC namely Nangal Chaudhary, Kalanwali, Purkhas, Meerpur, Arya Nagar, Bond Kalan and Nagipur into CHC was sent to Govt. Out of which four PHC namely Meerpur, Arya Nagar, Bond Kalan and Nangal Chaudhary were upgraded into CHC by the Govt. In addition to this proposal for upgradation of 20 PHC was sent to Govt. vide No. 14/119 2Plg /95/218 dated 15.5.95.

This case was referred to Planning Deptt. for providing additional amount for this purpose.

However the Planning Deptt. deferred the proposal of the deptt. to increase in the Plan Ceiling in view of the unprecedented floods in the State. So due to non availability of funds proposal of the deptt. was not approved by the Govt.

The matter was taken up with the Planning deptt. to provide additional amount for the upgradation of 20 PHC into CHC during the year 1996-97. Planning Deptt. had desired to identify such PHCs as were in the dire need of upgradation into CHC during the Annual Plan 1996-97. After getting the information from the Deptt. this case was referred to Finance Deptt. for approval and Finance Deptt. returned the proposal with remarks that proposal of the A.D. received at the closing of the Financial years 1996-97. So in view of the position explained above the proposal could not be materialised.

During the year 1997-98 the proposal to upgrade four PHC namely Nagipur, Kalanwali, Gharaunda and G.H. Bahadurgarh jointly and for PhC Sorkhi separately into CHC was sent to Govt. Government sanction to upgrade only PHC Purkhas into CHC was received.

During the year 1998-99 proposal for upgradation of six PHC (Kiloi Ahar, Kalanwali, Gharaunda, Nagipur and G.H. Bahadurgarh) into CHC was sent to Govt. but the sanction was not received. In addition to this proposal for opening two sub-centres (Dhotar and Balasar) was sent to Govt. vide this office letter No. 13/1 2 plg 99/105 dt. 27-3-98 sanction of which was not received from the government.

So far shortfall for setting up sub centres PHC and CHC on the basis of population of year 1991 is concerned it is due to non availability of funds/land.

After going through the written reply and also hearing departmental representatives, the Committee observed shortfall in the setting up of Primary Health Centers Community Health Centers and Sub-centers in the State. The Committee therefore, recommends that shortfall may be made good and Committee be informed accordingly.

[7] 3 4 6 Hospitals and dispensaries

(iii) Low bed occupancy in hospitals

In 4 districts bed occupancy rate in district level general hospitals was as under

District General Hospital	Number of beds	Percentage of bed occupancy in the years			
		1995	1996	1997	1998
Bhiwani	300	76	67	60	50
Faridabad	200	97	100	64	56
Hisar	200	60	61	60	57
Panchkula	50	45	42	84	37

Bed occupancy in Bhiwani district continuously declined from 76 per cent in 1995 to 50 per cent in 1998 due to shortage of specialist doctors in gynaecology obstetrics orthopaedics ear nose throat (ENT) anesthesia and radiology department and shortage of para medical staff.

In B K General Hospital (GH) Faridabad there was decline in bed occupancy from 97 per cent in 1995 to 56 per cent in 1998.

In General Hospital (GH) Panchkula though there was no shortage of doctors in 1998 yet the bed occupancy rate declined from 84 to 37 per cent. Reasons for the decline in bed occupancy were not on record.

(vi) Lack of ICU facilities

Out of 19 district level hospitals only one Intensive Care Unit (ICU) existed at General Hospital Hisar. During Ninth Five Year Plan (1997-98 to 2002) Rs 4.50 crore were earmarked to set up one ICU at each district level hospital. Accordingly a budget provision of Rs 15 lakh each year was made during 1997-98 and 1998-99 for setting up of ICU in district level hospitals. However entire budget provision of Rs 30 lakh was surrendered. The DGHS confirmed (July 1999) that no proposal for setting up IC units at district level hospitals was sent during 1997-98 whereas a proposal for the year 1998-99 was sent by the DGHS to Government during November 1998 for setting up one IC unit at General Hospital Bhiwani. The Government sanction was received on 31 March 1999 to be effective during 1999-2000 and as such the budget provision of 1998-99 was also surrendered.

(vii) Non establishment of Drug de addiction Centres

In the 9th Five Year Plan the department propose to set up 15 new drug de addiction centres in the State in a phased manner with an approved outlay of Rs 5 crore. During 1997

98 budget provision of Rs 30 lakh was made for the creation of new posts of specialist doctors and other supporting staff for the proposed centres. Due to non sanction of funds by the State Government the entire budget provision of Rs 30 lakh was surrendered. Again during 1998-99 a budget provision of Rs 20 lakh was made for opening of 3 new de-addiction centres at Hisar, Rohtak and Gurgaon which was also surrendered due to non sanction of funds by the State Government. Thus no new drug de-addiction centres were opened in the State during 1997-99.

The department in their written reply explained the position as under —

### 3.4.6 (iii)

Regarding this para keeping in view the reply rendered by PMO B K Hospital Fardabad in para 2 vide his letter No. BKH 2001/4133 dt 31.10.2001. The para may please be dropped.

So far as the question of bed occupancy declination in CHC Kurali and Hathin is concerned, it is due to shortage of space for operation theater and laboratories. Further the declination in bed availability is due to two months strikes of Nursing staff. Thus the para may kindly be dropped.

G.H. Bhiwani: During the year 1995 to 1998 bed occupancy was low in the General hospital Bhiwani due to vacant post of Gynecologist, Ortho Surgeon, E.N.T Specialist, Radiologist, Physiotherapist and Nursing Staff etc.

Bed Occupancy in 5 CHCs and one G.H. was low due to vacant post of L.M.O, D.S. Staff Nurse and L.T. etc.

G.H. Hisar: Reason of low bed occupancy in Govt. Hospital Hisar are as under —

- (i) Some of the posts of doctors remained vacant during the years
- (ii) Most of the doctors remained busy in courts for court evidence
- (vi) In reply to this para it is stated that no doubt that the provision of funds amounting to Rs 4.50 crores for ICU facilities were made but due to plan ceiling, financial constraints and economy measures funds could not be utilized.

### 3.4.6 (vii)

In the year 1997-98 a sum of Rs 30 lakh was provided in the budget for this scheme and the proposal of Rs 30 lakh was sent to the Govt. vide letter no. 41/37-1HR 97/105 dt 28.5.97 for sanction for opening of Drug de-addiction centers at Ambala, Rohtak and Gurgaon but no sanction was received. In the next year 1998-99 there was a budget provision of Rs 30.00 lakh and the proposal for sanction was sent to the Govt. vide letter No. 41/37-1HE 97/218 dt 24.12.97 but no sanction was received from state govt. and hence no Drug de-addiction centers could be opened at Hisar, Rohtak and Gurgaon. Sanction for opening of Drug de-addiction at Ambala was issued on 6-1-99 vide Govt. letter No. 20/67/96-5HB III. However in the case of Rohtak and Gurgaon the Govt. of India did not provide funds so centers at Rohtak and Gurgaon could not be opened.

After hearing the departmental representative, the Committee is pained to observe the low bed occupancy in the Hospitals. Further, no Intensive Care Units (ICU) facilities exist in 18 out of the 19 District Hospitals in the state and also noted with concern that drug de addiction centres are not opened in the Hospitals.

The Committee, therefore, recommends that steps be taken to improve the bed occupancy and also for opening up drug de addiction Centres in the Govt, Hospitals. The Committee further recommends that the matter for not setting up of Intensive Care Units (ICU) in the district Hospitals be enquired and a report be sent to the Committee for its information within three months.

The Committee further desired that suitable steps be taken for setting up of ICU at each District level Hospital in the State.

#### *[B] 3 4 7 Community Health Centres (CHCs)*

Each CHC which is the first referral centre catering to 1 20 lakh rural population has a bed strength of 30 beds and sanctioned strength of one Senior Medical Officer, 4 to 5 Medical Officers and supporting para medical staff as per norms. In the districts test checked following points were noticed:

##### *(i) Community Health Centres-shortage of doctors*

During October 1989, the Primary Health Centre, Siswal (District Hissar) was upgraded to 30 bed Community Health Centre. However, against sanctioned posts of 5 doctors and one dental surgeon, only one to two doctors were in position during 1996-97 to 1998-99. Posts of laboratory technician, radiographer remained vacant during 1996-97 and 1997-98. Though X-ray machine was installed at a cost of Rs 1.78 lakh in March 1998, only 9 X-rays were taken during one year. As the CHC did not have enough rooms in the building, number of indoor patients treated during 1996-1997 and 1998 was negligible, i.e. 3, 76 and 58 respectively and it was providing mainly outdoor treatment. Further, no pathological tests were conducted during 1996-99 as laboratory technician was not posted. Thus the purpose of up gradation of PHC to CHC was defeated.

##### *(ii) Community Health Centre without wards*

Government upgraded (December 1992) Primary Health Centre, Mangali (District Hissar) to 30 bed Community Health Centre to provide expanded medical facilities and indoor treatment. During 1996-97 to 1998-99, however, no indoor patient was admitted as the ward building for indoor patients was not constructed since its up gradation and the additional post of doctors/para medical staff were thus not gainfully utilized.

The department, in their written reply, explained the position as under —

##### **3 4 7 (i)**

Doctors were posted in CHC on contract/regular basis from time to time but doctor not joined duty. Now the doctor have been appointed in CHC/PHC.

**3 4 7 (ii)**

In December 1992 sanction was issued for up gradation of PHC at Mangoli. 32 kanal land was provided to the Health Deptt free of cost by the Gram Panchayat. On this land Chief Architect was requested to prepare the drawing of CHC building. The drawing was prepared by the Architect Haryana and sent to this office vide there memo No Arch 34/294 dt 28 3 94. On the basis of drawing the Engineer in Chief prepared the estimates amounting to Rs 50 21 700/- and were sent to Govt for administrative approval. The Administrative approval was issued by the Govt letter No 20/135/95 5HB III dt 21 9 95 for construction of building. A copy of sanction was sent to Engineer in Chief Haryana PWD B&R to start construction work. The construction has been completed in the year 1998 except boundary wall.

**After hearing the departmental representatives, the Committee recommends that effective steps be taken by the department to improve the medical facilities in the Community Health Centres and the Committee be apprised of the steps taken within a period of three months**

*[9] 3 4 11 Hospital waste management*

The State Environment Protection Council Haryana decided (August 1997) that Health Department will set up incinerators in all government hospitals in a phased manner for proper disposal of hospital/hazardous waste.

(i) In Bhiwani, Faridabad, Hisar and Panchkula districts 4 incinerators were not being operated and hazardous hospital waste was not being properly disposed of. The reasons furnished by the hospitals were non posting of operators and failure to obtain necessary certificate from Pollution Control Board. Rs 30.89 lakh spent on the purchase of incinerators was therefore rendered wasteful.

*(ii) Re-use of disposable needles not prevented*

The State Government issued (June 1998) instructions prohibiting the re use or re circulation of any disposable needles or syringes used for injecting any medicine or any other substance into human beings to control and check epidemic diseases of AIDS and Hepatitis. The DGHS Haryana sent (November 1998) copies of these instructions to all the Civil Surgeons directing them to get the same notified from the Deputy Commissioners (DCs) of the concerned districts and to take necessary steps to prevent the out break of these diseases.

However in none of the 4 districts test checked the instructions of June 1998 were notified by the DCs (May 1999) due to inaction by Civil surgeons in 3 districts (Bhiwani, Faridabad and Panchkula) and very late submission of papers to DC Hisar by Civil Surgeon Hisar. Therefore no action was taken by Civil Surgeons to instruct and motivate private hospitals/ nursing homes for installation of incinerators, needle destroyers etc.

The department in their written reply explained the position as under —

**3 4 11(i)**

In this regard P M O B K Hospital Fbd has intimated vide his letter No BKH 2001/4133 dt 31 10 2001 that the licence for the year 2000 was received from Pollution Control Board. The License fee for the current year has been deposited but the license is still awaited. It is further clarified that the machine allotted to this hospital is out of order for which additional budget has been asked from DGHS.

Incinerator could not be utilized due to non availability of operator. The applications submitted to Haryana Pollution Control Board Hisar for getting necessary certificates. This incinerator is working properly at present.

On receipt of instructions from department Deputy Commissioner Hisar was asked to issue the orders in this connection vide this office letter G 2 98/1103 dt 26 11 99 and matter remained under correspondence with D C Hisar. He has now issued order vide his endst No 6228 60/HA dt 23 5 2000.

In this regard it is submitted that DGHS Haryana had purchased incinerators for all Govt Hospitals for proper disposal of hospital/hazardous waste. This incinerator could not be started due to some formalities like installation of separate meter for Electricity, necessary certificate from Pollution Control Board etc. which took time. This incinerator was started on 17 10 2000. Later on this incinerator developed some fault. Thereafter a repair estimate was made with M/s Satlej Engineers & Supplier Chandigarh and this firm submitted an estimate of Rs 142500/- for the repair of this instrument which has been sent to DGHS vide this office letter No 2025 dt 7 8 2001 for issue of necessary sanction which still awaited.

So far as the disposal of hospital waste is concerned in this regard it is submitted that in a city with less population the hospital waste is being disposed of as per norms of Hospital Waste Manual.

(ii) As it is clear from the above referred letter that the needles are disposed off after use by destroyer. To implement these directive private nursing home and dispensaries have been issued necessary instructions. Thus kindly the para may please be dropped.

The order of June 1998 were received in this office in 10/2000 and the action is being taken accordingly. The staff has already been instructed not to use used disposable needles and syringes.

(ii) In reply to audit observation it is submitted that all precautions have been adopted to destroy needles or syringes with needle destroyers and institutions have already been issued to the concerned institutions of this distt and this is being monitored by the programme officers.

**The Committee, after hearing the departmental representatives recommends that suitable steps be taken by the department for the proper disposal of Government/ Private Hospitals hazardous waste in the state and the steps taken in this regard be intimated to the Committee.**

#### *[10] 3 4 12 Drug Control Programme*

Drug Control Programme aims at providing quality drugs to the public by enforcing Drugs and Cosmetic Act 1940 and the rules framed thereunder.

The State Drug Controller was responsible for the implementation of Drug Control Programme. He was the licensing authority for the grant and renewal of licenses for manufacturing of drugs and for trading in wholesale drugs. The department had one Drug Testing Laboratory at Chandigarh. As of March 1998 6 Senior Drug Inspectors and 21 Drug Inspectors were in position. During 1996 97 to 1998 99 Rs 3 11 crore were spent under the

programme Following points were noticed

- (i) The Senior Drug Inspectors and Drug Inspectors were required to inspect drug manufacturing units and drug selling units at least twice a year respectively to ensure compliance of conditions of licence Shortfall in inspection of drug sale units by Drug Inspectors was 73 to 78 per cent during 1996-97 and 1998-99
- (ii) Further there was shortfall in drawing samples to the extent of 14 to 28 per cent during 1996-97 to 1998-99  
State Drug Controller replied (March 1999) that the shortfall in lifting samples was due to less number of inspections conducted during 1996-97 and 1997-98 and increasing backlog of untested/accumulated samples in the testing laboratory at Chandigarh
- (iii) In Eriwan district 312 to 365 drug product selling units operated during 1996 to 1998 but the drug inspector collected 3 to 9 samples in a month during May 1996 November 1997 July 1998 December 1998 and March 1999 The sample size was too low to cover all the units under the jurisdiction of the drug inspector
- (iv) During 1996-97 and 1997-98 of the total 39 prosecution cases decided by courts 35 cases (90 per cent) ended in acquittal of the drug product manufacturing/sale units which indicated that the cases were not processed properly by the department and defence was weak
- (v) The Drug and Cosmetics Act did not provide any time limit for analysing drug samples The department issued instructions (February 1999) to collect only five drug samples (against prescribed 10 samples) per month for six months Reducing the number of drug samples from 10 to 5 per month affected the objective of preventing sale of sub standard/spurious drugs

The department in their written reply explained the position as under —

It is correct that as per the provisions laid down in the Drugs and Cosmetics Rule an inspector is required to inspect all the licence units in his jurisdiction minimum twice a year In Haryana State there are about 420 manufacturing units (including surgical units and about 6000 sale units) It is not physically possible for an inspector to inspect all the units in his area at least twice a year

A task force appointed by Central Govt. has recommended that there should be one inspector for every 100 shops and one inspector for 75 manufacturing units In addition to the inadequacy of inspection staff the Haryana Govt. has instructed under its policy "Elimination of Inspector Raj" that the Drug Inspector while inspecting a unit should be accompanied with a Medical Officer The Medical Officers being busy in their routine duties are not available readily at every time so this also leads to the down fall in the inspection work

This problem was discussed by the State Minister of Health on 11.5.99 during the meeting with Senior Drug Inspectors and Drug Inspectors After considering the above mentioned problems it was decided that in future the Inspectors should inspect every licensed units atleast once in a year Accordingly to this decision monthly

target of inspection has been worked out and each inspector in the State has been asked vide letter No 8/43 1 drug I 99/5570 97 dt 8 7 99 to fulfill this target in future

As explained in para (i) above the shortfall ( to the tune of 22 to 28%) in collecting the Drug samples is due to less number of Inspectors in the State which resulted in lesser number of inspections and collection of drug samples. However in the meeting of Sr Drug Inspector and Drug Inspectors held with State Minister of Health in which Financial Commissioner Health and Director General Health Services also present

It has been decided that in future every Drug Inspector will collect a minimum of 10 samples per month and a Senior Drug Inspector 5 samples per month. In addition to this every Drug Inspector will collect two more samples of I V fluids

Instructions have been issued to all the Drug Inspectors in the State that they should complete the monthly target of sampling in every month however it is not necessary that the samples for analysis are to be collected from each and every drug units inspected rather an Inspector is supposed to exercise this power in quite a judicious manner so that only the drugs suspected to be spurious adulterated misbranded or sub standard quality are sampled for the purpose of testing

During the year 1996 97 and 1997 98 39 prosecution cases were decided out of which 5 cases were convicted. As per record of this office out of the remaining 34 cases 8 cases were discharged by the courts for other reasons e.g. due to the death of the accused

The remaining 26 cases were actually ended in acquittal. The main reason of acquittal of most of these cases is because of a technical reason. Before the year 1983 the cognizance of offences under this Act was taken by various courts as prescribed under section 32 of the Act

The State Government was under the impression that since the Chief Judicial Magistrate has the power to try the cases in summary way as mentioned in cr PC so there was no need to get a special notification. But when one of such a case was acquitted in some of lower courts on the grounds that a special notification is required under section 36 A so the Haryana Govt issued the special notification on 20 9 91. Thus some of the cases which were launched during the period 1983 to 1991 and which were to be tried in a summary way were acquitted by various courts. The Department had filed appeals in the Hon ble Punjab and Haryana High Court in some of such cases but the appeals were rejected. However the rate of acquittal has come down in the recent years as is evident from the report of 1998 99 in which 8 cases were convicted out of 17 cases decided

It is correct that keeping in view the backlog of pending samples for testing in the laboratory the target of Drug Inspectors was temporarily reduced from 10 samples to 5 samples per month for six months only starting from February 1999 otherwise some of the samples pending for testing would have been expired but on the intervention of the State Minister of Health this monthly quota has been again raised to 10 with effect from 11 8 99

**After hearing the departmental representatives, the Committee observed that Drug Control Programme needs to be implemented more effectively so as to ensure**

the availability of quality drugs to the public. The Committee therefore, recommends that suitable steps be taken in this regard and the Committee be apprised accordingly.

The Committee further desired that Drug Inspectors should be placed under the direct control of CMO's for the effective supervision and proper collection of drug samples.

The Committee further desired that brief summary of all the (35) acquittal cases be sent to the Committee for its perusal as the Committee observed that 90% of the cases decided by the Court under the Drug Control Act ended in acquittal due to poor defence.

*[11] 3 4 14 Outstanding inspection reports*

A review of the records revealed that action was pending (May 1999) in respect of 1 028 paragraphs valuing Rs. 42.94 crore contained in 649 inspection reports issued up to March 1999 as detailed below:

Year	Number of Inspection Reports (IRs)	Number of Paragraphs	Amount (Rupees in crore)
Upto			
1995-96	288	387	9.39
1996-97	109	206	10.84
1997-98	176	287	16.62
1998-99	76	148	6.09
	<b>649</b>	<b>1,028</b>	<b>42.94</b>

Of these 649 IRs, even the first replies were not received in audit from 16 DDOs (as of September 1999) to 19 IRs issued during 1998-99 containing 51 paragraphs.

Important irregularities commented upon in these inspection reports fell under the following categories:

Sr No	Nature of Irregularities	Number of IRs	Number of Paragraphs	Amount (Rupees in crore)
1	Irregular/Unjustified expenditure over purchases	54	86	5.92
2	Irregular payment of personal claims	99	164	0.97
3	Wanting actual payee receipts	58	84	4.49
4	Drawal of funds to avoid lapse of grant	19	27	7.43
5	Idle equipment, machinery/material	63	78	1.65
6	Excess expenditure over budget allotment	80	94	9.30
7	Other miscellaneous irregularities	276	495	13.18
	<b>Total</b>	<b>649</b>	<b>1,028</b>	<b>42.94</b>

### **3 4 15 Internal audit**

There was no internal audit cell in the Health department and thus no internal audit was conducted during 1996-97 to 1998-99

The department in their written reply explained the position as under —

#### **3 4 14**

In this connection Accountant General Haryana Chd has decided vide his letter No OAD II/ACR/99 2000/358 dt 6 7 99 to conduct the special meeting for the review of the all outstanding paras relating to the Health Deptt With all Civil Surgeons in the field Accordingly the above meeting held with all Civil Surgeons in the field from 22-7-99 to 24 8 99 and approximately 50% outstanding paras has been settled by the A G Haryana (Audit)

#### **3 4 15**

The Department has already intimated to Accountant General (Audit) Haryana Vide letter No 22/567 Audit 99/3483 dt 21 6 99 that no internal audit was conducted during the period 1996-97 to 1998-99 in Health Deptt Due to no staff has been sanctioned for this purpose The proposal for sanctioning the staff has been sent to the State Govt vide letter No 22/532 Audit 2000/483 dt 29 5 2000 and State Govt has filed the proposal

After hearing the departmental representatives and also going through the written reply the Committee observed that Audit paras and inspection reports are not being taken up seriously by the department as a result of which a number of inspection reports and paragraphs are lying pending for settlement

The Committee, therefore, recommends that prompt action be taken by the department in this regard and all the outstanding IRs be settled within a period of three months

The Committee further recommends that Internal Audit Cell be set up in the department for conducting the Internal Audit and for this Finance Department be approached for the sanctioning of the requisite staff

## SOCIAL WELFARE DEPARTMENT (WOMEN AND CHILD DEVELOPMENT)

[12] 3 5 Integrated Child Development Service

### Highlights

The scheme implementation fell short on several counts. To assess the impact of the scheme towards improving nutritional and health status of children upto 6 years of age expectant/nursing mothers and other women between 15-45 years of age, the Women and Child Development Department did not conduct any evaluation study. Review of the scheme however revealed that only 34 per cent of the rural population of children upto 6 years of age was covered under the scheme during 1992-93 to 1998-99. Nutrition was provided for 236 to 287 days as against prescribed 300 days in a year and actual supply of calories/proteins was far short of requirement. Therapeutic food was not served to malnourished children in any of the years during 1992-99. Non-maintenance of important records was a common feature in all the *anganwadis*. In their absence, no assurance regarding health check-ups, referral services, i.e. ante-natal care for expectant mothers, post-natal for nursing mothers, etc. was on record with the department. The department did not have any mechanism to assess the improvement, if any, in the health status of children and women. The mortality rate among children upto 5 years of age in rural areas where ICDS scheme was in operation was higher than the mortality rate in urban areas.

### 3 5 1 Introduction

The Integrated Child Development Services (ICDS), a Centrally sponsored scheme, was started from 1975-76 with the objectives to improve the nutritional standard and health status of children in the age group of 0-6 years, i.e. infants from 0 to 1 year and children from 1 to 6 years, to reduce the incidence of mortality, morbidity, malnutrition and school drop-out among the children, to achieve effective co-ordination of policy and implementation amongst the various departments, to promote child development and to enhance the capability of the mother to look after the normal health and nutritional needs of the child.

These objectives were to be achieved with the package of services such as supplementary nutrition, immunisation, health check-up, referral services, non-formal pre-school education to children between 3 and 6 years of age and nutrition and health education to all women in the age group of 15-45 years. The scheme was implemented in 92 ICDS projects at the end of 1991-92 and was extended to 111 projects (53 State and 58 Central Sector) by the end of March 1996. In 1996-97, all the 53 State Sector projects were converted into Central Sector and 5 new projects were also sanctioned by Government of India (GOI).

### 3 5 2 Organizational set up

The Secretary, Social Welfare Department, was responsible for co-ordinating the activities of the scheme in the State with the various departments of State and GOI. The Director, Women and Child Development Department, was overall in charge for administration, co-ordination, implementation and monitoring of the scheme. Programme Officers in each district were to co-ordinate and implement the scheme in the respective districts with one Child Development Project Officer (CDPO) in charge of project at block level. *Anganwadi*, the primary unit for execution of the scheme, was run by an *Anganwadi Worker* and was supervised by the Circle Supervisor.

### 3 5 3 Audit coverage

Records relating to the implementation of the scheme during 1992-99 were test checked in the Directorate of Women and Child Development in the offices of 4 (out of 19) Programme Officers, 25 (out of 116) CDPOs and 3,030 (out of 13,536) *anganwadis* between November 1998 and April 1999. Important points noticed are discussed in the succeeding paragraphs.

### 3 5 4 Funding pattern

The programme was funded under two sub-schemes viz. Providing supplementary nutrition to children upto 6 years of age and expectant/nursing mothers (funded by State Government) and administrative expenses such as staff salaries etc. (funded by GOI). The scheme is funded by GOI cent *per cent* for inputs other than supplementary nutrition for which the State Government provided funds. UNICEF provided non-recurring assistance for all new projects in kind and reimbursed cost of training, films, slides, paper for health cards.

### 3 5 7 Identification and coverage of beneficiaries

(a) ICDS had three main components viz. Supplementary Nutrition, Immunisation and Non-formal pre-school education. Number of beneficiaries identified by the Women and Child Development Department and covered under these components during 1992-93 to 1998-99 was as under —

Year	Components					
	Supplementary nutrition		Immunisation		Non formal pre school education	
	Identified	Covered	Identified	Covered	Identified	Covered
(Number of beneficiaries in lakh)						
1992-93	11.60	8.21		3.83	4.52	3.29
1993-94	12.74	8.73		3.29	4.79	3.39
1994-95	13.30	10.04		4.92	4.86	3.90
1995-96	14.76	11.59		5.29	5.57	4.34
1996-97	15.50	11.62		6.41	5.95	5.00
1997-98	15.99	12.13		7.75	6.27	5.68
1998-99	16.45	12.06			6.76	5.18

Under SNP, children upto the age of six years and expectant nursing mothers identified for coverage during 1992-93 to 1998-99 were not fully covered in any year and the shortfall ranged between 21 and 31 *per cent*.

Total number of identified women and children for immunisation were not furnished by the department. As a result the extent of coverage could not be verified.

Non-formal pre-school education aimed at developing desirable attitudes, values and behaviour patterns among children between 3 and 6 years of age and providing environmental stimulation to them for which children were to be enrolled in *anganwadis*. As was evident from the above table, shortfall under this component during 1992-93 to 1998-99 was from 9 to 29 *per cent*.

Reasons for shortfall under above mentioned components were not intimated by the Director (June 1999). However, audit analysis in 3 030 *anganwadis* of 4 districts test checked revealed a shortfall in coverage between 14 to 22 per cent during 1992-93 to 1998-99.

(b) Type of beneficiaries identified under the scheme and covered during 1992-93 to 1998-99 were as under

(Number in lakh)

Type of beneficiaries	1992-93		1993-94		1994-95		1995-96		1996-97		1997-98		1998-99	
	I	C	I	C	I	C	I	C	I	C	I	C	I	C
1 Expectant/nursing mothers	2.44	1.74	2.56	1.74	2.73	2.07	2.92	2.25	3.04	2.23	3.13	2.33	3.08	2.27
2 Other women 15-45 years	1.62		1.83		1.76		2.21		2.10		2.02		2.32	

The department did not identify the number of other women in age group of 15-45 years for coverage under the scheme and thus shortfall in coverage if any could not be verified in audit. There was a shortfall of 23 to 32 per cent during 1992-93 to 1998-99 in the coverage of expectant and nursing mothers and especially during 1994-95 to 1998-99 the coverage remained nearly stagnant ranging between 2.07 lakh to 2.33 lakh.

(Number in lakh)

Type of beneficiaries	1992-93		1993-94		1994-95		1995-96		1996-97		1997-98		1998-99	
	I	C	I	C	I	C	I	C	I	C	I	C	I	C
Children														
(a) less than one year	1.26	0.86	1.49	1.08	1.57	1.20	1.80	1.50	1.82	1.33	1.72	1.29	1.76	1.28
(b) 1 to 3 years	3.38	2.31	3.74	2.54	3.97	2.89	4.44	3.37	4.65	3.29	4.83	3.42	4.85	3.33
(c) 3 to 6 years	4.52	3.30	4.95	3.37	5.03	3.88	5.60	4.47	5.99	4.77	6.31	5.09	6.76	5.18

Shortfall in coverage of children in the age group of less than one year, 1 to 3 years and 3 to 6 years ranged from 17 to 32 per cent, 24 to 32 per cent and 19 to 32 per cent respectively during 1992-93 to 1998-99. Though the number of *anganwadis* increased from 9 705 in 1992-93 to 13 536 in 1998-99, coverage of children in the age group of less than one year declined from 1.50 lakh in 1995-96 to 1.28 lakh in 1998-99 and in the age group of 1 to 3 years from 3.37 lakh in 1995-96 to 3.33 lakh in 1998-99.

The department did not have any mechanism to ensure that all the eligible children in the age group 0-6 years, women in the age group of 15-45 years and expectant/nursing mothers were identified for coverage. In Haryana, at the end of 1998-99, there were 28.71 lakh children in the age group 0-6 years in rural areas (census figures of 1991 plus population worked out for next 7 years on the basis of growth rate of 2.6 per cent every year for children) against which coverage was merely 9.79 lakh (34 per cent). It was therefore not on record with the department as to how many of the 66 per cent left out children were eligible for coverage under the scheme.

I Identified  
C Covered

The department in their written reply explained the position as under —

### 3 5 7(a)

According to the guidelines of Integrated Child Development Services Scheme 68 children and 16 mothers per *Anganwadi* Centre is the target which is to be covered under S N P component. Whereas beneficiaries below 6 years and pregnant and nursing mothers are to be identified for some other purposes also like Immunization, Health Check up etc. The achievement shown in the table below (Mothers + children) under SNP is higher than the target.

The shortfall under SNP component for the year 1992 to 1999 has been shown between the beneficiaries identified i.e. children upto 6 years of age and expectant and nursing mothers under the scheme and the beneficiaries actually covered under the scheme. In this connection it is to point out that the entire identified population under SNP component is not the target to be covered. As per schematic pattern the beneficiaries of the scheme of the following categories are eligible to be benefited:

- i Those belonging to families of landless agricultural labourers and marginal farmers
- ii Those belonging to scheduled caste
- iii Below Poverty line families which are targeted under the IRDP
- iv The pregnant women or nursing mother who is enlisted by the ANM or Medical Officer on medical grounds
- v Children whose weight falls below the 2nd curve on the weight growth chart

In view of this and the norms of 68 children and 16 mothers targeted to be covered per AWC under SNP, the detail of the *percentage* of achievement of targets fixed under SNP according to the number of functioning *Anganwadi* Centres from 1992 to 1999 is shown in the table below:

Year	AWCs Sanctd	AWCs Oper	Target SNP	SNP cover	%age	% of excess & short
1992-93	11301	9705	8.15	8.21	100.07	+0.7%
1993-94	12235	10510	8.82	8.73	98.09	-1.02%
1994-95	12309	11435	9.60	10.04	104.05	+4.58%
1995-96	13338	12228	10.31	11.59	112.04	+12.04%
1996-97	13533	13505	11.34	11.62	102.04	+02.04%
1997-98	13546	13505	11.36	12.13	106.07	+06.07%
1998-99	13546	13536	11.36	12.06	106.01	+06.01%

Beneficiaries for immunization have already been identified. The targets fixed for immunization for Women & Children in the ICDS area is 100% of the target population.

As far as Non-formal pre school education is concerned the target fixed by Govt of India under this component is 50% of the total population of children between 3 to 6 years of age i.e. 40 children per *Anganwadi* Centre. The details of the *percentage* of

children covered under Non formal pre school education in reference to the target of 40 children fixed per Anganwadi Centre for functioning Anganwadi Centre during the year 1992-1999 is as follows —

Year	AWCs Sanctd	AWCs Oper	Target Operate	Coverage NFPSE	%age	% of excess & short
1992-93	11301	9705	338	319	84.07	-15.02%
1993-94	12235	10510	420	339	80.07	-19.02%
1994-95	12309	11435	457	390	85.00	-14.06%
1995-96	13338	12228	491	434	88.03	-11.06%
1996-97	13533	13505	540	500	92.05	-07.04%
1997-98	13546	13505	540	568	105.00	+05.01%
1998-99	13546	13536	541	582	107.00	+07.05%

Above table shows that there was less coverage ranging from 7.4% to 19.2% during the year 1992 to 1999. Which is attributed due to the fact that many children in this age groups generally leave AWCs due to change of vacation of their parents and many times during the harvest in fields or leave them at home to look after their younger siblings. Many a time when the mothers go for delivery to her parents home, children are also taken along with which decreases percentage of coverage under NFPSE. Moreover we cannot force the children for NFPSE.

However it is seen that during the last 2 years the achievement under NFPSE component is showing an increasing trend and coverage cover 100% i.e. 105% in 1997-98 and 107% in 1998-99. Hence it is mentioned that given figure of 5.18 lacs coverage of beneficiaries under NFPSE during the year 1998-99 is actually 5.82 lacs (the same figure has been given correct in the table of para 3.5.15 of pre school education).

Matter has been taken up with Education Department to give rooms for running AWCs in Primary Schools itself whereas possible. At present out of 13546 AWCs 575 are running in Primary Schools. Education Department has also provided distinct wise list of Primary Schools where one room can be spared for AWC. More AWCs are proposed to be shifted in these primary school rooms.

### 3.5.7(b)

As regards identification of other women in the age group of 15-45 years are concerned. It is pointed out that in every Anganwadi Centre the record of women in the age group of 15-45 years has been identified. It is also pointed out that the target under SNP for expectant and nursing mother is 16 mothers per Anganwadi Centres as per norms fixed by Govt. of India which are being achieved more than 100%.

According to the guidelines of Integrated Child Development Services Scheme 16 mothers per Anganwadi Centres is the target which is to be covered under SNP component. Whereas beneficiaries below 6 years and pregnant and nursing mothers are to be identified for some other purpose also like immunization, health check up etc. The achievement shown in the table (mothers + children) SNP is higher than the

targets —

Year	AWCs Sanctd	AWCs Oper	Target SNP	SNP cover	%age	% of excess & short
1992 93	11301	9705	8 15	8 21	100 07	+0 7%
1993 94	12235	10510	8 82	8 73	98 09	-1 02%
1994 95	12309	11435	9 60	10 04	104 05	+4 58%
1995 96	13338	12228	10 31	11 59	112 04	+12 04%
1996 97	13533	13505	11 34	11 62	102 04	+02 04%
1997 98	13546	13505	11 36	12 13	106 07	+06 07%
1998 99	13546	13536	11 36	12 06	106 01	+06 01%

The shortfall under SNP component for the year 1992 to 1999 is between the beneficiaries identified i.e. children upto 6 years of age and expectant and nursing mothers under scheme and the beneficiaries actual covered under the scheme

In the table the beneficiaries identified and targets covered are for SNP and our targets achievements are also positive. There are not separate targets for these age groups i.e. less than one year, 1 to 3 years and 3 to 6 years. Accordingly to the instructions of Govt. of India for children less than 3 years, Supplementary Nutrition is to be given only to moderately malnourished and severely malnourished children and children belonging to BPL families. At the same time there is another condition, any child below 6 years approaching to AWCs is to be given supplementary nutrition and it cannot be denied. Most of the children between 2½ years to 6 years get covered in this category and are given SNP. This is the reason why it looks that children below one year are decreasing as compared to children 1 to 3 years and 3 to 6 years.

Survey is being conducted every year to identify the children below 0-6 years and pregnant and nursing mothers and the achievement is more than 100%.

The Committee after hearing the departmental representatives observed some deficiencies in the identification and coverage of beneficiaries under the scheme. The Committee, therefore, desired that an effective mechanism be evolved by the deptt. so as to ensure the coverage of all the eligible children in the age group of 0-6 years and women in the age group of 15-45 years alongwith expectant and nursing mothers. The steps taken in this regard be intimated to the Committee for its information within the period of three months.

#### [13] 3.5.18 Training and orientation of ICDS personnel

Against target of providing in job training courses to 9,600 anganwadi workers and refresher course to 7,000 anganwadi workers during 1993-99, 6,000 anganwadi workers (63 per cent) and 5,178 anganwadi workers (74 per cent) respectively were trained. Reasons for 26 to 37 per cent shortfall in training were not intimated by the department.

The department in their written reply explained the position as under —

The reasons of shortfall in job training and refresher training of *Anganwadi Workers* due to the fact that some times the *Anganwadi Workers* are unable to attend training due to their long prevailing family circumstances sickness pregnancy small children and other domestic reasons which are beyond control of the department. However during the year 1999-2000 as against the target of providing job training to 3650 workers and refresher training to 2480 workers 267 workers and 2301 workers were trained respectively

During the year 1999-2000 UDISHA project was launched and as such as against the target of Job Training to Residual 807 *Anganwadi Workers* and Refresher Training to 12844 *Anganwadi Workers* 819 *Anganwadi Workers* and 10559 AWWs have been trained upto 30-09-2003 respectively

In view of the position explained above the para may please be dropped

**During the course of oral examination of the departmental representatives the Committee observed short fall in the training and orientation of ICDS personnel. The Committee, therefore, desired that it may be ensured that every worker should get the job training so as to implement the programme effectively and the Committee be informed accordingly**

## FINANCE DEPARTMENT

### Treasury Inspection

#### [14] 3 6 Overpayment of pensionary benefits

Results of inspection of 21 District Treasuries including sub treasuries carried out by Accountant General (A&E) Haryana during 1998-99 revealed that overpayment of pensionary benefits of Rs 22 lakh was made in respect of 336 pensioners/family pensioners due to non-observance/incorrect interpretation of rules/orders issued by the Government. Of this overpayment of Rs 20 lakh was made on account of excess payment of pension/family pension/commutation pension in respect of 299 pensioners and Rs 2 lakh were on account of medical allowance interim relief etc. in respect of 37 pensioners. Rs 5 lakh had been recovered from the pensioners as of September 1999.

The department in their written reply explained the position as under —

The amount of overpayment of pensionary benefits is being recovered in installments from the pensioners concerned. It is submitted that an amount of Rs 1556319 has been recovered from the pensioners/family pensioners against the over payment of Rs 1950051/. The balance recoverable amount Rs 393732 is being recovered by the concerned Treasury Officers in instalments. The recovery is being effected on priority basis by the concerned Treasury Officers. It is further submitted that a sum of Rs 66048/ can not be recovered from the pensioners/family pensioners as they have expired. It is further submitted that the matter is being investigated separately for the amount and the action will be initiated against the defaulting Treasury Officers/Officials who have allowed the wrong payment and caused loss to the State exchequer.

During the Course of oral examination the departmental representatives informed the Committee that the recovery in regard to overpayment of pensionary benefits is being made and the matter is also being investigated for initiating disciplinary action against the concerned Treasury Officer/Officials responsible for the overpayment.

The Committee, therefore, recommends that besides effecting recovery of full amount, the matter regarding disciplinary action against the responsible Treasury Officer/Officials be expedited and Committee be informed within the period of three months.

#### [15] 3 7 Personal Ledger Accounts

According to Financial Rules money received at the treasury for deposit in the Public Account by virtue of any statutory provisions or of any general or special orders of the Government are held in the custody of the Government. The deposits according to its nature are classified under the major head 8443-Civil Deposits as (i) Revenue Deposits (ii) Civil Courts Deposits (iii) Personal Deposits (iv) Deposits of Educational Institutions (v) Other Deposits etc. The accounts kept at the treasury is of the nature of a banking deposit account and are called Personal Ledger Accounts (PLAs). For the opening of a banking account with the treasury under the head Personal Deposits permission shall be granted by the competent authority only after consultation with the Accountant General (Accounts and Entitlements) and the authority (Administrative Department) is satisfied that the accounts are properly maintained.

and are subject to audit. In cases where PLAs under Personal Deposits are created by debit to the Consolidated Fund, the same should be closed at the end of the financial year by means of debit of the balance to the relevant service heads in the Consolidated Fund. Such PLAs may be opened next year again, if necessary, in the usual manner.

During 1998-99, 269 PLAs were operative in 21 treasuries under the head 8443 Civil Deposits 106 Personal Deposits. Of these, only 54 PLAs were opened with the consultation of the Accountant General (Accounts and Entitlements). Thus 215 PLAs were operated without consultation with the AG. The treasury officers should have restrained the opening and operation of such PLAs. Treasury wise details of PLAs operated with/without consultation with AG during 1998-99 were given in the Appendix XXIV. As on 31 March 1999, a credit balance of Rs. 74.42 crore was shown as available against these PLAs. Rupees 58.89 crore were deposited and Rs. 64.63 crore withdrawn under this head during 1998-99. The deposits and withdrawals from 17 PLAs (out of 61 PLAs) under 'Personal Deposits' relating to four treasuries\* having closing balance of Rs. 1.67 crore as on 31 March 1999 (details given in the Appendix XXV) were test checked. Results of findings are given in the succeeding paragraphs.

#### **(i) Non-closure of PLAs**

Financial rules envisage closure of the PLAs at the end of the financial year. In four treasuries, 5 out of the 10 PLAs which were created by debit to the Consolidated Fund of the State were not closed at the end of the financial year. Instead, these PLAs were carried forward by Drawing and Disbursing Officers (DDOs) for years together between one and more than two years without getting them renewed every year as detailed in the Appendix XXVI.

#### **(ii) Non reconciliation of difference in PLAs**

DDO of each PLA was to ensure that balance in his PLA as per his books agrees with that appearing in the records of the treasury office and AG (A&E). Of the 17 PLAs test checked, it was noticed that seven DDOs having PLAs as detailed in the Appendix XXVII had not reconciled these balances as of July 1999 though there were differences between the treasury figures and the figures of the department shown in the cash books of PLAs maintained by them. Besides, the cash book of PLA of District Social Welfare Officer, Sonapat was not written from December 1998 to March 1999.

#### **(iii) Irregular funding of PLA from contingency and departmental receipts**

General Managers of Haryana Roadways Hisar, Kurukshetra and Yamunanagar were authorised by the Administrative Department with the concurrence of AG to operate PLAs for transactions relating to special booking and passenger tax of other states. On verification of the PLAs maintained by them, following irregularities were noticed:

**(a)** General Manager Haryana Roadways Hisar who started operating PLA from November 1998, had drawn Rs. 2.48 crore between November 1998 and March 1999 from the Consolidated Fund of the State for the purchase of high speed diesel, tyre tubes and spare parts, electricity bills, motor accident claims, staff payments etc. and kept these amounts in the PLA in contravention of rules for making payments subsequently. Besides, an amount of Rs. 6.41 lakh received (March 1999) on account of auction of old vehicles pertaining to other departments was also kept unauthorisedly in the PLAs. Of this Rs. 5.56 lakh had been paid to the concerned departments upto May 1999 which was irregular. The entire amount of

Rs 6.41 lakh realised by way of auction of vehicles should have been deposited in the receipt head of the State Government instead of depositing into PLA

(b) The General Managers Haryana Roadways Kurukshetra and Yamunanagar received Rs 59.41 lakh (Kurukshetra Rs 29.89 lakh and Yamunanagar Rs 29.52 lakh) from different agencies on account of adda fees, store bills, freight charges, lorry vouchers, sale/loss of tickets, refund of motor accidents claims, personal claims of the staff, etc. which were either required to be credited to the relevant receipt head of the department or paid direct to the quarters concerned. However, these amounts were kept unauthorisedly under the head 8443-Civil Deposits-106 Personal Deposits, etc. by the concerned DDOs during 1998-99.

**(iv) Irregular operation of PLA under 'Civil Deposits'**

Executive Engineer (EE) Panchayati Raj, Hisar deposited the receipts on account of sale of tender forms, construction and repair of *patwar khana*, etc. under the head 8443 Civil Deposits-106 Personal Deposits, instead of depositing it under the Head 8443 Civil Deposits Other Deposits for which no action to rectify the misclassification was taken.

These points were referred to Government in September 1999; their reply had not been received (September 1999).

**After going through the written replies, the Committee recommends that Finance Department should issue fresh instructions to the concerned departments to follow proper procedure for the operation of PLAs so as to avoid financial irregularities in future under intimation to the Committee.**

## HOME DEPARTMENT

*[16] 3 9 Non realisation of cost of police force supplied to other states/parties*

**Due to non-observance of codal provision of Police Rules, Rs 1 55 crore were outstanding for recovery on account of additional police force supplied to other states/parties**

According to State Police Rules Superintendents of Police were required to bill parties and corporate bodies supplied with additional police force month by month in advance. The additional police force was not to be supplied until the advance payments as required in the rules were received.

Scrutiny of records by audit conducted in December 1998 in the office of the Commandants Second Battalion and Fourth Battalion Haryana Armed Police Madhuban and Superintendent of Police Gurgaon revealed that these instructions were not adhered to and police force during the period 1982-83 to 1998-99 was supplied to other states and parties without obtaining advance payment. Even advance bills were not raised with the result the recoverable amount had accumulated to Rs 1 55 crore as detailed in Appendix XXVIII.

Thus due to non observance of the codal provisions of Police Rules undue delay and lack of further follow up action over a number of years the department could not realise the recoverable amount of Rs 1 55 crore on account of expenditure on police force supplied to other states/parties.

Director General of Police stated (April 1999) that efforts were being made to recover the outstanding amount from the concerned parties.

The matter was referred to Government in May 1999 their reply had not been received (September 1999).

The department in their written reply explained the position as under:

Despite concerted efforts the concerned States have not reimbursed the charges of Deployment of Police Force.

The State Govt vide letter No 10/16/2003 2H(C) dated 3 7 2003 have requested Govt of India in Ministry of Home affairs New Delhi to get the amount adjusted against the grants of the concerned States and credit the amount to State of Haryana.

**After hearing the departmental representatives, the Committee observed that due to non observance of Codal provisions of Police Rules a huge amount is outstanding for recovery on account of police force supplied to other States/Parties.**

**The Committee, therefore, recommends that outstanding amount be realized at the earliest and information be sent to the Committee within a period of three months.**

[17] 3 10 *Inadmissible expenditure on medical treatment outside the country for a Government pensioner*

**Rs 16 26 lakh were incurred on medical treatment of an ex-DGP in the USA in violation of Government instructions**

According to State Medical Attendance Rules and instructions issued there under from time to time the State Government pensioners and their dependent family members residing anywhere in India were entitled to free medical treatment indoor and outdoor including x ray laboratory and other such examinations at State Hospitals Dispensaries etc according to the status enjoyed by them at the time of retirement The Health Department decided (December 1979) to discontinue the medical reimbursement to the State Government employees including IAS and other All India Services Officers for treatment secured by them outside India

During test check (April 1998) of the records of the Director General of Police (DGP) Haryana it was noticed that the Financial Commissioner and Secretary to Government of Haryana Home Department after getting concurrence of the Health/Finance Department of the State Government sanctioned (October 1997) a medical advance of Rs 28 47 lakh in two instalments of Rs 20 lakh and Rs 8 47 lakh to a retired DGP for his treatment in New York (USA) with the conditions that the expenses incurred on treatment would be adjusted/ reimbursed according to rules and also the approval of Government of India (GOI) for allowing the retired DGP to go abroad for medical treatment The retired DGP submitted (December 1997) a medical reimbursement bill for Rs 16 26 lakh to the department for his treatment abroad and refunded the balance amount of Rs 12 21 lakh This was contrary to rules as there was no provision under the State Medical Attendance Rules for reimbursement of medical treatment abroad of a State Government pensioner

At the instance of audit the State Government took up the matter with GOI for sanction However GOI had not accorded (June 1999) the approval on the ground that under the rules there was no such provision for GOI obtaining sanction before passing the medical bills of the officer

Thus the expenditure of Rs 16 26 lakh incurred on medical treatment abroad of ex DGP was in contravention of rules and needed to be recovered from the recipient

The matter was referred to Government in May 1999 their reply had not been received (September 1999)

The department in their written reply explained the position as under —

Matter under active consideration of the State Govt and amount of advance is being adjusted against amount of medical reimbursement

**During the course of oral examination, the departmental representatives, failed to convince the Committee that the amount sanctioned to the Ex DGP for the medical treatment outside India was as per provisions of the Rules The Committee, therefore, desired that full details of case may be sent to the Committee for its information**

[18] 5 1 *Stores and Stock*

A test check of records in the Office of the Director General of Prisons (DGP) 2 Central Jails and 2 District Jails (out of 10 District Jails in the State) for the period 1996 99 conducted during January February 1999 revealed following points

### 5 1 1 Purchases of excess quantity

The Jail Department through Director Supplies and Disposals (DS&D) Haryana placed a supply order in September 1993 with firm A for supply of 1 70 lakh metres of white dasuti cloth at the rate of Rs 24 51 per metre to be supplied by October 1994 Against this order the firm supplied only 0 50 lakh metres during the validity period

As the firm A failed to supply total quantity within the extended delivery period another supply order at the risk and cost of firm A was placed with firm B in November 1994 at a higher rate of Rs 32 97 per metre for supply of one lakh metre of white dasuti Firm B also failed to supply the material by due date Subsequently another order on firm C Was issued in March 1995 for the supply of 1 20 lakh metres at a higher rate of Rs 43 25 per metre with delivery period upto May 1995 Firm C supplied the entire quantity by June 1995

When the supply of cloth was in progress from firm C firm B also offered for inspection of 0 50 lakh metres in April 1995 Instead of rejecting the same since supply had already been taken from firm C the Additional Director General Prisons ordered (May 1995) to accept the supply after inspection The supply of extra 0 50 lakh metres was inspected in May 1995 and received in Central Jail Ambala in June 1995 Balance supply of 0 50 lakh metres was also received in May 1996 in Central Jail Hisar

Thus the injudicious purchase of one lakh metre white Dasuti at a cost of Rs 32 97 lakh in June 1995 and June 1996 by the Central Jails Ambala and Hisar on the directions of Additional Director General Prisons was lying in stock unutilised as of July 1999

### 5 1 2 Blocking of funds

Raw material valuing Rs 1 40 crore had been lying unutilised upto July 1999 in four Jails\* Out of this following material valuing Rs 75 92 lakh was purchased prior to 1996 97 —

Name of Jail	Items	Quantity	Purchased in	Annual Average consumption for the last 3 years	Amount Rupees in lakhs
Central Jail Ambala	Khaki Drill	8 099M 23 000M	1992 93 1995 96	6 934M	15 12
	GP Sheet 22G	238 Quintals	1993 94	4 Quintals	5 72
	Iron Sheet	82 Quintals	1990-91	1 07 Quintals	1 89
	Kail Wood	175 Nos	1990 91	1 No	3 16
	Long Nails	113 Quintals	1994 95	11 42 Quintals	1 92
Central Jail Hisar	Khaki Drill	18 741 M 30 000 M	1993 94 1994-95	4519 M	16 72
	Canvas Grey	6 715 M	1994-95		3 11
	White Drill	5 403 M	1995 96		1 95
	Long Nails	115 Quintals	1995 96		2 06
District Jail Bhiwani	Cotton Suti	423 Quintals 839 Quintals	1992 93 994 95	68 Quintals	21 65
	Cotton Yarn	60 Quintals 2 Quintals	1992 93 1993 94	3 Quintals	2 62
<b>Total</b>					<b>75 92</b>

Ambala Rs 46 81 lakh Bhiwani Rs 26 09 lakh Hisar Rs 59 82 lakh and Rohtak Rs 7 50 lakh

The above table revealed that store material worth Rs 36 82\*\* lakh purchased during 1994 96 was injudicious because the same material worth Rs 16 67 lakh<sup>1</sup> purchased during 1992 94 was lying unutilised as of July 1999 Further store material worth Rs 10 28 lakh<sup>2</sup> purchased during 1994 96 had not been utilised since its purchase The annual average consumption on the basis of three years 1996 99 was much lower than the purchases made in the particular year

The respective jail should have investigated the reasons for making unjustified/unnecessary purchases not required in the next 3 to 9 years While Central Jail Hisar stated (August 1999) that order for the manufacture of 100 tents in which 9 000 metres of Khaki Drill valuing Rs 3 06 lakh would be used was pending Central Jail Ambala stated (August 1999) that no order was pending

Thus even after utilisation of material worth Rs 3 06 lakh raw material valuing Rs 72 86 lakh would remain unutilised till the receipt of fresh supply orders from other departments

The matter was referred to Government in May 1999 their reply had not been received (September 1999)

The department in their written reply explained the position as under —

**5 1** The Dasuti was purchased according to demand of that year The recovery on account of risk purchase from M/s G S Works Delhi is under correspondence with the Director Supplies and Disposal Haryana and last reminder sent to D S D Haryana vide this office memo No 34271GI/84 dated 8 12 2000 The case is fixed for hearing in the Court on 2-4-2001

The stock position of White Dasuti is as under

Cental Jail Ambala	15753 Meters
Cental Jail Hisar	25107 Meters

The above stock of Dasuti will be consumed during the year 2001-2002

**5 2** The latest stock position of Raw material is given below

**Central Jail Ambala**

Khaki Drill	1600 Meters	This stock will be consumed during the year
G P Sheets	227 Qtls	
Iron Sheets	79 Qtls	
Kail Wood	157 Nos	
Long Nails	113 Qtls	
		The matter is being taken with the Govt to dispose off the same

\*\* Ambala Khaki Drill 33 000 M Rs 12 14 lakh Hisar Khaki Drill 30 000 M Rs 10 29 lakh and Bhiwani Cotton Suti 839 quintals Rs 14 39 lakh

1 Ambala Khaki Drill 8 099 M Rs 2 98 lakh Hisar Khaki Drill 18 741 M Rs 6 43 lakh and Bhiwani Cotton Suti 423 quintals Rs 7 26 lakh

2 Ambala Kail Wood 175 Nos Rs 3 16 lakh Hisar Canvas Grey 6 715 M Rs 3 11 lakh White Drill 5 403 M Rs 1 95 lakh and Long nails 115 quintals Rs 2 06 lakh

**Central Jail Hisar**

Khakhi Drill	30215 Meters	This stock will be consumed during the year The matter is being taken with the Govt to dispose off the same
Convas Grey	6715 Meters	
White Drill	5403 Meters	
Long Nails	115 Qtls	

**District Jail Bhiwani**

Cotton Sutli	12 43 82 365 Qtls	The stock will be consumed during the year 2001-2002 for manufacture of Darnes for use and prisoners The stock is also being sold to the Stationery & Printing Deptt The order of 10 Qtls sutli has been received from Printing & Stationery Deptt
Cotton Yarn	51 54 900 Qtls	The stocks will be disposed off during the year 2001 2002

During the course of oral examination the departmental representatives requested some more time to submit the full details regarding the position of stores and stock of various items in the Jails of the State

The Committee therefore, desired that required information be sent within a period of one month

## INDUSTRIES DEPARTMENT

[19] 3 11 *Excess payment of subsidy to tiny units*

**Under Rural Industries Scheme, Rs 11 05 lakh on account of subsidy was paid in excess to 128 entrepreneurs**

For the development of industrial units in the State the State Government sanctioned (April 1992) incentive (subsidy) of 25 per cent on the fixed capital investment in plant and machinery to the tiny units set up in the rural areas under Rural Industries Scheme (RIS). For setting up tiny units under RIS banks would provide 80 *per cent* cost of the project as loan and remaining 20 per cent would be arranged by the entrepreneur. The Director Industries clarified (March 1995) that for working out capital investment in plant and machinery for the purpose of subsidy promoter's margin was to be considered 20 *per cent* of the project cost or 25 *per cent* of the bank loan whichever was lower.

The RIS is implemented at the District level by the General Manager District Industries Centre (GM DIC) who works under the overall charge of the Director of Industries. The amount of incentives is worked out and recommended by the District Level Committee (DLC) headed by the Additional Deputy Commissioner (ADC). On the basis of recommendations of DLC the GM DIC issues sanction. The Director of Industries draws the funds and places it at the disposal of the Haryana State Small Industries and Export Corporation Limited (HSSI EC) for further disbursement to the units concerned through the GM DIC.

Test check of records of Industries Department and of HSSI EC (November 1997 to January 1998) revealed that neither the DLC recommended the subsidy in accordance with the scheme and instructions issued from time to time nor the sanction was issued by the GM DIC after verification of the correctness of subsidy recommended by DLC. As a result subsidy was paid at the rate of 25 *per cent* of the project cost instead of restricting it to 20 *per cent* of the project cost or 25 *per cent* of the bank loan whichever was lower resulting in excess payment of Rs 11 05 lakh to 128 entrepreneurs in all the existing 16 districts of the State at that time during the period April 1992 to June 1997.

Director of Industries stated (May 1999) that orders issued during March 1995 were not applicable retrospectively. The reply was not tenable as the instructions issued in March 1995 were clarifications of earlier orders and thus were effective from the date of issue of original orders.

The matter was referred to Government in May 1999 their reply had not been received (September 1999).

The department in their written reply explained the position as under —

The department is not in agreement with the facts and figures mentioned in the audit para. The cases mentioned in this para were scrutinised and it was found that there was not even a single case where 80% loan was sanctioned by the Banks. Moreover in all cases bank had sanctioned loan varying from 50 to 70% of the project cost and had kept a higher margin of 30% to 50%. It is also pertinent to mention here that the clarification dated 13 3 1995 could not be made effective from

retrospective date particularly when it was not mentioned. Moreover, if we presume that the clarification dated 13.3.1995 was from the retrospective date that is in question arises what was that date. It is also submitted that department vide memo No. VI/RI/99/9126 A dated 23.3.1983 had clarified that entrepreneur may be granted 15% cash subsidy on total investment of fixed capital. In the Industrial Policy of 1992 announced by the State Govt. it was also mentioned that entrepreneur who may set up their unit under R I Scheme will be eligible for cash subsidy @25% investment in fixed capital assets. Even if clarification dated 13.3.1995 can be made applicable in those cases where the Banks have financed the industrial units to the extent of 80% of the project cost and the entrepreneurs margin is 20%. The spirit behind the clarification dated 13.3.1995 was that the financial assistance to the entrepreneurs should not exceed 100% of the project cost. As the assistance has never exceeded even 9% clarification dated 13.3.1995 could not be made applicable from the retrospective date.

It is also stated that the cases which were sanctioned prior to 13.3.95 but disbursement of investment subsidy was not made upto this date in those cases sanctions have been revised and subsidy has been disbursed as per clarification given vide letter dated 13.3.1995. Moreover, the study of the cases financed by the banks reveals that there is not even a single case where the bank had obliged entrepreneurs by providing loan to the extent of 80% of the project cost.

**During the course of oral examination, the Committee desired to know whether any financial assistance/subsidy under the RI Scheme has been granted to the Industrial Units beyond the permissible limit or not. To check this aspect, the Committee desired that the details of beneficiaries to whom the subsidy is granted during the period from 1995 to 1997 may be reconciled with the AG Office and a report in this regard may be submitted to the Committee for its information within a period of three months.**

## PROHIBITION, EXCISE AND TAXATION DEPARTMENT

*[20] 3 12 Fraudulent drawals and embezzlement of Government money*

**Non observance of codal provisions by Deputy Excise and Taxation Commissioner (DETC), Kurukshetra led to embezzlement/mis-appropriation of Rs 33 31 lakh Besides DETC failed to produce records relating to contingent expenditure of Rs 68 lakh**

In the office of Accountant General (A&E) Haryana where General Provident Fund (GPF) accounts of the State Government employees are maintained credits were received from the office of Deputy Excise and Taxation Commissioner (DETC) Kurukshetra against illegible names with incorrect account numbers in GPF recovery schedules for the months from September 1997 onward DETC was therefore approached (May 1998 and January 1999) for supplying correct names and account numbers of the subscribers In February 1999 DETC Kurukshetra supplied the revised recovery schedules which exhibited different names from those already mentioned in the original schedules Scrutiny revealed that credits of subscribers mentioned in the revised schedules had already appeared in their GPF accounts in those months and consequently double drawals of pay bills was suspected which was brought to the notice (April 1999) of the department for investigation

Thereupon Prohibition Excise and Taxation Commissioner informed (May 1999) about fraud being committed in his office Subsequently detailed audit of the accounts was conducted (June July 1999) for the period 1994 99 The charge of DETC during this period was held by four officers\* Audit scrutiny revealed an embezzlement and misappropriation of Government money to the extent of Rs 33 31 lakh detailed as under

(a) Fifty pay and arrears bills for Rs 11 92 lakh prepared by the cashier and passed by DETC were drawn in fictitious names (illegible) during September 1997 to March 1999 by drawing fictitious bills every month The amount so drawn fraudulently was embezzled and actual payee receipts (APRs) in fictitious names with false signatures in support of payments having been made were kept by the cashier

(b) There were four electricity meters and three telephones installed in the office of DETC The bills for these services were being raised by the concerned authorities bi monthly The cashier resorted to double drawal of the electricity and telephone bills from treasury by reusing the same bills passed and paid earlier These bills were passed by DETC which facilitated double drawal The amounts so drawn against these bills were shown as paid in the cash book but no receipt in support of payments was on record Verification of drawals and actual payments made to the concerned authorities disclosed that against the drawal of Rs 17 78 lakh in 523 bills (Electricity 198 Telephone 325) Rs 5 34 lakh (Electricity bills Rs 3 38 lakh and Telephone bills Rs 1 96 lakh) were actually paid for the period April 1994 to March 1999 and Rs 12 44 lakh had been misappropriated

(c) A sum of Rs 7 08 lakh was drawn twice during 1994 99 for miscellaneous purchases/wages of daily paid workers by reusing 73 bills/ sub-vouchers after detaching from the original bills passed earlier The disbursement to various firms/agencies/workers was shown as paid but APRs were not on record and the amount was misappropriated by the cashier

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Smt Kamlesh Chaudhary 1 April 1994 to 20 July 1994 Sh M L Arora 21 July 1994 to 30 June 1995  
Sh G.D Kaushal 1 July 1995 to 19 July 1996 and Sh B S Dinodia 20 July 1996 to date

(d) A reconciliation of actual drawals during October 1994 to October 1998 from the treasury with those recorded in cash book revealed that Rs 0.95 lakh drawn against 8 bills from treasury on account of contingent expenditure had not been accounted for in cash book. This amount was misappropriated by the cashier.

(e) During April 1994 to March 1999 Rs 1.08 lakh were drawn from treasury in 54 bills for the purchase of Service Postage Stamps. Service Postage Stamp Register was not maintained. However, as per Dak despatch register, service stamps of Rs 0.16 lakh were actually utilised during this period leaving no closing balance as on March 1999. Thus, an amount of Rs 0.92 lakh had been misappropriated.

DETC Kurukshetra while admitting the embezzlement in respect of pay and arrear bills stated (July 1999) that the amounts from treasury had been drawn by cashier fraudulently and disbursed in the fake names and for the remaining amount, it had been stated that report would be submitted after verification with reference to relevant records. DETC also informed that Rs 7.28 lakh had been recovered from the cashier between 23 April 1999 and 14 May 1999 and the cashier was placed under suspension on 4 May 1999. First Information Report had also been lodged against the cashier on 17 May 1999.

Embezzlement of Rs 33.31 lakh of Government money was facilitated due to non observance of rules by the DETC Kurukshetra as Drawing and Disbursing Officer (DDO), Treasury Officer, Prohibition, Excise and Taxation Commissioner, Haryana, Chandigarh as Controlling Officer as discussed below.

As per Punjab Financial Rules applicable to Haryana State and subsequent instructions issued by Finance Department, the preparation of bills/disbursement of payment requires scrutiny of the Section Officer before passing the bills by the DDO. This was not being done and the bills were prepared by the cashier himself and submitted directly to the DDO (DETC) who passed these. Further disbursement of payment was to be made by the person other than the bill clerk so as to ensure internal check through separation of duties which is the basic principle of financial control. This was also not being done as the cashier was himself preparing the bills and making the payments. Further as per procedure laid down in the manual, all the receipts and payments were required to be attested by DDO which was not being done. DDO is also required to stamp and cancel the bills/sub-vouchers at the time of initialling the entries in the contingent register which was not being done by him since the contingent register was not maintained. Reconciliation of amount drawn from the treasury with receipt entries in the cash book was also not done as required under the rules.

As per Punjab Treasury Rules and Punjab Financial Rules applicable to Haryana State, the Treasury Officer (TO) is required to satisfy that the claim presented to the Treasury is valid, the bill/sub-vouchers have been stamped as cancelled, the bills have been passed under dated signatures, details of sub-vouchers have been recorded on abstract of the contingent bills and the monthly accounts being sent to the Accountant General (A&E) are complete in all respects and supported by sub-vouchers.

While passing the bills, TO neither detected illegible names in the fictitious bills nor did he object to the non-recording of numbers and date of sanction of the posts on the pay bills. He also did not ensure that details of sub-vouchers have been recorded on contingent bills.

sub vouchers have been passed by DDO under his dated signatures stamped as cancelled and attached with monthly accounts sent to the Accountant General (A&E)

As per Budget Manual the Controlling Officer was responsible for financial control over the DDO. It was seen that expenditure of Rs 36.34 lakh incurred in excess of budget allotment by the DDO during 1994-99 was not pointed out by him. Similarly under Financial Rules he was responsible to ensure the applicability of adequate internal checks to prevent and detect errors and irregularities which he failed to do so as he never pointed out non maintenance of contingent register and other irregularities leading to double/fictitious drawals.

In addition to above contingent expenditure to the tune of Rs 68 lakh was incurred during 1994-99 but the relevant record was not made available to audit by DETC Kurukshetra in spite of the demer official letter written to the department in August 1999. Shri B. S. Dinodia DETC who was the DDO and involved in passing salary and contingent bills leading to fraud was continuing as DDO even after the fraud was detected and no action was taken against him by the department. Even the records relating to contingent expenditure of Rs 68 lakh were not produced by DETC to Audit for verification. In the absence of the records the possibility of further fraud cannot be ruled out.

The matter was referred to Government in August 1999. Their reply had not been received (September 1999).

The department in their written reply explained the position as under —

In this para it is submitted that out of total amount of Rs 33.31 lakhs involved in fraudulent drawals and embezzlement of Govt. money an amount of Rs 7.28 lakh has been recovered from the official Sh. Mahabir Parshad the then cashier cum Nazir and deposited into Govt. treasury. Further an F.I.R. has been lodged against Sh. Mahabir Parshad and the case is under process of trial in the court. The official has been placed under suspension and disciplinary action under Rule 7 of The Haryana Civil Services (Punishment and Appeal) Rules 1987 is also under process. In addition Sh. B. S. Dinodia the then Dy. E.T.C. (DDO) Kurukshetra has also been charge sheeted under rule 7 *ibid vide* Haryana Govt. letter No. 10/2/99 ET(I)/1043 dated 25.1.2001. Regarding the non production of records of Rs 68 lacs records for Rs 29.42 lacs have been produced before the audit party on 16.6.2000. As regards the remaining record the same will be produced as and when the same is made available by the official concerned because the Nazir Sh. Mahabir Parshad had not handed over the charge to anybody at the time of his suspension.

During the course of oral examination, the Committee was informed that disciplinary action against all the concerned DETC s/officials has already been initiated. The Committee, therefore, desired that after finalizing the disciplinary action and also effecting the full recovery from them, an intimation be sent to the Committee for its information.

The Committee further desired that this aspect may also be examined whether Treasury Officer can also be held responsible for his negligence of duties in this case as he failed to detect illegible names in the fictitious bills while passing the pay bills of the office of the DETC s Kurukshetra. The Committee also recommends that the system of internal audit of the department may also be introduced so that such type of

**frauds may not occur in future and for this purpose FD may be approached to accord the necessary sanction for the requisite staff**

**So far as the production of remaining record relating to contingent expenditure of Rs 68 lacs is concerned, the Committee recommends that all the relevant record be made available to the Audit party of AG office immediately and the findings of the Audit may be sent to the Committee for information within a period of three months**

## REVENUE DEPARTMENT

[21] 3 13 *Loss of interest due to delayed refund of unspent amount*

**Delay in refunding the unspent amount resulted into a loss of interest of Rs 12 28 lakh to the State Government**

During 1995 96 the State Government sanctioned Rs 57 crore for repair of houses purchase of inputs repair of tubewells purchase of live stock clothing supply of fodder etc from Calamity Relief Fund for flood affected people in Rohtak district Out of this Rs 56 74 crore were drawn by Deputy Commissioner Rohtak and Rs 54 46 crore were disbursed to the farmers upto March 1996 Due to declaration of Assembly elections such kind of relief was prohibited under model code of conduct and disbursement of relief was stopped after March 1996 The unspent amount was required to be refunded to the Calamity Relief Fund immediately Instead the unspent amount of Rs 2 28 crore was unauthorisedly kept in Current Accounts in various banks by 10 disbursing authorities and only Rs 0 25 crore was refunded upto May 1996 The balance amount of Rs 2 03 crore relating to 6 disbursing authorities was refunded during June 1996 to November 1996 Delay in refunding the unspent amount ranged from 66 to 219 days

The delayed refund of unspent amount resulted into loss of interest of Rs 12 28 lakh to the State Government (worked out at the rate of 12 per cent per annum the prevailing rate of interest on term deposits of 46 days or more) as the funds of Calamity Relief Fund were being invested in term deposits with banks or other securities

Government stated (January 1999) that action against the officers responsible for delay in the refund of money was under consideration However final action against the defaulting officers was still awaited

The department in their written reply explained the position as under —

In this para loss of interest of Rs 12 28 lac has been shown by the Audit due to delayed refund of balance amount of Rs 2 28 crore relating to Rohtak and Jhajjar districts As per information supplied by the concerned Deputy Commissioners the position is as under —

### 1 Rohtak District

In this regard it is submitted that unspent balance amount of Calamity Relief Fund could not be refunded by the concerned officers due to heavy floods rush of work on account of announcement of general Assembly Election in 1996 The Deputy Commissioner Rohtak has further intimated that the following officers/officials are responsible for not depositing the balance amount of Calamity Relief Fund from 1 4 96 to 30 9 96 -

- 1 Tahsildar and S D O (C) Meham
- 2 Tahsildar Ben
- 3 Naib- Tahsildar Matanhail
- 4 S D O (C) Bahadurgarh

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*DDA Rohtak Rs 0 06 crore NT Matanhail Rs 0 13 crore Red Cross Society Rohtak Rs 0 03 crore SDO (C) Bahadurgarh Rs 0 11 crore SDO (C) Jhajjar Rs 0 55 crore and SDO (C) Meham Rs 1 15 crore*

The Deputy Commissioner Rohtak was asked to initiate action against the defaulting officers under intimation to Government. Now the D C Rohtak has forwarded the draft charge sheet to the Chief Secretary Haryana for taking action against Sh Vinay Singh Yadav HCS the then SDO(C) Meham. So far as action against Sh Dharam Pal Pannu the then Tahsildar Meham is concerned the same is being processed in this Department. The cases of officers mentioned at Sr No 2 3 and 4 above have been discussed under Jhajar District.

## **2 Jhajar District**

In this regard it is submitted that unspent balance amount of Calamity Relief Fund could not be refunded by the concerned officers due to heavy floods rush of work on account of announcement of general Assembly Election in 1996.

The Deputy Commissioner Jhajar has further intimated that the following officers/officials are responsible for not depositing the balance amount of Calamity Relief Fund for the period from 1 4 96 to 30 9 96.

- 1 Sh Ram Nath HCS S D O (C) Bahadurgarh
- 2 Sh Suresh Kumar Tahsildar Beri
- 3 Sh Sambhu Ram Naib Tahsildar Matanhail

The Deputy Commissioner Jhajar was requested to initiate action against these officers under intimation to Government. The D C Jhajar has requested the Chief Secretary Haryana to take action against Sh Ram Nath HCS the then SDO (C) Bahadurgarh. The D C Jhajar has also forwarded a case to the Commissioner Rohtak Division for taking action against Sh Suresh Kumar the then Tahsildar Beri and Sh Sambhu Ram the then Naib Tehsildar Matanhail. The Commissioner Rohtak Division has also been requested by this Deptt vide letter dated 11-11 03 to take action against Sh Sambhu Ram Naib Tehsildar at his level and refer the case to this Deptt for taking action against Sh Suresh Kumar the then Tahsildar Beri.

**The Committee after hearing the departmental representatives observed that due to lapse on the part of departmental authorities the State Government suffered a loss of Rs 12 28 lakh in the form of loss of interest for not depositing the unspent amount of the Calamity Relief Fund in time. The department also failed to initiate disciplinary action against the defaulting officials.**

**The Committee, therefore, recommends that responsibility be fixed and disciplinary action be expedited against the officers/officials responsible for the loss within a period of three months and committee be informed accordingly.**

[22] 3 14 Excess payment of Gratuitous Relief

**In disregard of Government instructions, in 4,531 cases of partially damaged pucca and kutcha houses, District Revenue Officers made excess payment of Rs 53 26 lakh of flood relief**

According to the instructions issued (September 1995) by the State Government gratuitous relief was admissible for repair of houses to those persons whose houses were substantially damaged by floods/heavy rains. The rate of relief for fully damaged houses was Rs 10 000 for a *pucca* house and Rs 5 000 for a *kutcha* house or the actual damage as assessed by the revenue authorities whichever was less. In case of partially damaged houses the rate was Rs 5 000 for a *pucca* house and Rs 2 500 for a *kutcha* house and shall be payable to those persons whose houses have been substantially damaged if it is assessed above 25 per cent and who were not left with any habitable accommodation.

Test check of the records relating to the flood relief payments made by six District Revenue Officers<sup>1</sup> revealed (May 1996-July 1997) that the payment of relief had not been made in accordance with the prescribed instructions. Though the assessing authorities in their survey reports assessed the *pucca* and *kutcha* houses as partially damaged yet in 4 531 cases<sup>2</sup> relief was paid at the rates ranging between Rs 5 500 to 10 000 and Rs 2 700 to Rs 5 500 against the prescribed limit of Rs 5 000 and Rs 2 500 respectively. This resulted in excess payment of Rs 53 26 lakh<sup>3</sup> than what was admissible under the Government instructions.

The Deputy Commissioner (DC) Jind and Panchkula stated (May-July 1999) that the payment of gratuitous relief was made to the villagers on the basis of actual damage whereas DC Karnal stated (June 1999) that the assessment was made in the presence of victims according to the circumstances of site. The reply was not tenable as the gratuitous relief was to be paid only in terms of Government instructions (September 1995) and there was no provision for payment on the basis of actual damages in excess of the maximum limit. Other DCs did not furnish reply.

The matter was referred to Government in May 1999. Their reply had not been received (September 1999).

The department in their written reply explained the position as under —

In this para excess payment of house repair grant amounting to Rs 53 26 lacs in 4 531 cases has been shown as per details given below—

Bhiwani	2998	30 67 lacs
Hisar	88	1 22 lacs
Jind	78	2 38 lacs
Panchkula	66	1 55 lacs
Rohtak	437	9 83 lacs
Karnal	864	7 61 lacs
<b>Total</b>	<b>4531</b>	<b>53 26 lacs</b>

<sup>1</sup> Bhiwani, Hisar, Jind, Karnal, Panchkula and Rohtak.

<sup>2</sup> Bhiwani 2998, Hisar 88, Jind 78, Karnal 864, Panchkula 66 and Rohtak 437.

<sup>3</sup> Bhiwani Rs 30 67 lacs, Hisar Rs 1 22 lacs, Jind Rs 2 38 lacs, Karnal Rs 7 61 lacs, Panchkula Rs 1 55 lacs and Rohtak Rs 9 83 lacs.

As per information supplied by the respective Deputy Commissioners the district wise position is as under —

### **1 Karnal District**

Payment of house repair grant has been made by all the Circle Revenue Officers in the district on the assessment/ recommendations of A class/supervisory officers deputed by the D C as provided in the Government instructions dt 22 9 95 In case where the material like bricks kanes and doors etc were in very good condition and most of the katcha houses were of hut type houses of which damage was of very less value and as such lesser amount was allowed by the supervisory officers

At the time of survey to asses the damage which is very difficult and time bound task/work assessment was made in the presence of victims according to the circumstances of the site and as such no irregularity has been made at the time of assessment and payment of grant It is thus wrong to say that irregularities have been committed in the matter as the Government instructions have been strictly followed to avoid illegal payment of grant

### **2 Rohtak District**

In this regard the Deputy Commissioner Rohtak has intimated that the concerned Tehsildars were assigned the job to recover the excess/wrong payment disbursed to the concerned persons Serious efforts were made by the Revenue Officers but only Rs 27 500 has so far been recovered out of Rs 3 92 800 Now the Revenue Authorities have shown their inability to recover the amount at this stage because there is no provision under Section 98 of Punjab Land Revenue Act 1887 to recover such amount as an arrear of land revenue and has requested to amend the said Act accordingly so that further action to recover the balance amount could be taken The Deputy Commissioner Rohtak has further clarified that out of Rs 9 82 800/- Rs 5 90 000 relates to Jhajjar and Bahadurgarh Tehsils which now falls under the jurisdiction of Jhajjar district

### **3 Bhiwani District**

As per Government instructions the flood affected pucca and katcha houses were inspected at the spot and compensation was given on actual damage assessed by the Revenue Authority or which ever was less In this manner there is no financial loss to the Government However the concerned Tehsildars were directed to recover the amount as pointed out by the Audit Now the Revenue Authorities have shown their inability to recover the amount at this stage as there is no provision under Section 98 of the Punjab Land Revenue Act 1887 to recover such amount as arrear of land revenue

### **4 Panchkula District**

In the CAG s report in 66 cases an amount of Rs 1 55 lacs has been shown excess payment of gratuitous relief on account of house repair in Panchkula district In this regard it is submitted that strenuous efforts have been made to recover the excess payment of gratuitous relief but no amount has so far been recovered from the concerned beneficiaries Now the revenue authorities have shown their inability to recover the said excess payment of gratuitous relief

## 5 Jhajar District

The concerned Tehsildar have been impressed upon to recover the amount of excess disbursement of gratuitous relief during the 1995 Flood. Tehsildars are finding it difficult as this amount cannot be declared as arrear of land revenue. So it has been requested to regularize this amount as 8 years have passed and no amount has been recovered.

## 6 Jind District

As per information received from the Deputy Commissioner Jind/Tehsildar Narwana, there was extensive damage in Narwana Sub Division due to 1995 floods and various villages remained cut off for about 5 months from sub division. All houses in villages Phulia Kalan, Nehra and Dharaundi were filled with flood water and the villagers were shifted to safe places. Main part of most of the houses had fallen and in remaining portion there were dangerous cracks. Thus all houses in these three villages were badly damaged. Distribution of relief of Rs 45 000/- by Sh. Sadhu Ram N T and Rs 1000/- by Smt Kanta Munjhal, Block Education Officer, is correct as compensation has been paid to the house owners whose houses were 75% damaged due to floods and there is no irregularity in this regard. Thus the amount of Rs 46 000 as pointed out by the audit may kindly be dropped.

So far as the amount of Rs 76 100/- distributed by Sh. Balwan Singh Kundu, Tehsildar, is concerned, he has been charge-sheeted under Rule 7 for the irregularities committed by him. After receipt of reply from the delinquent officer, Commissioner of Inquiries I has been appointed as Inquiry Officer *vide* orders Endst No 436 E 5 2003/5939 dated 21-5-03 to conduct regular enquiry in the matter which is awaited from him.

The survey list was prepared and compensation was paid under the supervision of Sh. Shyam Kumar, the then BDPO, Narwana, against whom an FIR No 15 dated 17-10-97 has been registered under Section 216, 406, 420, 20 of IPC and the case is pending in the Court. No recovery can be affected till the finalization of the said case. The recovery of loss as pointed out by the Audit can not be made by simple way as there is no provision under Section 98 of Punjab Land Revenue Act, 1887 to treat it as Land Revenue. Thus the para needs to be dropped.

## 7 Hissar District

In Hissar district the audit has pointed out irregular payment of Rs 1 22 000 in 88 cases of house repair grant. As per information received from the Deputy Commissioner, Hissar, this amount was distributed by the following officers —

1	Sh. Balwan Singh Kundu Tehsildar	Rs 76 100
2	Sh. Sadhu Ram N T	Rs 45 000
3	Smt Kanta Munjhal, Block Education officer Hansi 2	Rs 1 000
	Total	<u>Rs 1,22,100</u>

As per information received from the D C Hissar the distribution of relief of Rs 45 000/ by Sh Sadhu Ram N T and Rs 1000/ by Smt Kanta Munjhal Block Education Officer is correct as compensation has been paid to the house owners whose houses were 75% damaged due to floods and there is no irregularity in this regard Thus the amount of Rs 46 000 as pointed out by the audit may kindly be dropped

So far as the amount of Rs 76 100/- distributed by Sh Balwan Singh Kundu Tehsildar is concerned he has been charge-sheeted under Rule 7 for the irregularities committed by him After receipt of reply from the delinquent officer Commissioner of Inquiries I has been appointed as Inquiry Officer vide orders Endst No 436 E 2003/ 5939 dated 21 5-03 to conduct regular enquiry in the matter which is awaited from him

**After hearing the departmental representatives, the Committee is not satisfied and desired to have more details in regard to district wise payment of gratuitous Relief to the beneficiaries in violation of the Govt instructions within the period of two months But the department failed to supply the desired information till the drafting of Report**

**The Committee, therefore, recommends that desired information be sent to the Committee within a period of two months**

## SPORTS AND YOUTH WELFARE DEPARTMENT

### [23] 3 16 *Non responsiveness to Audit findings and observations resulting in erosion of accountability*

Accountant General (Audit) (AG) arranges to conduct periodical inspection of the Government departments to test check the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed up with Inspection Reports (IRs). When important irregularities etc. detected during inspection are not settled on the spot, these IRs are issued to the Heads of offices inspected with a copy to the next higher authorities. The Rules/Orders of Government provide for prompt response by the executive to the IRs issued by the AG to ensure rectificatory action in compliance of the prescribed rules and procedures and accountability for the deficiencies, lapses etc. noticed during his inspection. The Heads of offices and next higher authorities are required to comply with the observations contained in IRs and rectify the defects and omissions promptly and report their compliance to the AG. Serious irregularities are also brought to the notice of the Head of the Department by the office of the Accountant General (Audit). A half-yearly report of pending inspection reports is sent to the Secretary of the Department in respect of pending IRs to facilitate monitoring of the audit observations in the pending IRs.

Inspection Reports issued upto June 1999 pertaining to 19 offices of Sports and Youth Welfare Department disclosed that 189 paragraphs relating to 55 IRs remained outstanding at the end of June 1999. Of these 3 IRs containing 7 paragraphs had not been settled for more than 10 years. Year wise position of the outstanding IRs and paragraphs are detailed in the Appendix XXIX. Even the initial replies which were required to be received from the Head of offices within six weeks from the date of issue were not received in respect of 13 offices for 14 IRs issued between April 1995 and September 1998. As a result the following serious irregularities commented upon in these IRs had not been settled as of June 1999.

Sr No	Nature of Irregularities	Number of paragraphs	Amount (Rupees in crore)
1	Shortage/short receipt/Non accounting of material	12	0.14
2	Drawal of money from treasury to avoid budget grant	10	1.03
3	Non obtaining/production of utilisation certificates	20	7.31
4	Irregular excess/wasteful expenditure on salaries/LTC/Medical allowances/Bonus	33	0.63
5	Misutilisation of telephone/the Government money	8	0.03
6	Irregular payment of motor vehicle/House Building Advances	17	0.09
7	Irregular/injudicious purchase/expenditure	30	0.73

Sr No	Nature of Irregularities	Number of paragraphs	Amount (Rupees in crore)
8	Non obtaining/production of actual payee receipt	8	0 12
9	Blocking up of the Govenment money/wasteful/avoidable expenditure	7	1 07
10	Non disposal of condemned/surplus stores/articles	11	0 16
11	Miscellaneous irregularities	33	0 69
<b>Total</b>		<b>189</b>	<b>12 03</b>

A Review of IRs which were pending due to non receipt of replies in respect of Sports and Youth Welfare Department revealed that Heads of offices whose records were inspected in audit and Director of Sports and Youth Welfare failed to discharge due responsibility as they did not send any reply to a large number of IRs/paragraphs and failed to initiate action in regard to the defects omissions and irregularities pointed out in the IRs. The Secretary Sports and Youth Welfare Department who was informed of the position through half yearly reports also failed to ensure that the concerned officers of the department take prompt and timely action.

The above also indicated inaction against the defaulting officers and thereby facilitating the continuation of serious financial irregularities and loss to Government though these were pointed out in audit.

It is recommended that Government should relook into this matter and ensure that procedure exists for (a) action against officials who failed to send replies to IRs/Paras as per time schedule (b) action to recover loss/outstanding advances/overpayments in a time bound manner and (c) revamping the system of proper response to the audit observations in the department.

The matter was referred to Government in September 1999 their reply had not been received (September 1999).

### **Appendix XXIX**

*(Refer paragraph 3 16)*

Yearwise position of outstanding Inspection Reports and Paragraphs as on 30 June 1999

Year	Number of Inspection Reports	Number of Paragraphs	Amount (Rs in lacs)
1	2	3	4
1986-87	1	2	1 03
1987-88	1	4	13 53
1988-89	1	1	0 96
1990-91	5	12	35 20

1	2	3	4
1991-92	1	2	6 55
1992-93	4	10	2 36
1993-94	3	5	1 25
1994-95	4	9	19 14
1995-96	13	32	58 82
1996-97	1	7	72 74
1997-98	3	15	412 57
1998-99	18	90	578 86
<b>Total</b>	<b>55</b>	<b>189</b>	<b>1203 01</b>

The department in their written reply explained the position as under —

Reply of the inspection reports are given by the Head of the offices concerned to the Accountant General Haryana as and when IR received by them from Accountant General. As regard half yearly reports of pending inspection reports which are received through Finance Department action is taken on these reports promptly and head of offices are directed to file the replies of pending inspection reports and outstanding audit paras immediately under intimation to the head of the department. Meetings are also arranged with the Accountant General Haryana for reviewing the inspection reports and pending audit paras from time to time. As per the report of the controller and Auditor General of India for the year ended March 1999 55 Inspections reports and 189 audit paragraphs have been shown outstanding as on 30.6.99. Out of the above 55 inspection reports 19 IRs have been settled and out of 189 audit paragraphs 125 audit paras have been settled and leaving a balance of 36 IRs and 64 paragraphs.

It is also brought to the notice of Public Accounts Committee that recently a joint review meeting with Accountant General Haryana was held on 12/03 in the field office at Director Principal Sports Rai and District Sports & Youth Welfare Officer Hisar. Where all the concerned district officers were called to review IRs and pending audit paras the result of the meeting is that out of 60 IRs and 160 audit paras which were outstanding as on 28/12/2003. Out of above 22 IRs and 44 paras have been proposed for settlement by the officers of the Accountant General Haryana.

**After hearing the departmental representatives, the Committee observed that Audit findings are not being responded promptly by the department as a result of which many inspection Reports and paragraphs are still outstanding for the period ranging from 7 to 10 years. It is a serious lapse on the part of department.**

**The Committee, therefore recommends that responsibility be fixed and action be taken against the erring officers/officials who failed to send replies to IRS/Paras as per time schedule. The Committee, further recommends that outstanding IRS/Paras be settled within a period of three months under intimation to the Committee.**

## PUBLIC HEALTH DEPARTMENT

### *[24] 4 2 Unfruitful expenditure on incomplete work*

**Failure to conduct proper survey of site and arranging approval of changed specifications resulted in unfruitful expenditure of Rs 12 66 lakh**

The scheme Providing Sewerage for Ambala Sadar Ambala Cantonment was administratively approved (March 1981) by the Haryana State sanitary Board and the technical sanction was accorded (May 1983) by the engineer-in Chief Haryana Public Health Branch for Rs 1 39 crore Two areas viz Ambala Sadar (Rs 88 17lakh) and Mahesh Nagar (Rs 50 77 lakh) were originally proposed to be covered under the scheme but due to inadequate release of funds only Ambala Sadar area work was taken up and an expenditure of Rs 124 94 lakh was incurred between 1987 and August 1999 Executive Engineer (EE) Public Health Division Ambala Cantonment allotted (November 1994) a portion of the work pertaining to this scheme Laying of 400 mm internal diameter stone were pipe sewer with a time limit of four months to a contractor at a cost of Rs 6 65 lakh

However laying of sewer along Ambala Jagadhar road was not allowed by the Public Works Department Buildings and Roads Branch due to heavy traffic flow on the road The specification of the work were also changed due to encountering of spring at level 3 5 feet depth The type of the cross section of sewer was also changed from type to II to I The work was got carried out in reach RD 1 815 to 2 950 without approval from the competent authority The approval of change in specification sought in February 1997 and January 1998 by EE was still awaited (April 1999) from the Engineer in Chief PWD Public Health Branch

The agency gave (April 1998) undertaking to complete the work provided revised rates as worked out by them approval of changed specification and enhancement of agreement amount was accorded by the department by May 1998 The department however failed to do the same and agency left (May 1998) the work after executing the work in RD 0 to 2 950 for Rs 6 65 lakh upto August 1996 The department levied 10 *per cent* compensation for delay on the contractor under Clause II of the agreement in May 1998 for stopping the work An expenditure of Rs 12 66 lakh (Rs 6 65 lakh for work done by contractor plus Rs 6/01 lakh material ) was incurred on the work till then

Thus the failure to conduct survey of the actual site before taking up the work of laying of stone were sewer and arrange approval of changed specifications in time only resulted in unfruitful expenditure of Rs 12 66 lakh on incomplete work and denial of intended benefit to the beneficiaries The balance work for RD 2 950 to 4 250 has not been taken up since August 1996 and remained incomplete

The matter was referred to Government in May 1999 their reply had not been received (August 1999)

The department in their written reply explained the position as under —

The estimate for providing sewerage scheme for Ambala Sadar and Ambala Cantonment was technically sanctioned in the year 1983 and allocation of funds from 1983 to 2000 The

work of laying of 400 mm I/d S W pipe sewer construction of manhole erection of ventilating column and all other works contingent thereto was allotted to M/S Happy Dimple Engineering works vide EE PHD Ambala memo No 16329 dated 23-11-1994 for the amount of Rs 6.65 lakhs with a time limit of 4 months

During the period from 1983 to 1994 there was fast development of Ambala Sadar area with inhabitants springing up. The technical proposal which was based on technically sanctioned estimate of 1983. There was provision of laying of 400 mm I/d sewer along the Ambala Jagadhri road. However PWD B&R Department did not allow laying of sewer along the Ambala Jagadhri road due to the reason that Ambala-Jagadhri road is heavily loaded with heavy traffic of trucks trailers and tankers. Even during the meeting which was held between S E PWD (B&R) Ambala and S E Public Health Ambala the issue of laying of sewer on Ambala Jagadhri road could not be resolved. Executive Engineer PWD B&R vide his letter No 3387 dated 31-12-1986 intimated that laying of sewer along Ambala Jagadhri road can not be allowed as it would endanger human life during excavation of deep sewer as per design and parameters. The sewer from RD 0 to RD 1815 was laid along the Ambala Jagadhri road just at the outer edge of the road portion and the sewer was diverted from RD 1815 to 2950 as per site requirement.

The diversion of sewer was essentially required as per site conditions. During laying of sewer from RD 1815 to 2950 water level was encountered at a depth of 3.5 BGL as spring level has risen considerably high in Ambala Sadar. Sewer from RD 1815 to 2950 was laid as per the site conditions i.e. the specifications of sewer were changed from type II to I as per Public Health Norms. Approval for change in specification has already been applied for separately.

The Agency to whom the work was allotted completed the work as per the financial figures i.e. up to the agreement amount of Rs 6.65 lakh. The scope of the work was not completed as per the agreement and as such the action under clause II of the contract agreement was taken against the agency. The agency went to the Superintending Engineer and submitted that he has completed the work as per the agreement amount. The agency stressed that he has already completed the work to the tune of the agreement amount and was not agree to execute the work beyond its agreement amount due to the change of specifications. The Superintending Engineer during the hearing under clause II reduced the compensation as per the powers conferred in the agreement.

The sewerage from RD 0 to 2950 has already been made functional and there is no unfruitful expenditure on laying of the sewer. The extra rates which was submitted by the agency for the enhancement of the scope of the work were on higher side and could not be recommended. The Executive Engineer went to Arbitrator as per clauses of the agreement and award to the tune of Rs 4786/- has been awarded in favour of the Department. On the basis of the claims of the Department the said award has now been challenged by the agency in the Court of law and is pending before the Hon'ble court.

The proper survey was conducted before taking the work in hand and the specification of the work was changed as per site requirement. There is no unfruitful expenditure of Rs 12.66 lakh as sewer from RD 0 to 2950 has already been made functional and as such the expenditure is fruitful.

It is further added that an estimate for Rs 17.02 lacs for laying the balance sewer from RD 2950 to RD 4250 has been got administratively approved vide Sanitary Board special approval dated 18.3.2003. The work will be completed during 2003-2004 with the allocation of funds as per the estimated cost.

In view of above, the Para may please be dropped.

After hearing the departmental representatives, the Committee is not satisfied with the reply given by the department. The Committee observed that due to certain lapses on the part of department, the scheme for providing sewerage at Ambala Cantonment, could not be completed even after a long period of about 22 years. The Committee, therefore, desired that the details of funds allocated for this scheme year wise may be given to the Committee for its information. The department failed to supply the desired information asked for during the course of oral examination till the drafting of report.

The Committee, therefore, recommends that the desired information may be sent to the Committee immediately.

#### *[25] 4.7 Deficiencies in procedure for handling of funds*

The following omissions/deficiencies were noted during the local audit of Public Works Divisions conducted during 1998-99.

##### **4.7.1 Misutilisation of Letter of Credit (LOC)**

Funds were allotted to the Public Health (PH) building and Roads (B&R) and Irrigation in Public Works Department (PWD) by Government through LOC to the Head of these departments. They in turn allotted funds to the divisions through the Superintending engineers. The Executive Engineers (In-charge of the division) draw amount by cheques against the LOC after getting clearance from the treasury officers. PWD manual provides that under LOC system transfer of cash from one division to another division was strictly prohibited. Moreover the amount of LOC was to be utilised only for the purpose for which it had been authorised.

Scrutiny revealed that in 9 divisions Rs 1.74 crore\* were transferred (as detailed below) to other divisions (Rs 20.92 lakh) during December 1997 to December 1998 after drawing cheques against their allocation of LOC in an unauthorised manner. Rs 86.42 lakh utilised for purposes other than those for which these were released and Rs 66.82 lakh kept in the shape of bankers' cheques without the approval of the CE/SE.

Name of Branch	Number of divisions	Amount (Rupees in lakh)
Public Health	1	66.82
Buildings and Roads	4	86.62
Irrigation	4	20.72
<b>Total</b>	<b>9</b>	<b>174.16</b>

Public Health Division, Narwana Rs 66.82 lakh, Provincial Division 2, Ambala Cantt. Rs 3.24 lakh, Provincial Division, Kurukshetra Rs 77.75 lakh, Provincial Division, Sonapat Rs 0.20 lakh, Provincial Division, Yamunanagar Rs 5.43 lakh, Water Services Division, Bhiwani Rs 15.92 lakh, Sidhmukh Construction Division 2, Hisar Rs 0.50 lakh, Sidhmukh Construction Division 3, Hisar Rs 1.30 lakh and Construction Division, Sonapat Rs 3 lakh.

The department in their written reply explained the position as under —

This para relates to Public Health Division Narwana according to which a some of Rs 66 82 lacs was kept in the chest in the shape of bankers cheques and payment were made to the different agencies through bank drafts by the Executive Engineer In this connection it is intimated that amount of such bankers cheques is Rs 67 12 lacs instead of Rs 66 82 lacs as per original para However a banker cheque amounting to Rs 6 70 lacs kept in the chest in the month of 10/97 was accounted for twice Therefore net amount of banker cheques kept in the chest works out to Rs 60 42 lacs In this regard it is intimated that as per treasury rules validity of outside LOC cheques passed by the treasury is 10 days or the validity of LOC whichever is earlier But LOC is generally received in the last week of the month Thereafter the same is allocated to various executive Engineers by the Office of Engineer in Chief and then it is further distributed among their Sub Divisional Engineers This process of issuing of LOC and making payments by the Sub Divisional Engineers to various firms/contractors take minimum 10 to 15 days thereby leaving very less time for cleaning of cheques from the treasury and depositing in the banks resulting into chances of lapse of LOC

In the Public Health Divisions most of the agencies/firms are out of Haryana or from different parts of Haryana Such firms prefer payments through bank drafts instead of cheques because they have their Bank accounts in different banks other than State Bank of India and clearance of cheques takes usually more 10 days If these cheques are not cleared in validity period and get bounced then it brings bad name to the department/government and may involve litigations by the various agencies as the bouncing of cheques is a punishable offence under the Law

To avoid such situation some of the payments were made through bank drafts to various agencies in the public interest and there is no loss to the Government because of the fact that bank charges are not paid by the department as the same is borne by the contractors/suppliers themselves The detail of payments made through drafts/cash is as under

1	Amount paid for the Energy/diesel charges	31 15 lacs
2	Amount Paid for wages	2 51lacs
3	Amount paid for supplier	12 33 lacs
4	Amount paid for work executed	14 43 lacs

The case for making payment by Bank drafts was referred to the Government Director Treasuries and Accounts Department Haryana vide his letter dated 19-6 2003 has allowed to make payment by Bank draft Therefore para may kindly be dropped

**After hearing the departmental representatives, the Committee recommends that a warning be issued to the concerned official who violated the Government instructions/financial rules without the approval of the competent Authority The action taken in this regard be intimated to the Committee**

[26] 4 7 2 Defects in procedure treasury and financial rules

(i) Departmental instructions stipulate that Sub Divisional Officers were allowed to draw self cheques up to the amount of Rs 10 000 Under Financial Rules payments due to contractors/suppliers in excess of Rs 10 were to be made through cheques Contrary to these instructions it was noticed that Sub Divisional Officers under 119 Executive engineers drew self cheques of more than Rs 10 000 totalling Rs 65 43 crore by issuing certificates that the amounts were required for labour payments/cash for chest Further Divisional Officers in 161 divisions including 111 divisions of Public Health and Irrigation branches who drew self cheques made payments to contractors/suppliers amounting to Rs 34 50 crore during 1997-98 and 1998-99 through bank drafts instead of cheques as tabulated below

Name of Branch	Number of divisions	Amount drawn through cheque (Rupees in crore)	Number of divisions	Amount paid through bank (Rupees in crore)
Irrigation	84	25 17	76	11 04
Buildings and Roads	—	—	50*	16 00
Public Health	35	40 26	35	7 46
<b>Total</b>	<b>119</b>	<b>65 43</b>	<b>161</b>	<b>34 50</b>

Out of 119 divisions 14 divisions\* had drawn Rs 34 21 crore varying from Rs 1 12 crore to Rs 6 27 crore during the years 1997-98 to 1998-99

(ii) Financial rules further provide that unpaid wages lying for more than three months should be deposited in Government account or be refunded by way of short drawal in the next bill Scrutiny revealed that in 193 cases Rs 10.21 lakh were kept pending as unpaid wages for over three months to more than 10 years Beside, in 94 cases involving Rs 13 98 lakh of unpaid wages period had not been specified by the respective branch (Public Health 15 cases Rs 2 01 lakh Buildings and Roads 36 cases Rs 5 35 lakh and Irrigation 43 cases Rs 6 62 lakh) It was neither deposited in Government account nor refunded by way of short drawal

The department in their written reply explained the position as under —

This para relates to 35 Public Health Divisions of Haryana State according to which some of the payments were made to the different agencies through bank drafts

In Building and roads Branch Sub Divisional Officers do not draw cheques

PH Division Ambala Cantt Rs 2 05 crore PH Division-I Bhiwani Rs 6 17 crore Loharu Works Division Charkhi Dadri Rs 1 12 crore Mohinderghar Canal Water Services Division Charkhi Dadri Rs 1 81 crore PH Division Hisar Rs 6 27 crore PH Division I Karnal Rs 2 35 crore Procurement and Disposal Division No 1 Manimajra Rs 1 96 crore PH Division II Panipat Rs 1 27 crore Palwal Water Services Palwal Rs 1 78 crore PH Division I Rohtak Rs 2 81 crore PH Division II Rohtak Rs 1 32 crore PH Division I Sonapat Rs 2 06 crore PH Division II Sonapat Rs 2 09 crore and Ron Water Services Division Sirsa Rs 1 15 crore

by the Executive Engineers. In this regard it is intimated that LOC system is applicable in the case PWD Public Health Divisions in Haryana State. As per rules validity of outside LOC cheques passed by treasury after clearance of amount is only 10 days or end of the month whichever is earlier. But LOC in the month of April is almost received in the last week of the month. Even in other months LOC is generally issued after 15th of each month by Finance Department. Thereafter the same is allocated to various Executive Engineers by the Office of Engineer in Chief and then it is further distributed among their Sub Divisional Engineers. This process of issuing of LOC and making payments by the Sub Divisional Engineers to various firms/contractors take minimum 10 to 15 days thereby leaving very less time for clearing of cheques from the treasury and depositing in the banks resulting into chances of lapse of LOC.

In the Public Health Divisions the different agencies out of Haryana and even from different areas of Haryana are supplying material and the payment of these supplies has to be made through Bank drafts as per condition in supply orders and even firms refuse to take payments through cheques. Moreover the suppliers and contractors have their Bank account in different banks other than State Bank of India and clearance of cheques takes another extra time which *inter alia* means a long procedure of receiving payments and many a time it happened that the LOC has lapsed due to delay in presenting cheques to the banks. If these cheques are not cleared in valid time of 10 days and get bounced then it brings bad name to the department/government and also leads to litigation by the various agencies as the bouncing of cheques is a punishable offence under the Law.

As such to avoid such situation some of the payments were made through bank drafts to various agencies in the public interest and there is no loss to the Government because of the fact that State Bank of India is preparing Government drafts without charging any commission from the Department.

It is also intimated that the major amount paid through drafts is related to the payments of energy charges, wages of staff and acquisition of land as well as of suppliers which were required to be made in unavoidable circumstances and as per the condition of supply orders.

In such a situation no loss is involved and payments were made in the interest of work therefore para may kindly be dropped.

It is intimated that as per division wise detail of unpaid wages pointed out and supplied to the Department it has been found that a sum of Rs. 2.01 lacs relates to Public Health Department. But in case of Public Health Division No. 1 Kamal and PHD No. 2 Rohtak the variation in the amount shown in the CAG report has been reported by these offices. The amount of Kamal Division is Rs. 2443/- instead of 52651/- and amount of Rohtak Division is Rs. 75639/- instead of 59566/- resulting into the fact that the total amount of unpaid wages relating to Public Health Department comes to Rs. 1.67 lacs which has been adjusted by making short drawal/PIT or by making payment to the respective employees by the field offices from time to time. Therefore para may kindly be dropped.

**4 7 2 (i)** After hearing the departmental representatives, the Committee desired that system be streamlined to avoid procedural lapses and violation of rules. The Committee also recommends that the department should approach the Government to enhance this limit-if the department feels that this limit is old and not practicable. The Committee also desired that a warning be issued to all those officials who violated Government instructions and report be sent to the Committee for its information.

**4 7 2 (ii)** After hearing the departmental representatives, the Committee observed that the amount was kept pending as unpaid wages for more than three months to one year. The Committee, therefore, desired that details of all the fifteen cases be sent to the Committee for its information.

*[27] 4 7 3 Non observance of prescribed checks*

#### **Totals of cash books not checked**

As per rule 2 2 (iii) of PFR Vol I, the cash book should be closed regularly and completely checked. The head of the office should verify the totalling of the cash book or have this done by some responsible subordinate other than the writer of the cash book and initial as correct. It was seen in 150 divisions that prescribed checks were not exercised.

<b>Name of Branch</b>	<b>Number of divisions</b>
Public Health	36
Buildings and Roads	48
Immigration	66
<b>Total</b>	<b>150</b>

The department, in their written reply, explained the position as under —

In compliance to the observation, it is intimated that necessary compliance has been got done from all field offices and it has also been noted by them for future compliance. Therefore, Para may kindly be dropped.

During the course of oral examination, the Committee desired to know whether there is any system of internal audit exists in the department or not. The departmental representatives assured the Committee that desired information will be sent to the Committee for its information. The Committee, therefore, desired that information in regard to all the divisions of the department along with the procedure set up for the prescribed cheques be sent to the Committee at the earliest.

## IRRIGATION DEPARTMENT

*[28] 4 4 Wasteful expenditure*

### **Unjustified dismantling of bridge without approval led to wasteful expenditure of Rs 13 15 lakh**

Financial Rules inter alia provide that no work should commence until the estimate is technically sanctioned by the competent authority

Chief Engineer Irrigation Branch Haryana sanctioned (April 1997) an estimate of Rs 4 05 crore for replacing Head Regulator cum Bridge at RD 144895 Main Line Lower (MLL) at Dhanaura approximately 200 feet downstream of existing bridge which was century old and its public use was stopped in 1992. The estimate was sanctioned for the purpose of planning and not for execution of work. Executive Engineer (EE) Construction Division 16 Karnal however commenced the dismantling of existing head regulator cum bridge in anticipation of the final approval of drawings for the structures and constructed a ring bund at an expenditure of Rs 6 14 lakh as of January 1998.

However the dismantling work of original Head Regulator cum Bridge was stopped when the site of bridge was inspected by the Chief Minister and a decision was taken by Government (May 1998) that since the foundation of the existing bridge are safe there was no need to construct the new bridge. Accordingly a fresh estimate for Rs 77 16 lakh was sanctioned (October 1998) by the CE (YWSC) for restoring original X Regulator cum bridge with 2 additional bays which was completed with an expenditure of Rs 97 95 lakh (July 1999). In addition to provide temporary relief to public EE Water Services Division Dadupur provided dry weather diversion down stream Dhanaura Cross Regulator at a cost of Rs 2 95 lakh and on restoration of Dhanaura Cross Regulator at a cost of Rs 4 06 lakh.

Thus action taken by EE Construction Division 16 Karnal to dismantle the original structure i.e. the Bridge and the regulator etc. in anticipation of the issuance of the final drawings by the Chief Design Officer (CDO) led to wasteful expenditure of Rs 13 15 lakh (dismantling of bridge etc. and construction of ring bund Rs 6 14 lakh dry weather diversion Rs 2 95 lakh and cross regulator Rs 4 06 lakh).

Engineer-in-Chief stated (July 1999) that the expenditure of Rs 13 15 lakh incurred on the dismantling work was wasteful and action against the concerned EE had been initiated. However he justified the action of dismantling work on the ground that the State Government had saved Rs 3 66 crore due to this action of dismantling. The reply was irrelevant as the building of new bridge was not connected with the dismantling which was done irregularly by EE.

The Matter was referred to Government in April 1999 their reply had not been received (September 1999).

The department in their written reply explained the position as under —

The bridge cum Head regulator at RD 144895 M L L was about more than a century old and was an out dated structure. The Bridge was in a dilapidated condition and requires immediate replacement to avoid any mishap.

The work was taken up after sanction of the estimate by the competent authority. The work was allotted to the lowest responsive bidder on clearance from the World Bank. The agency had planned the work at site and started dismantling as per scope of work.

The work had to be stopped on the direction of the competent authority. The matter was investigated by the State Vigilance Bureau. After considering the fact finding report of the State Vigilance Bureau, the competent authority have decided to drop disciplinary proceedings against the responsible except Sh. J. K. Chugh, the then CE/CU I. The competent Authority have also decided to drop the charges against Sh. J. K. Chugh after considering his defence reply.

The work for constructing Head Regulator was originally planned Rs. 4.77 crores but after deep scrutiny of the Scheme, the department had incurred only Rs. 13.15 Lakh + Rs. 97.95 Lakh in making the scheme workable for public use and saved expenditure of Rs. 3.66 crores. Such planning is kept in view in the larger interest of the State Exchequer.

**During the course of oral examination the departmental representatives informed the Committee that the departmental action is under process against the officers/officials who were responsible to execute the work of dismantling the bridge without approval of the competent authority. The Committee therefore, desired that the report be sent to the Committee after completing the disciplinary action against the erring officers/officials within a period of three months.**

*[29] 4.5 Unjustified expenditure on extension of distributary*

**Isherwal distributary was extended at the cost of Rs. 65.45 lakh, even though there was no prospect of water flowing through it.**

Scrutiny of records relating to the project for extension of Isherwal distributary from RD 62.500 to RD 70.000 in Siwani Water Services Division, Bhiwani revealed (May-June 1999) that as per gauge register upto a maximum of 45 cusecs of water was discharged against the authorised discharge of 88.65 cusecs and on an average 661 acres per year could be irrigated against the projected irrigation for 8.319 acres per year because the discharged water did not reach beyond RD 49.000 except on 5 days when water reached upto RD 52.000 during 1996-99.

Even though sufficient water was not available during last three years of 1996-99 and available water could not reach beyond RD 52.000, a detailed estimate was sanctioned by the Chief Engineer, Left Canal Irrigation Branch in September 1997 for Rs. 52.99 lakh for extension of the distributary from RD 62.500 to RD 70.000 and the work was completed in March 1999 for a total cost of Rs. 65.46 lakh. The EIC was not aware as to when water will be available. There was no water to distribute and the available distributed water could not reach the existing tail end. This expenditure was unwarranted and unjustified.

Thus the sanction accorded by the Chief Engineer for extension of distributary was without proper consideration of water availability and its distribution to farmers. The matter calls for investigation.

The matter was referred to Government in July 1999. Their reply had not been received (September 1999).

The department in their written reply explained the position as under -

Necessary infrastructure in terms of construction of channels is always required in advance for fair distribution of Canal water to the farmers so that when water is made available there should be no difficulty in distributing the same. It is stated that capacity statement including the discharge of extension portion of Isherwal Disty from RD 62 000 to 70 000 was approved by the Chief Engineer LCU vide letter dated 7 10 97 and therefore it was essential to construct the channel. Accordingly the channel was constructed but not fed with canal water because the revised designed discharge was not being lifted at pump house as efficiency of the 30 years old pumps have been reduced considerably. To overcome this situation separate project estimate for increasing capacity of pumps of Siwani canal has been sanctioned for Rs 318.88 lakh by the Chief Engineer/LCU vide letter dated 26 11 99 under head RIDF V and NABRAD authority have assured to finance the same and also in active stage of implement. After implementation of this project there will be no shortage of water and all the channels shall start getting their authorised share and as such the parameter envisaged while framing the project estimate for extension of Isherwal Disty from RD 62 000 to 70 000 shall be achieved. Therefore there is no unjustified expenditure on extension of the Disty and no Officer/Official is at fault.

After going through the written reply and having the department orally examined, the Committee is of the considered view that the expenditure of Rs 65.45 lakh incurred on the extension of Isherwal distributary without ensuring the availability of water was unjustified. The departmental representatives also admitted this fact during the course of oral examination. The Committee was later on informed by the department that Shri P. R. Kadiyan, S.E. Vigilance, Rohtak has been appointed as inquiry officer to investigate the matter.

The Committee, therefore, recommends that inquiry be completed within the period of three months and responsibility be fixed and a compliance report be sent to the Committee accordingly.

*[30] 4.6 Non responsiveness to Audit findings and observations resulting in erosion of accountability*

Accountant General (Audit) (AG) arranges to conduct periodical inspection of the Government departments to test check the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed up with Inspection Reports (IRs). When important irregularities etc. detected during inspection are not settled on the spot, these IRs are issued to the Heads of offices inspected with a copy to the next higher authorities. The Rules/Orders of Government provide for prompt response by the executive to the IRs issued by the AG to ensure rectificatory action in compliance of the prescribed rules and procedures and accountability for the deficiencies, lapses etc.

noticed during his inspection. The Heads of offices and next higher authorities are required to comply with the observations contained in IRs and rectify the defects and omissions promptly and report their compliance to the AG. Serious irregularities are also brought to the notice of the Head of Department by the office of the Accountant General (Audit). A half yearly report of pending inspection reports is sent to the Secretary of the Department in respect of pending IRs to facilitate monitoring of the audit observation in the pending IRs.

Inspection Reports issued upto June 1999 pertaining to 107 divisions of Irrigation Department disclosed that 1652 paragraphs relating to 762 IRs remained outstanding at the end of July 1999. Of these 116 IRs containing 218 paragraphs had not been settled for than 10 years. Year wise position of the outstanding 762 IRs and 1652 paragraphs are detailed in the Appendix XXXI. Even the initial replies which were required to be received from the Head of offices within six weeks from the date of issue were not received in respect of 31 divisions for 31 IRs issued between January 1998 and June 1999. As a result the following serious irregularities commented upon in these IRs had not been settled as on July 1999.

Sr No	Nature Irregularities	Number of Paragraphs	Amount (Rupees in crore)
1	Loss due to theft misappropriation and embezzlement	113	2.83
2	Recoverable amounts from contractors/agencies on account of excess payments excess issue of material cost of work done at their risk and cost and non recovery of income tax sales tax and Liquidated charges	138	17.36
3	Recoverable amounts on account of shortages/excess payments from government officials	101	1.39
4	Non Observance of rules relating to custody and handing of cash reconciliation of withdrawal from treasuries maintenance of cash book and irregular utilisation of departmental receipts and non observance of codal provisions	224	27.26
5	Extra and avoidable expenditure excess expenditure incurred on deposit works non reimbursement of funds liabilities of Government irregular unauthorised and infructuous expenditure	716	87.04
6	Irregular/injudicious purchases	26	3.08
7	Undue financial aid to contractors	5	0.79
8	Execution of sub-standard works	47	3.18
9	Blocking of funds	75	17.04
10	Non accounting/short receipts of material	56	3.75
11	Non preparation of tools and plan (T&P) returns non closing of manufacturing accounts and under utilisation of machinery	60	9.06
12	Unsanctioned estimates and loss of measurement books	65	5.58
13	Recoverable amount from beneficiaries	17	24.65
14	Minys balance under stock suspense other sub-head/CSSa	9	1.69
<b>Total</b>		<b>1 652</b>	<b>204.70</b>

A Review of IRs which were pending due to non receipt of replies in respect of Irrigation Department revealed that Heads of offices whose records were inspected in audit and the Superntending Engineer of their respective divisions failed to discharge due responsibility as they did not send any reply to a large number of lrs/paragraphs indicating their failure of initiate action in regard to the defects omissions and irregularities pointed out in the IRs. The Commissioner and Secretary to Government of Haryana Irrigation Department who was informed of the position through half yearly reports also failed to ensure that the concerned officers of the department take prompt and timely action.

The above also indicated inaction against the defaulting officers and thereby facilitating the continuation of serious financial irregularities and loss to Government though these were pointed out in audit.

Analysis of the pending paragraphs of the Inspection Reports revealed that 101 paragraphs related to shortage of material and excess payment etc. of Rs 1.39 crore which were recoverable from 150 officers/officials. Out of 101 paragraphs 42 cases involving Rs 39 lakh were outstanding for more than 10 years. Detail of amount recoverable from various categories of officers/officials were as under:

Sr No	Name of officers/officials	Number of officers/officials	Amount (Rupees in crore)	Period for which outstanding
1	Executive Engineers	15	0.15	Between August 1984 and November 1997
2	Sub Divisional Engineers	26	0.29	Between June 1984 and May 1999
3	Junior Engineers	81	0.86	Between October 1997 and September 1998
4	Others	28	0.09	Between April 1989 and February 1999
<b>Total</b>		<b>150</b>	<b>1.39</b>	

Out of Rs 1.39 crore Rs 0.77 crore were routinely placed in the Miscellaneous Public Works Advances against the concerned officials pending recovery and no details of final action to recover the amount was furnished. No action whatsoever regarding remaining amount of Rs 62 lakh was taken for recovery or adjustment.

Thus by not taking action against the departmental officers for recovery of Government dues the heads of offices are promoting lack of accountability and financial discipline and encouraging unauthorised retention of public funds. Possibility of permanent loss of large amounts of funds due to such inaction cannot be ruled out.

Further analysis of pending inspection reports and paragraphs revealed that 1,636 paragraphs (out of 1,652) were outstanding for want of comments from Head of the Department (47 paragraphs) and proper reply from divisional officers (1,589 paragraphs).

As a result of audit committee meetings held at circle level at 10 stations (between April June 1999) 508 paras involving Rs 51.07 crore were settled. The Engineer-in-Chief PWD

Irrigation branch in reply (June 1999) agreed that such meetings in future will also be held for achieving the results

It is recommended that Government should relook into this matter and ensure that procedure exists for (a) action against officials who failed to send replies to IRs/Paras as per time schedule (b) action to recover loss/outstanding advances/overpayments in a time bound manner and (c) revamping the system of proper response to the audit observations in the department

The matter was referred to Government in September 1999 their reply had not been received (September 1999)

The department in their written reply explained the position as under —

Irregularities pointed out by the audit are immediately complied with by the respective Executive Engineers and Superintending Engineers

Efforts are being made to submit the initial reply after complying with the irregularities pointed out by the audit. Sometimes in the process of meeting compliance replies are delayed. However the point is noted and the instructions have been issued to the Superintending Engineers vide letter No. 2535 80/4PAC/643/99 dt. 3.7.2001

The Executive Engineers/Superintending Engineers have made considerable efforts and a number of outstanding paragraphs of Inspection Reports have been settled and further efforts are being made to settle the same promptly

As regards amount recoverable from the officers the action is being taken by the respective Executive Engineers/Superintending Engineers

**After hearing departmental representatives the Committee is not satisfied as the audit findings and observations are being taken up seriously. The Committee therefore recommends as under —**

- (i) **The department should initiate action against the officials who failed to send the reply of inspection Reports/Paras as per time schedule**
- (ii) **The Committee also recommend that action be also initiated to recover the loss/outstanding advances/other payments within a specific period**
- (iii) **The Committee also desired to revamp the system of proper response to the audit observation in the department in future**

**Action taken and progress report be intimated to the Committee within a period of three months**

**[31] 4 7 Deficiencies in procedure for handling of funds**

The following omissions/deficiencies were noticed during the local audit of Public Works Divisions conducted during 1998-99

**4 7 1 Misutilisation of Letter of Credit (LOC)**

Funds were allotted to the Public Health (PH) Buildings and Roads (B&R) and Irrigation in Public Works Department (PWD) by Government through LOC to the Heads of these departments. They in turn allotted funds to the divisions through the Superintending Engineers. The Executive Engineers (Incharge of division) draw amount by cheques against the LOC after getting clearance from the treasury officers. PWD manual provides that under LOC system transfer of cash from one division to another division was strictly prohibited. Moreover the amount of LOC was to be utilised only for the purpose for which it had been authorised.

Scrutiny revealed that in 9 divisions Rs 1 74 crore\* were transferred (as detailed below) to other divisions (Rs 20 92 lakh) during December 1997 to December 1998 after drawing cheques against their allocation of LOC in an unauthorised manner. Rs 86 42 lakh utilised for purposes other than those for which these were released and Rs 66 82 lakh kept in the shape of bankers' cheques without the approval of the CE/SE.

Name of Branch	Number of divisions	Amount (Rupees in lakh)
Public Health	1	66 82
Buildings and Roads	4	86 62
Irrigation	4	20 72
<b>Total</b>	<b>9</b>	<b>174 16</b>

The department in their written reply explained the position as under:

Mostly L O C is utilised for the purpose it is allotted. As regards transfer from one division to another division it is only done in special circumstances.

**After hearing the departmental representatives the Committee recommends that it may be ensured that such type of lapses may not occur in future.**

**[32] 4 7 2 Defects in procedure treasury and financial rules**

(i) Departmental instructions stipulate that Sub Divisional Officers were allowed to draw self cheques up to the amount of Rs 10 000. Under Financial Rules Payments due to contractors/suppliers in excess of Rs 10 were to be made through cheques. Contrary to these

Public Health Division Narwana Rs 66 82 lakh Provincial Division 2 Ambala Cantt Rs 3 24 lakh Provincial Division Kurukshetra Rs 77 75 lakh Provincial Division Sonapat Rs 0 20 lakh Provincial Division Yamunanagar Rs 5 43 lakh Water Services Division Bhiwani Rs 15 92 lakh Sidhmukh Construction Division 2 Hisar Rs 0 50 lakh Sidhmukh Construction Division 3 Hisar Rs 1 30 lakh and Construction Division Sonapat Rs 3 lakh

Instructions it was noticed that Sub-Divisional Officers under 119 Executive Engineers drew self cheques of more than Rs 10 000 totalling Rs 65 43 crore by issuing certificates that the amounts were required for labour payments/cash for chest. Further divisional Officers in 161 divisions including 111 divisions of Public Health and Irrigation branches who drew self cheques made payments to contractors/suppliers amounting to 34 50 crore during 1997-98 and 1998-99 through bank drafts instead of cheques as tabulated below

Name of Branch	Number of divisions	Amount drawn through cheque (Rupees in crore)	Number of divisions	Amount paid through bank draft (Rupees in crore)
Irrigation	84	25 17	76	11 04
Buildings and Roads	—	—	50	16 00
Public Health	35	40 26	35	7 46
<b>Total</b>	<b>119</b>	<b>65 43</b>	<b>161</b>	<b>34 50</b>

Out of 119 divisions 14 divisions had drawn Rs 34 21 crore varying from Rs 1 12 crore to Rs 6 27 crore during the years 1997-98 to 1998-99

The department in their written reply explained the position as under —

- (i) The limit of Rs 10000/- to draw self cheque is old one and as such not practicable

Generally no payment is made to the contractors through Bank Draft. However in circumstances when L O C is received at the end of the month payment to the supplier has to be made through Bank Draft to avoid lapse of L O C because by the time the cheque is presented to the Treasury L O C is lapsed and cheques have to be got re-validated. To avoid such eventuality payment to supplier is made through Bank Draft.

After hearing the departmental representatives the Committee desired that responsibility be fixed for not following the proper procedure in financial transactions and committee be informed accordingly

[33] 4.7.3 Non-observance of prescribed checks

#### Totals of cash books not checked

As per rule 2.2 (iii) of PFR Vol I the cash book should be closed regularly and completely checked. The head of the office should verify the totalling of the cash book or have this done by some responsible subordinate other than the writer of the cash book and initial it as correct. In as seen in 150 divisions that prescribed checks were not exercised

Name of Branch	Number of divisions
Public Health	36
Buildings and Roads	48
Irrigation	66
<b>Total</b>	<b>150</b>

The department in their written reply explained the position as under

Generally totals are being checked by the other than the writer of Cash Book

During the course of oral examination the Committee was assured by the department that fresh instructions will be issued to check the cash book regularly and copy of the same will be sent to the Committee. But the department failed to supply the same till the drafting of report. The Committee, therefore, recommends that desired information be sent within a period of one month for the information of the Committee

**[34] 4 7 4 Undue retention of heavy Cash Balances**

Cash balances involving Rs 3 43 crore ranging from Rs 0 10 lakh to Rs 60 32 lakh were retained in the cash chest at the close of the financial year viz March 1999 by 106 Drawing and Disbursing Officers as under —

Name of Branch	No of cases less than Rupees 1 lakh	No of cases Rupees 1 lakh to 5 lakh	No of cases Rupees 5 lakh to 50 lakh	No of cases more than Rupees 50 lakh
Public Health	15	4	1	
Buildings and Roads	13	1		
Irrigation	38	17	16	1
<b>Total</b>	<b>66</b>	<b>22</b>	<b>17</b>	<b>1</b>

The matter was referred to Government in July 1999 their reply had not been received (September 1999)

The department in their written reply explained the position as under

Instructions are being issued to all the Superintending Engineers not to keep undue retention of heavy Cash Balances and in chest and should adhere the Government rules

After hearing the departmental representatives the Committee recommends that action be initiated against those officials who retained heavy cash balances in spite of time to time instructions issued by the department. The committee further desired that details of all these 16 cases be sent to the Committee for its information and perusal. The action taken in this regard be intimated to the committee within a period of three months

## PW (B&R) DEPARTMENT

[35] 4 7 2 Defects in procedure — treasury and financial rules

(i) Departmental instructions stipulate that Sub Divisional Officers were allowed to draw self cheques up to the amount of Rs 10 000 Under Financial Rules payments due to contractors/suppliers in excess of Rs 10 were to be made through cheques Contrary to these instructions it was noticed that Sub-Divisional Officers under 119 Executive Engineers drew self cheques of more than Rs 10 000 totalling Rs 65 43 crore by issuing certificates that the amounts were required for labour payments/cash for chest Further Divisional Officers in 161 divisions including 111 divisions of Public Health and Irrigation branches who drew self cheques made payments to contractors/suppliers amounting to Rs 34 50 crore during 1997-98 and 1998 99 through bank drafts instead of cheques as tabulated below

Name of Branch	Number of divisions	Amount drawn through cheque (Rupees in crore)	Number of divisions	Amount paid through bank draft (Rupees in crore)
Irrigation	84	25 17	76	11 04
Buildings and Roads			50	16 00
Public Health	35	40 26	35	7 46
<b>Total</b>	<b>119</b>	<b>65 43</b>	<b>161</b>	<b>34 50</b>

Out of 119 divisions 14 divisions had drawn Rs 34 21 crore varying from Rs 1 12 crore to Rs 6 27 crore during the years 1997 98 to 1998 99

The department in their written reply explained the position as under —

(i) Most of the payments to the Contractors/suppliers are made through cheques However only in exceptional circumstances payments are made through bank drafts Some big concerns like IOC BPC HSIDC Refinery Works cement companies do not accept cheques Therefore payment have to be made through Bank drafts for supply of cement steel bitumen etc In addition to above there is rate contract with some firms and as per conditions of rate contract payments are to be made through bank drafts Secondly outstation firms do not accept cheque because of involvement of complicated provisions of payments through Treasury & Bank Thirdly local vendors also do not accept cheques for petty payments However all the S Es have been directed vide this office memo No 1136 50/AC dated 3/5/02 to make the payments through cheques

After hearing the departmental representatives the Committee desired that the system be streamlined to avoid procedural lapses and violation of rules The Committee recommends that the department should approach the Govt to enhance this limit if the department feels that this limit is old and not practicable The action taken in this regard be intimated to the committee within a period of three months

## AGRICULTURE DEPARTMENT

[36] 64 *Wasteful expenditure on construction of road*

**An expenditure of Rs 13.96 lakh incurred by HSAMB on the construction of road without the permission of Forest Department/Government of India rendered wasteful**

Executive Engineer (EE) HSAMB Kurukshetra awarded (September 1989) the work of construction of rural missing link road from village Rattakhera to Bubakpur from RD O to 15500 (4.08 Kilometre (km)) to a contractor at a cost of Rs 14.75 lakh which was to be completed within 12 months. After completing earth work to the extent of Rs 0.83 lakh the contractor left the work incomplete.

The work was re-allotted (January 1991) to another contractor at a cost of Rs 15.50 lakh at the risk and cost of the previous contractor. This contractor completed the work in December 1993 at total cost of Rs 13.96 lakh except a portion of road from RD 7750 to 9900 (1.25 km) which falls in the reserve forest area. As a result the road could not be put to use because of an uncovered gap of 1.25 km. HSAMB took up the matter with Forest Department in August 1994 for according sanction for construction of road but the permission was not granted as of June 1999.

As the alignment of road was passing through the reserve forest, decision of EE to start the construction of road without obtaining the prior permission of Forest Department/Government of India was totally injudicious and unjustified and it rendered the entire expenditure of Rs 13.96 lakh wasteful. No responsibility was fixed for the lapse.

The matter was referred to Government in May 1999, their reply had not been received (September 1999).

The department in their written reply explained the position as under —

The Government of Haryana had directed DFO Kaithal in Jan. 2001 to provide land for completion of the road. The formal approval has been received from Government of India with some conditions on 7.7.2002. As per one of the conditions the land is to be transferred to the Forest Department in lieu of forest land to be used for construction of road. The gram panchayat village Bhatian has offered the land and the matter is under process with District Panchayat. The balance portion of road will be completed as and when the land is transferred by Forest Department.

However, the road including the unconstructed portion of 1.25 KM is being used by the villagers/farmers as light vehicles are plying in the entire length of road.

In view of the position explained above the para may please be settled.

**After hearing the departmental representatives, the Committee desired that information be sent to the Committee after completing the remaining portion of the road. But the same has not been sent by them so far.**

**The Committee, therefore, desired that information regarding completion of road as assured during the course of oral examination be sent at the earliest.**

## CO-OPERATION DEPARTMENT

**(HARYANA STATE CO-OPERATIVE SUPPLY AND MARKETING FEDERATION LIMITED)**

*[37] 68 Loss due to negligence and improper maintenance of cold storage plant*

**Mishandling of the plant and machinery and failure to insure the same as well as stocks stored in cold storage, HAFED sustained a loss of Rs 16 26 lakh**

All the operative Marketing Federation Limited (HAFED) cold storages were to be covered by proper insurance and insurance was to be done by respective District Manager/General Manager for plant and machinery and stocks stored in cold storage

Scrutiny revealed that in cold storage at Shahabad out of 53 255 bags of potatoes stored during 10 to 29 January 1992 11 782 bags of potatoes were damaged as the temperature of chambers rose from 38 8 F to 64 F during July to September 1992 due to faulty insulation and mishandling of plant and machinery No insurance cover of the plant and machinery and stores stocked in the cold storage had been obtained The aggrieved farmers approached (November 1992) the District Consumers Dispute Redressal Forum (Forum) Kurukshetra who awarded compensation in favour of farmers for Rs 16 26 lakh HAFED paid the amount during December 1992 and November 1995 in compliance of Forum's decision and mutual compromise between HAFED and farmers

HAFED held (April 1995) the District Manager HAFED Kurukshetra responsible for the lapse of not insuring the plant and machinery and stock of potatoes and issued charge sheet and also started inquiry against him Though more than 4 years have elapsed the department failed to finalise the enquiry (June 1999)

Thus due to mishandling of plant and machinery and failure in getting the plant and machinery of cold storage and stocks stored therein insured HAFED sustained a loss of Rs 16 26 lakh

The matter was referred to Government in July 1999 their reply had not been received (September 1999)

The department in their written reply explained the position as under —

There was no practice to get the Insurance Cover for the items stored in the Cold Storage through out the State in Hafed However the instructions were issued to D M Kurukshetra to get the insurance done for the material stored in the cold store The action has already been initiated against the concerned D M who failed to comply with the instructions The Departmental enquiry as laid down in the procedure of Hafed service rules has been completed and action is being taken accordingly

As per award of Rs 16 26 lacs by District Consumer Forum the responsibility for the loss has been fixed against the officials who were found at fault and departmental action is being taken Similarly action has been initiated against the technical officials posted in the Cold Storage for not maintaining the proper temperature The enquiry against all these officials was got conducted from a Senior Officer of the rank of G.M The reasons for taking more than four years for finalising the enquiry are that eight

employees and other technical aspects were involved in the enquiry which required to be looked into thoroughly. Now the enquiries have been completed and action is being taken accordingly.

During the course of oral examination the departmental representatives informed the Committee that the preliminary enquiry was conducted by Sh. N. S. Arora, HCS, the then Secretary, Hafed. He completed the enquiry on 28.8.1993. The follow up action was started against the following officers/officials —

- 1 Sh. Satish Kumar, Ref. Operator, Cold Storage, Shahabad
- 2 Sh. Param Pal, Ref. Operator -do-
- 3 Sh. Vishnu Bhagwan, Electrician -do-
- 4 Sh. Randhir Singh, Manager -do-
- 5 Sh. R. P. Chauhan, D.M., Hafed, Kurukshetra (worked from 8.4.1992 to 30.6.1994 who is responsible for not getting the insurance cover during his tenure and proper supervision)
- 6 Sh. C. L. Garg, D.M., Hafed, Kurukshetra (worked from Oct. 1990 to April 1992 who is responsible for not getting the insurance cover during his tenure and proper supervision)

The charge sheets were initiated against the above officers/officials during Jan. 1995 at S. No. 1 to 4 and November 1995 at S. No. 5 & 6 after their explanations found unsatisfactory.

Sh. Bal Kishan, the then General Manager, Hafed Pesticides Plant, Taraon, was appointed Enquiry Officer in September 1996 but in the month of October 1996 Sh. R. L. Sethi, General Manager, Hafed Head Office, was appointed as Enquiry Officer in place of Sh. Bal Kishan due to his posting in the field office.

Sh. R. L. Sethi, General Manager, Enquiry Officer, has completed and submitted enquiry report in October 2001. The time of 5 years taken by the Enquiry Officer for finalising his enquiry report is due to the fact that he was looking after the various Hafed plants/mills such as Oil Mill, Rewari, Cattle Feed Plant, Rohtak, Barley Malt Plant, Jatusana, H.P.T., Taraon and Oil Complex, Ratia etc. etc. along with other various duties assigned to him at Head Office. The enquiry work was given to him in addition to his own duties. The reasons for taking more than 4 years for finalising the enquiry are that eight employees and other technical aspects were involved in the enquiry which required to be looked into thoroughly. Moreover, enquiries against six officials in which many witnesses were examined and cross examined had consumed substantial time.

Out of total loss of Rs. 30.31.302.83 for which charge sheets were issued to above officials and after finalisation of show cause notices and personal hearings etc. they were held responsible for the total loss of Rs. 28.79.737.70 including Rs. 16.26 lacs on account of payment of compensation to the farmers as mentioned in Para No. 6.8 of CAG report. The final orders for recovery of Rs. 28.79.737.70 were issued by the Competent Authority on 22.11.2002. The latest position of recoveries is as under —

Sr No	Name	Date of order of recovery	Total Amt of recovery (Rs )	Month of start of recovery from pay @ 1/3rd	Amt recovered upto 31 12 03 (Rs )	Estimated month upto which full recovery is expected
1	C L Garg DM	22 11 02	227347 71	June 2003	49000	Jan 2006
2	R P Chauhan DM (Retired)	22 11 02	227347 71	Nil	Nil	Will be recovered from retiral dues/surcharge proceeding
3	Param Pal Singh Ref Opt	22 11 02	606260 57	Recovery stayed by Addl Session Judge Karnal	4864	Nil
4	Satish Kumar Ref Opt	22 11 02	606260 57	do	12160	Nil
5	Randhir Singh Manager	22 11 02	606260 57	July 2003	26736	Feb 2014
6	Vishnu Bhagwan Electrician	22 11 02	606260 57	Jan 2003	33984	Dec 2020
<b>Total</b>			<b>2879737 70</b>		<b>126744</b>	

The cases against recovery filed by S/Sh Param Pal Singh and Satish Kumar Refrigerator Operators were dismissed in the Lower Court of Civil Judge Kamal but they filed the appeal before the Additional District Judge Kamal in the month of August 2003 and the recovery was stayed by the Hon ble Judge. The next date of hearing is fixed for 5/2/2004. Efforts are being made to get the stay vacated. As and when the stay is vacated the recovery will be started and the balance if any will be recovered from retiral dues or through surcharge proceedings.

The recovery from the employees mentioned at S No 1 5 & 6 is being made at the rate of 1/3rd of their pay every month. Since the full recovery from S/Sh Randhir Singh Manager and Sh Vishnu Bhagwan Electrician is not possible before their retirement which is due in the month of November 2006 and May 2004 respectively therefore the balance amount of recovery will be recovered from their retiral dues or through surcharge proceedings.

Recovery against S/Sh Param Pal Singh and Satish Kumar Refrigerator Operators have been stayed by Additional District Judge Kamal. The recovery will be made after the stay is vacated by the Court for which D M Hafed Karnal is pursuing the case. The retiral benefits of Sh R P Chauhan D M has not been released so far recovery will be effected from his dues or through surcharge proceedings.

The Department further informed that at present recovery position is as under —

Sr No	Name & Designation	Date of retirement	Total Amt of recovery	Recovery upto date	Balance recovery	Amt to be recovered upto retirement	Balance outstanding on retirement	Remarks
1	Sh C L Garg DM	30 11 2006	227347 71	49000 00	178347 71	178347 71	0 00	Recovery is being made @ 1/3rd pay i.e Rs 7000
2	Sh R P Chauhan DM (Retired)	31-8-2002	227347 71	227347 71	0 00	0 00	0 00	Recovery adjusted from his retiral dues
3	Sh Param Pal Singh Ref Opt	31 1 2013	606260 57	4864 00	601396 57	267840 00	333556 57	Recovery @ 1/3rd pay i.e Rs 2480/ will be started after vacation of stay the balance will be recovered from retiral dues
4	Sh Satish Kumar Ref Opt	31-5 2009	606260 57	12160 00	594100 57	158720 00	435380 57	Recovery @ 1/3rd pay i.e Rs 2480/ will be started after vacation of stay the balance will be recovered from retiral dues
5	Sh Randhir Singh Manager	30 11 2006	606260 57	26736 00	579524 57	156380 00	423144 57	Recovery is being made @ 1/3rd pay i.e Rs 4468/ The balance will be recovered from retiral dues
6	Sh Vishnu Bhagwan Electrician	31-5-2004	606260 57	33984 00	572276 57	13435 00	558841 57	Recovery is being made @ 1/3rd pay i.e Rs 2687/ The balance will be recovered from retiral dues /surcharge proceedings
Total			2879737 70	364091 71	2826646 99	774722 71	1760923 28	

After hearing the departmental representatives the Committee recommends that intimation be sent to the Committee after effecting the full recovery from the concerned officers/officials

## TOWN AND COUNTRY PLANNING DEPARTMENT (HARYANA URBAN DEVELOPMENT AUTHORITY)

*[38] 6 11 Payment of loan to Sugar Mill from the funds of HUDA*

**HUDA was directed to loan Rs 1 crore to a Sugar Co-operative Federation without any safeguard for recovery**

Under the Haryana Urban Development Authority (HUDA) Act 1977 the authority may advance money for residential industrial or commercial purposes on such terms and conditions as may be prescribed

The Government with the concurrence of Finance Department sanctioned (March 1991) a loan of Rs one crore to the Managing Director Haryana State Federation of Co operative Sugar Mills Limited (Federation) for a period of 3 months (extendable upto 14 months) at the rate of interest of 16 per cent per annum. The loan in turn was to be disbursed by the Federation to Sugar Mill Kaithal. Government also directed that HUDA will provide the loan from their funds. Accordingly on receipt of directions from the State Government the Chief Administrator HUDA Panchkula released (March 1991) Rs one crore to the Federation. Ex-post facto sanction for the loan was granted by HUDA in April 1991.

Scrutiny of records of HUDA in May 1998 revealed that the loan was released by HUDA in contravention of the provisions of the Act. Even while releasing loan of Rs one crore no agreement or terms and conditions for repayment was executed with the Federation by HUDA. The loan was not backed with any guarantee from Government or any security from the Federation. Thus HUDA failed to protect its interest while releasing the amount.

The Federation did not pay any amount on account of principal and interest thereon as of February 1999 and Rs 3.48 crore including Rs 2.48 crore on account of interest (upto March 1999) were recoverable from the Federation.

Chief Administrator HUDA stated (February 1999) that the amount of loan was released to the Federation to implement the orders of the Government. The reply was not tenable as the loan was disbursed to Federation without safeguarding the interest of HUDA. However the loan was not recovered inspite of repeated requests to the Federation and Government.

Thus Government at whose instance the loan was paid in contravention of provisions of the Act provided no assistance in its recovery and HUDA was deprived of the use of its funds for its own purpose for over 8 years.

The matter was referred to Government in May 1999 their reply had not been received (September 1999).

The department in their written reply explained the position as under —

In this regard it is stated that the State Government with the concurrence of Finance Department Haryana issued order vide Endst No 1675 C G 91/4165 dated 6-3-91 to release the loan of Rs 1.00 crore to M D Sugar Federation for a period of 14 months @ interest 16% p a. Pursuant to the above said orders of the State Government the loan of Rs 1.00 crore was advanced to M D Haryana Sugar Federation of Co operative Sugar Mill Ltd Chandigarh on 6-3-91 for a period of 3 months (extendable

to 14 months) @ 16% p a which was also approved by the Authority in its meeting held on 2 4 91 No agreement was executed and no security from the Government side was obtained as the loan was given on the directions of the State Government

On completion of 3 months time M D Sugar Federation was requested to refund the loan amount alongwith interest vide letter No 15832 dated 19 7 91 and subsequently reminder including D O letters were issued by the office In spite of repeated reminders and D O letter from C.A. HUDA and Commissioner & Secretary to Government Haryana Town & Country Planning Department the loan was not repaid back by the Sugar Federation

A meeting was held on 2 8 1993 under the Chairmanship of Commissioner Town & Country Planning where in it was decided that Sugar Federation would start re paying the loan to HUDA in quarterly instalment of Rs 25 00 lacs starting from September 1993 It was also decided if the cost over run of the Sugar Mill is sanctioned by the Financial Institutions the amount would be refunded earlier than the schedule i e immediately after the sanction of loan by the Financial Institutions However no loan was re paid by the Sugar Federation even after this meeting Thereafter several reminders were made

Thereafter again a meeting was held on 12 2-2001 under the Chairmanship of CTCP wherein M D Sugar Federation agreed to explore the possibilities of re payment of some amount to start with He also agreed that Sugar Federation would also approach the Finance Department for financial assistance for reimbursement of loan to HUDA

Later on the payment of Rs 10 00 lacs was deposited by M D Sugar Federation Kaithal on 23 3 2001 towards the part re payment of loan M D Sugar Federation vide letter No 15936 dated 22 6 2001 has again been requested to pay more amount to HUDA and take up the matter with Finance Department for financial assistance for re payment of loan as decided in the meeting held on 12 2-2001

From the above it may kindly be seen that sincere efforts have been made to recover the loan from Sugar Federation

During the course of oral examination the department failed to convince the Committee that under what circumstances no agreement was executed and no surety was obtained from the federation before the payment of loan to the Sugar Federation Moreover, there was no such provision in the HUDA Act to sanctioning the loan to the Federation The Committee, therefore, recommends that this amount alongwith interest may be recovered at the earliest and department also ensure that such type of loan may not be given in future without finalising terms and conditions and surety

The Committee further desired to have more details about this case from the department which is still awaited The action taken on the recommendation of the Committee be intimated to the Committee within a period of three months

[39] 6<sup>12</sup> Avoidable loss due to delay in allotment of plots

**By not getting the site vacated before offering to the public for allotment, HUDA sustained avoidable loss of Rs 33 07 lakh**

Haryana Urban Development Authority (HUDA) floated (January 1987) a scheme for residential plots in Sector 21 Panchkula for allotment to general public by way of draw of lots. Plots of various sizes were allotted to the successful applicants in the year 1987. The allotment letter *inter alia* laid down that the possession of the plot would be offered to the successful applicants on completion of the development works in the area subject to fulfilment of prescribed terms and conditions.

Test check of the record (August 1998) of Estate Officer HUDA Panchkula revealed that 25 applicants who were allotted plots during July to September 1987 were not given physical possession of their plots in spite of payment of entire tentative price of plots as per terms of allotment letter because of unauthorised occupation/ encroachment of these plots by *Jhuggi* dwellers which had taken place in 1986-87. Being aggrieved with delay in giving physical possession of plots, allottees filed (January 1996 to March 1997) complaints before the District Consumer Disputes Redressal Forum (Forum) against HUDA. The Forum decided the cases in favour of allottees and directed (October 1996 - June 1997) HUDA

- to deliver the vacant physical possession of plots in dispute to the complainants after removing encroachments and completing the development works
- to pay interest at 18 per cent on the amount deposited by the allottees prior to 1 June 1992 and on the amount deposited thereafter from the date of its deposit till payment
- to pay compensation for physical harassment and mental agony caused to them and
- to pay cost of the proceedings

HUDA filed appeal against the order of Forum before State Consumer Redressal Commission Haryana who dismissed (June 1997) the appeal and upheld the decision of Forum. Consequently the Estate Officer had to make the payment of Rs 33 07 lakh to the allottees on account of interest (Rs 26 74 lakh) compensation (Rs 6 25 lakh) and cost of proceedings (Rs 0 08 lakh) during August 1997 to August 1998 besides giving alternative plots to them.

Thus by not taking cognizance of the problem of unauthorised occupation/encroachments of the land and by not getting the sites vacated by Estate Officer before offering it to the public for allotment/sale HUDA suffered an avoidable loss of Rs 33 07 lakh and blocked Rs 22 04 lakh being the cost of encroached plots.

The matter was referred to Government in May 1999. Their reply had not been received (September 1999).

The department in their written reply explained the position as under —

In reply to the para it is submitted that the compensation and interest to the allottees of Sector 21 Panchkula has been awarded as per decision of the Distt. Consumer Forum/State Consumer Forum due to non delivery of the possession to them as the

*Jhuggis* were existing on this land. The *Juggis* were existing on the land even before flotation of the Sector in 1987. HUDA had filed revision petition in the National Consumer Redressal Commission. In some cases the Commission had ordered payment of interest at 12% PA instead of 18% PA and in one case ordered to refund the amount of interest to HUDA. In the event of similar decision in remaining cases HUDA will be benefited and the question of loss will decrease substantially.

During the course of oral examination, certain information regarding the Court cases pending in various Courts in the State/Supreme Court has been asked by the Committee but the said information is still awaited till the drafting of the report. The Committee, therefore, desired the required information be sent to the Committee within a period of two months.

## **FOOD AND SUPPLIES DEPARTMENT**

### **[40] 7 2 Public Distribution System**

#### **Highlights**

The Public Distribution System (PDS) did not contribute significantly to the total requirements of food grains in the State during 1992-99 as it was limited to only 2 to 6 per cent of the total requirements. It was also seen that the lifting of foodgrains under PDS was very erratic ranging from 6 to 77 per cent in case of wheat and in case of rice it ranged from 8 to 59 per cent of the total allocation. Similarly in RPDS food grains lifting of wheat and rice was very low. Even under TPDS lifting and distribution of ration for BPL families were around 48 to 50 per cent during the two years 1997-98 and 1998-99. The system of survey of BPL family was flawed and audit scrutiny brought out that out of 16 876 families identified as BPL (test checked cases) 10 765 (63.79 per cent) were not actually entitled for that categorisation. In fact the total number of units (persons) registered in the ration cards were more than the rural population of the State. Extra financial burden on GOI by way of subsidy amounted to Rs 18.92 crore due to existence of large number of bogus ration cards during 1995-99. Distribution network was found deficient in rural areas.

#### **7 2 1 Introduction**

The Public Distribution System (PDS) introduced by the Government of India (GOI) intended to ensure supply of key essential commodities such as wheat, rice, sugar, edible oils and kerosene to public at affordable prices particularly to the weaker sections of the society and to control prices by making goods available at fair price shops. In Haryana PDS is in existence since its formation in November 1966 and covers the entire State.

##### **(a) Revamped Public Distribution System (RPDS)**

Revamped Public Distribution System (RPDS) was implemented from June 1992 with the main objective of improving the availability of essential commodities (wheat and rice) to the most vulnerable section of the society in arid, hilly and drought prone and remote areas and remained in operation till May 1997. The issue price under RPDS for food grains was lower by Rs 50 per quintal than the price under normal PDS and it was further stipulated in the scheme that retail price of food grains in RPDS should not be higher than the Central issue price (CIP) by more than 25 paise per kg. The scheme envisaged distribution of food grains at 5 kg per head subject to a maximum of 20 kg per family per month.

##### **(b) Targetted Public Distribution System (TPDS)**

Targetted Public Distribution System (TPDS) came into operation from May 1997 in the State. Under this system Central Government proposed to streamline the system by issuing special cards to families below the poverty line (BPL) and selling essential articles under PDS to them at specially subsidised prices. The scheme envisaged a better monitoring of the delivery system. The State was to identify BPL families who would be issued 10 kgs of food grains per month per family at prices less than the CIP. Required food grain was to be supplied by the GOI to the State and the State would be free to add to the quantum, coverage and the subsidy from their own resources.

#### **7 2 2 Organisational set up**

The Commissioner and Secretary to Government of Haryana Food and Supplies Department was responsible for implementation of the scheme in State. The direction and control of PDS rest with the Director Food and Supplies Department. At the district level the scheme was being implemented through District Food and Supplies Controllers.

Allocation of food grains and other commodities (wheat rice sugar kerosene oil) for the State are made by GOI. Food grains are lifted from Food Corporation of India (FCI) godowns whereas sugar and kerosene oil are lifted from Sugar Mills (earmarked by GOI) and Indian Oil Corporation/other oil companies respectively. For taking delivery of food items from FCI, their storage and supply to fair price shops (FPS) for onward distribution to consumers, State Government appointed Haryana State Federation of Consumers Co-operative Wholesale Stores Limited (CONFED) as nodal agency.

### 7.2.3 Audit coverage

The review covers the working of PDS and TPDS during the years 1992-93 to 1998-99 through test check (January-July 1999) of records in the office of the Secretary, Food and Supplies at secretariat level, directorate office and 6 districts. In case of RPDS, the records in the office of the Secretary, Food and Supply at secretariat level, 6 districts where the scheme was applicable were also test checked during review. Important points noticed as a result of test-check are discussed in the subsequent paragraphs.

The services of the ORG Centre for Social Research, a division of ORG MARG Research Limited, was commissioned by the Comptroller and Auditor General of India with a view to obtaining the beneficiary perception of the programme and related matters. The ORG MARG carried out survey over a sample determined on the basis of socio-cultural characteristics and development status. Findings of the survey on matter discussed in the Report have been included in this review at appropriate places.

### 7.2.8 Allocation and distribution of foodgrains

#### (B) Revamped Public Distribution System (RPDS)

Revamped Public Distribution System (RPDS) was introduced from June 1992 in 44 blocks of 6 districts and remained in operation till May 1997. Foodgrains allocated, lifted and distributed during this period were as under —

Year	Estimated number of households	Number of households for which requirement was sent by the department	Requirement sent to GOI	Allocation made by GOI	Quantity lifted/distributed by State Agencies	Percentage of lifting to allocation	Percentage of lifting to requirement sent
1	2	3	4	5	6	7	8
		(In lakhs)		(In thousand MTs)			
<b>Wheat</b>							
1992-93	8.43	8.69	173.72	72.50	63.35	87	36
1993-94	8.65	8.69	208.46	87.20	56.35	65	27
1994-95	8.69		Not sent	103.50	27.53	27	NA
1995-96	8.68	8.80	198.72	170.00	46.85	28	24
1996-97	8.66	8.80	206.72	142.12	80.82	57	39
1997-98	8.66		Not sent	21.00	12.67	60	
(upto May 1997)							
<b>Total</b>			<b>787.62</b>	<b>596.32</b>	<b>287.57</b>		
<b>Rice</b>							
1992-93	8.43	Not sent	Not sent	7.13	2.32	33	
1993-94	8.65	do	do	10.80	4.44	41	
1994-95	8.69	do	do	10.80	3.86	36	
1995-96	8.68	8.80	60.00	21.00	4.67	22	8
1996-97	8.66	8.80	52.00	20.00	6.52	33	13
1997-98	8.66		Not sent	4.00	0.99	25	
(upto May 1997)							
<b>Total</b>			<b>112.00</b>	<b>73.73</b>	<b>22.80</b>		

It would be seen from the table that there was very erratic picture of requirements allocations and lifting of wheat. The department never lifted full quantity of food grains allocated despite the fact that the quantity of food grains requisitioned was very high compared to allocation and further the quantity lifted had always been shown as distributed in full to the consumers. Neither the Director nor the Commissioner gave any reasons for low lifting even though they were addressed repeatedly on this matter (October 1999).

### (E) Kerosene oil

The allotment of kerosene oil is made by GOI on the basis of ration cards registered with the State Government. GOI allotted 14 30 997 kilolitres of kerosene oil between April 1992 and March 1999. The department lifted and distributed 14 34 498 kilolitres of kerosene oil to the consumers as per norms fixed by the State Government. State Government decided (April 1997) to issue kerosene oil at the rate of 10 litres and 3 litres per ration card per month to the general consumers and single gas cylinder holders respectively. No kerosene oil was to be issued to double gas cylinder holders.

The table given below indicated the kerosene oil issued against estimated bogus ration cards at fair price rate and resultant extra financial implication due to difference in market rates and fair price shops rates i.e. Rs 8.03 per litre market rate and Rs 3.14/Rs 3.08 per litre fair price shop rate during the two years ending 1998-99 in the State —

Year	Number of ration cards registered with FPS (In lakh)	Required ration cards as per population figures of Census department (In lakh)	Ghost ration cards registered (Estimated by audit) (In lakh)	Per month per ration card average quantity of kerosene oil issued to consumers having no gas connection (In litres)	Quantity of kerosene oil issued to ghost ration cards (In Kiltrs)	Value of kerosene oil issued to ghost ration cards (Rupees in crore)	Extra burden (market price minus sales recovered) (Rupees in crore)
1997-98	34.15	31.65	2.50	6.95	20 850	16.74	10.19
1998-99	34.18	32.43	1.75	7.50	15 750	12.65	7.80
<b>Total</b>					<b>36 600</b>	<b>29.39</b>	<b>17.99</b>

Issue of kerosene oil to the ration cards holders having no gas connection ranged from 6.95 to 7.5 litres per ration card per month during 1997-99 against the prescribed norm of 10 litres. Further, there were 2.50 lakh and 1.75 lakh ghost ration cards during 1997-98 and 1998-99 respectively to whom 0.37 lakh kilolitres of kerosene oil valued at Rs 29.39 crore were issued on which GOI had to pay subsidy of Rs 17.99 crore. The State Government had not investigated the registration of ghost ration cards by the Food and Supplies Department (July 1999).

The department in their written reply explained the position as under

### 7.2.8(b)

In this para it has been pointed out that lifting of wheat and rice was very low during the year 1992-93 and 1997-98. The reasons for less lifting of foodgrains are as

under —

- (i) As per report of Professor Lakhdawala there are 7.33 lakh families living below the poverty line in Haryana and Govt. of India is making the allocation of wheat accordingly. Fresh survey has been conducted by DRDA and SJSRY and according to them 6.95 lakh families were identified as BPL families. However only 5.62 lakh new yellow coloured ration cards (upto 31-03-1999) were issued to such identified BPL families.
- (ii) The Haryana State is a large producer of wheat. Many people specially agricultural labourers keep wheat with them for their consumption for the whole year by doing work in the field during wheat harvesting season.
- (iii) As per Govt. of India guidelines only 10 Kg wheat was to be issued per ration card per month. This quantity was much less and due to this many consumers do not come forward to purchase wheat.
- (iv) Wheat prices in open market are stable this year and the difference between ration shop rates and market rates are not very significant.

Due to the above reasons the lifting of BPL wheat was quite less when compared to the allocation in the State. No allocation of rice has been taken from Govt. of India under TPDS.

## 7.2.8 E

In this para C&AG has pointed out about the off-take of kerosene oil against the allotment made by the Govt. of India to the State. It has been further pointed out that distribution of kerosene oil during the year 1997-98 and 1998-99 were made against the ghost ration cards in whole and financial burden of Rs. 17.99 crores on Govt. of India as a result of difference between the market price and fair price.

In this regard it is submitted that the position shown in the report of C&AG is not clear and without specific details. No doubt the Govt. of India makes an allocation of SKO on the basis of ration cards and further the State Govt. distributes the kerosene oil to the consumers on ration cards but no specific instance and areas have been quoted by C&AG where ghost ration cards have found. It is also to be pointed out that census of population by Govt. is carried out after ten years whereas population increases every year by growth of 2.2%. It is clarified that the population of the State as per census of 1991 was 1.64 crores while the estimated population of the State for the year 1998-99 was 1.94 crores (figures as per Economic & Statistical Deptt. Haryana). Moreover ration cards have been prepared as per families living in the State and the kerosene oil is also distributed only to the cardholders. Kerosene oil was distributed and is being distributed as per the set procedure of the State Govt. keeping in view the allocation made by Govt. of India. It is possible that some diversion of kerosene oil is made at some places due to higher rates of kerosene oil in the open market but the steps are taken from time to time to prevent such diversion.

It is also mentioned here that the allocation of SKO was never been received from Govt. of India according to the total number of ration cards entitled for having kerosene oil i.e. at the scale of 10 litres per card per month. We have been requesting Govt. of India time and again to allot 30,000 Kls. of kerosene oil to meet the demand of

the ration card holders in the State but the less allocation of kerosene oil was being received in the State during the above years. Hence the question of issuing of kerosene oil to the ghost ration card holders does not seem to be correct.

#### **7.2.8 (B) Revamped Public Distribution System**

During the course of oral examination, the Committee observed that under RPDS food grains lifting of wheat and rice was very low. While going through the figures as supplied by the department the Committee feels that of the total requirement of food grains assessed by the department during 1992-1993 to 1997-1998, actual lifting of wheat and rice constituted 24 to 39% & 8 to 13% respectively. The Committee therefore desired that the information in respect of total allocation of Wheat and Rice together with the quantity of food grains lifted/distributed among the BPL families monthwise to the Depot Holders in the districts of Mohindergarh, Faridabad and Hisar during the last one year may be supplied to the Committee for its information.

#### **(E) Kerosene Oil**

During the course of oral examination, the Committee observed that during the years 1997 to 1999 Kerosene Oil was issued to 4.25 lacs Ghost Ration Card Holders and this aspect has not been investigated by the department. In addition to above no kerosene oil was issued to Gas Connection holders and their share was also issued to other consumers. The Committee was not satisfied with the reply given by the department and therefore desired that the information in respect of total allocation of State Quota of kerosene oil together with the total quantity of kerosene oil lifted/distributed to the Depot holders in the State during the years 1997-1998 and 1998-1999 may be sent to the Committee for its information.

## PRINTING AND STATIONERY DEPARTMENT

[41] 7 3 *Diversion and loss of funds*

**Irregular diversion of funds and not getting the scheme approved from Government, Printing and Stationery Department, Haryana suffered a loss of Rs 7 02 lakh besides a loss of interest of Rs 3 84 lakh**

The Haryana Urban Development Authority (HUDA) allotted (March 1996) 2 550 square metres of land valuing Rs 70 20 lakh to Controller Printing and Stationery for providing residential accommodation to its staff and asked them to deposit Rs 7 02 lakh i.e. 10 per cent of the total cost of land. The department diverted the funds of Rs 7 02 lakh drawn (March 1996) under the head 4058 Capital Outlay on Stationery and Printing -103 Government Press-Machinery and Equipment which was meant for the purchase of improved printing machines and deposited with HUDA in April 1996 without concurrence of the Finance Department.

HUDA issued (July 1996) formal letter of intent for allotment of 2 550 square metres of land and further desired to deposit Rs 10 53 lakh more in order to make it 25 per cent of the total cost of land. Due to non availability of funds the department failed to deposit the balance 15 per cent amount. Therefore HUDA in terms of condition No 3B(i) of letter of intent issued on 27 May 1997 cancelled the allotment of land and forfeited (December 1997) Rs 7 02 lakh and finally refused (April 1998) to refund the amount of earnest money.

Scrutiny revealed (May 1998) that the department approached (December 1996) Government Planning Department for provision of Rs 10 53 lakh in the budget to enable them to deposit the same with HUDA as 15 per cent of the cost of land allotted by HUDA. The Planning Department did not provide funds (February 1997) for this purpose in the Annual Plan 1997-98 as the scheme had no prior approval of the Planning Department. The Financial Commissioner and Secretary to Government of Haryana Printing and Stationery Department also conveyed (March 1997 and January 1998) inability of Government for this scheme and directed to refund the amount of Rs 7 02 lakh in Government account after making recovery from HUDA.

Thus the action of the department in depositing 10 per cent of the amount in *ad hoc* manner by irregularly diverting funds and without getting the scheme approved from Government and without budget provision for the balance payment resulted into a loss of Rs 7 02 lakh to Government besides a loss of interest of Rs 3 84 lakh (calculated at borrowing rate) during April 1996 to August 1999.

The matter was referred to Government in April 1999 their reply had not been received (September 1999).

The department in their written reply explained the position as under —

It is submitted that keeping in view the demand of the Press Employees Union HUDA asked for depositing 10% of the cost of the land for Press Colony vide their letter dated 22 3 96. There was provision of Rs 1 58 lacs in the budget for the year 1995 96 (Plan) for the purchase of modern Printing machines. There was a least possibility of its being spent during 1995 96 due to incompleteness of formalities required for the purchase.

of machines and also receipt of sanction at the fag end of the year in this way an amount to the extent of Rs 7 02 015 could be made available. As such sanction was obtained from the Government in Printing and Stationery Department on 29-3-96 and the amount was deposited with HUDA. Due to the shortage of time the scheme could not be got approved from the Planning Department.

It is further stated that the case for the sanction of Rs 10 53 023 being 15% of the total cost of land to be deposited with HUDA from the budget for the year 1996-97 was submitted to the Government by it showed its inability to provide budget and rather asked to take refund of Rs 702 015 deposited earlier with HUDA. The amount of Rs 10 53 023 could not be deposited with HUDA due to non sanction of amount by the Government. Consequently HUDA forfeited the 10% earnest money i.e. Rs 7 02 015 vide their letter No 9219 dated 22-12-97.

In view of the foregoing facts the scheme could not be got approved from the Planning Department. Government was requested to take up matter with the Town and Country Planning Department to not to forfeit the amount. This department also requested the Chief Administrator HUDA to refund the amount of Rs 7 02 015. In response thereto Chief Controller of Finance vide his D.O. No 10389 dated 21-4-98 intimated that due to non deposit of 15% of the amount within the stipulated period 10% amount deposited earlier has been forfeited and could not be refunded in terms of conditions and policy of HUDA.

Government also requested Commissioner and Secretary Town and Country Planning Department vide his U.O. letter No 10/31/94-2PS dated 3-11-98 to refund the amount of Rs 7 02 015 but to no avail. The Finance Department has been informed of the facts vide D.O. letter No 10/31/94-2PS dated 1-1-99. This office has also requested Government vide letter No P&SH 2000/175/Admn dated 9-10-2000 to approach Hon'ble Chief Minister Haryana to direct HUDA authorities to refund amount of Rs 7 02 015 because of the reason that HUDA in an undertaking and Printing and Stationery Department is a Government Department so there won't be any financial implication if refund is made to this department.

Keeping in view the above it is requested that para may be dropped.

During the course of oral examination, departmental representatives, failed to convince the Committee that what were the reasons for diverting the amount of Rs 7 02 lacs meant for the purchase of improved printing machine to payment of 10% for residential colony without the approval of the Competent Authority i.e. the Planning Department. The Committee, therefore, desired that responsibility for depositing the 10% amount into HUDA without approval of the Planning Department may be fixed and a report be sent to the Committee for its consideration within a period of three months.

## SUPPLIES AND DISPOSALS DEPARTMENT

*[42] 7 4 Extra expenditure due to finalisation of tenders after validity period*

**Due to delay in finalisation of tenders for procuring 3 98 lakh metres Asbestos Cement Pressure Pipes Government had to bear an extra expenditure of Rs 21 79 lakh**

Engineer in Chief (EIC) Haryana PWD Public Health Branch indented (August 1997) for the purchase of 3 98 lakh metres Asbestos Cement Pressure Pipes (ACPP) of 80 mm dia to the Director Supplies and Disposals (DS&D) preferring pipes manufactured with Mazza process over those of the Magnani process if the price was competitive. Against open tenders invited (September 1997) by the DS&D offers of 25 firms were received and opened on 1 October 1997 and were examined by the Technical Committee of the Department on 10 October 1997. Lowest rates were quoted by firms A and B for pipes manufactured with Magnani process and Mazza process respectively. Firms A and B clarified (October 1997) that Bureau of Indian Standard (BIS) had not specified any process of manufacturing of ACPP. Both the processes had been found to meet the requirements of BIS specification of ACPP and using one ISI mark.

During negotiations (November 1997) with High Powered Purchase Committee (HPPC) the firm A brought down its rate to Rs 58 per metre and firm B to Rs 63 48 per metre (claiming how that the product was manufactured with Mazza process) for size 80 mm dia pipes. The rates were valid upto 31 December 1997. The HPPC decided that before deciding on the firms a team of officers would visit the manufacturing premises of firm B to check whether ACPP were being manufactured with Mazza process. On verification the technical team reported (22 December 1997) that firm B was also manufacturing pipes with Magnani process though with some modification. The case was put up to HPPC in its meeting held on 8 January 1998 which could not finalise and was again put up to HPPC on 15 January 1998. But by that time the firm A had withdrawn (14 January 1998) their offer which was originally valid upto 31 December 1997 though further extended 6 January 1998. Accordingly the HPPC had to approve the rates of firm B and placed the supply order (February 1998) for 80 mm dia ACPP (which was also manufacturing ACPP by Magnani process) at the higher rates than those of firm A resulting in an extra expenditure of Rs 21 79 lakh on the full quantity of pipes received.

The DS&D stated (October 1998) that the case was put up to HPPC after receipt of report of Technical Team of Public Health Department which visited the factory of firm B but before any decision could be taken the firm A suddenly withdrew its offer. The reply was not tenable as the firm A had withdrawn its offer only on 14 January 1998 after expiry of extended validity period 6 January 1998 whereas the technical team submitted its report on 22 December 1997.

Thus the delay in finalisation of tenders by HPPC for procuring 3 98 lakh metres ACPP Government had to bear an extra expenditure of Rs 21 79 lakh.

The matter was referred to Government in March 1999 their reply had not been received (September 1999).

The department in their written reply explained the position as under —

In this case Public Health department sent indent for the purchase of ISI marked A C Pressure Pipes worth Rs 5 crores approximately. In the indent it was mentioned that pipes are manufactured by two process out of which was Mazza process (fully automatic) and other was Magnani process (partly mechanical and partly manual). **Public Health department had mentioned that their department will prefer to procure pipes manufactured by Mazza process if the prices are competitive with prices of pipes manufactured by Magnani process.** To arrange the purchase tenders were invited through press advertisement which were opened on 1-10-1997. The condition of giving preference to Mazza based pipes subject to competitiveness of rates as per indent was also mentioned in the NIT.

In response to tender notice 25 firms quoted their rates. The firm M/s Poddar Industrial Corp Patna (A) quoted pipes manufactured with Magnani process whereas M/s Manka Commercial Indore (B) quoted pipes with Mazza process. The quoted rates of these two firms for size 88mm dia pipe were Rs 80.08/mtr (firm A) and Rs 66.13/mtr (firm B). Hence the quoted rates by firm A for Magnani based pipes were considerably higher than quoted rates by firm B for Mazza based pipes.

The Technical Committee in its meeting held on 10-10-97 observed that firm B had been earlier supplying Magnani based pipes whereas this time they had quoted Mazza based pipes and so this firm was asked to send clarifications on this aspect. In response this firm clarified that they have introduced automation at various stages in their plant and their plant was not fully automatic. In support of their contention this firm mentioned detail of automation done in their plant and sent 30 nos. different photographs of the automation done in their plants.

The case was decided by the High Powered Purchase Committee in its meeting held on 26-11-1997. In this meeting the Engineer-in-Chief Public Health mentioned that although ISI specifications do not specify any manufacturing process but still the pipes manufactured by Mazza process were definitely much better in respect of durability than the pipes manufactured by Magnani process. He was of the view that pipes manufactured by Mazza process should be purchased even if Government have to pay some extra amount than the amount on which pipes manufactured by Magnani process were available. In this meeting negotiations of rates were held by HPPC with the tendering firms. For size 80 mm dia pipe the firm A reduced their rates to Rs 58/mtr whereas the firm B reduced to Rs 63.48/mtr. The rate for size 80mm pipe informed in the meeting of HPPC by firm A was 1st lowest whereas the rate of firm B was second lowest. The High Powered Purchase Committee observed that on the basis of rates quoted by the firms A & firm B the extra amount for 3,97,630 mtrs. Pipe work out to Rs 21.79 lacs if the Mazza based pipes are purchased from the firm B instead of Magnani based pipes from firm A. The Engineer-in-Chief Public Health stated in the meeting that this difference is justifiable in view of benefit of pipe manufactured by Mazza process in respect of durability. Hence the High Powered Purchase Committee decided to place supply order on firm B @ Rs 63.48/mtr. The High Powered Purchase Committee further decided that before placing the supply order a team of officers from Public Health Deptt. Technical Expert

Industries Deptt. will visit the premises of firm B to check that this firm was manufacturing pipes with Mazza process

The report of Sub Committee was received on 22-12 1997 which concluded as under —

M/s Kalani Industries Ltd Indore (principle of Firm B) is manufacturing pipes with Magnani process but they have introduced certain improvements/modifications such as proper machine for fibre opening automatic control for forward/backward movement of pipe forming roller which ensures formation of thinner layers & results in production of quality pipes comparable to Mazza process in small diameters

This report of Sub Committee was placed before the High Powered Purchase Committee in its meeting held on 8-1-1998 which discussed the matter partly. The HPPC decided to convene next meeting on 15-1 1998. In view of the report of Sub Committee that quality of pipes of firm B were comparable to Mazza process the HPPC decided to place order on firm B @ Rs 63 48 mtr & the supply order was placed accordingly

As regards firm A it is submitted that this firm had quoted Magnani based pipes in their tender. Neither in the tender nor prior to the meeting of HPPC & nor in the meeting of HPPC held on 26 11 97 the representatives of this firm mentioned anything about any improvement in their manufacturing process although in the NIT it was clearly mentioned that Mazza based pipes will be preferred. In the month of December 97 this firm informed that they have made improvements in their plant but no documentary proof viz detail of improvements done photographs etc. was sent. This fact was also brought to the notice of High Powered Purchase Committee on 8 1 1998. However before any view could be taken by HPPC on 15 1 1998 this firm informed vide letter dated 14-1 1998 that their validity had expired on 31 12-97

In view of the above it is clear that —

- (i) The case was decided by the High Powered Purchase Committee on 26-11 1997 i.e. within the validity period of the offers since the offers were valid upto 31 12-1997
- (ii) The order for 80 mm dia pipe was decided by HPPC in favour of such a firm whose pipes were comparable to Mazza based pipes in respect of quality as confirmed by Sub Committee which visited the premises of firm B
- (iii) The offer of firm A was considered by HPPC on 26-11 97 itself but this firm was not approved for placement of supply order because the Engineer-in-Chief Public Health was of strong view that pipes manufactured through Mazza process only should be purchased
- (iv) The validities of offers of all the firms was upto 31 12-1997. However the firm A at their own request vide letter dated 6 1 1998 to place order on them. Then suddenly vide letter dated 14 1 1998 this firm informed that

validity of their offer had expired on 31 12 1997 & they were unable to extend the same because concession available to them in purchase of raw material was valid upto 31 12 1997. The contents of letters dated 6 1 98 & 14-1 1998 are contradicting to each other since vide letter dated 6-1-98 this firm was requesting the Govt for placement of supply order on quoted rates whereas vide letter dated 14 1 98 the firm was informing that validity of tender had expired on 31 12-1997.

Beside the above the Public Health Deptt have stated that the rates quoted by firm A in the meeting of HPPC were fictitious.

It is submitted that reply to A G reference received in the month of March 1999 has already been sent vide letter no 4384 dated 19 5 1999 wherein the position was explained in bigger detail.

In view of the position explained above it is clear that there was no delay in this case & the tenders were finalised within the validity period. Hence it is requested to drop the para.

The Committee observed that the root cause of the para is due to the mentioning by PW (Public Health) Department in the indent regarding manufacturing process and giving preference to Mazza based pipes. When the basic specifications for both type of pipes are as per the ISI standards and ISI do not specify any manufacturing process, then it is not clear as to why PW (Public Health) Department intended to procure Mazza based pipes ignoring the lowest rates of pipes manufactured from Magnani process. If it had been established in PW (Public Health) Department that Mazza based pipes were superior in quality, then why not the PW (Public Health) Department sent indent for Mazza based pipes only. The Committee is, therefore, of the view that undue favour has been given to firm 'B' (Mfg Kalani Industries) by placing the supply order at a higher rates which resulted an extra expenditure of Rs 21 79 lacs to the State exchequer.

Hence, the Committee decided that the Chief Secretary to Government Haryana may be requested that the Financial Commissioner and Principal Secretary, PW (Public Health) Department may conduct an enquiry into the circumstances/reasons as to why manufacturing processes were mentioned in the indent sent by PW (Public Health) and what were the details/dates/field studies were available before PW (Public Health) Department. On the basis of which they preferred to purchase the pipes manufactured from Mazza process over Magnani process. If on enquiry, it is found that the reasons for preferring the pipes manufactured from Mazza process were not justifiable, then responsibility of concerned officers/officials may be fixed and the report be sent to the Committee for its consideration within a stipulated period.

## GENERAL

### [43] 3 17 Misappropriations, defalcations, etc

Cases of misappropriations defalcations etc of Government money reported to Audit upto the end of March 1999 on which final action was pending at the end of June 1999 were as under

	Number	Amount (Rupees in lakh)
Cases reported up to the end of March 1998 and outstanding as on 30 June 1998	295	126 91
Cases reported between April 1998 and March 1999	14	17 61
<b>Total</b>	<b>309</b>	<b>144 52</b>
Cases disposed of between July 1998 and June 1999	17	4 16
Cases outstanding as on 30 June 1999	292	140 36

The department wise break up of the cases in which final action was pending at the end of June 1999 was as indicated in Appendix XXX

Of the pending cases 232 cases (Rs 87 03 lakh) were outstanding for more than 5 years 186 cases involving Rs 89 88 lakh were outstanding in departments of Education (Before 1994 95 27 cases Rs 12 88 lakh and 1994 99 7 cases Rs 3 52 lakh) Forest (Before 1994 95 14 cases Rs 3 90 lakh and 1994-99 8 cases Rs 13 44 lakh) Irrigation (Before 1994 95 79 cases Rs 15 57 lakh and 1994-99 13 cases Rs 0 46 lakh) Medical and Health (Before 1994 95 10 cases Rs 17 08 lakh and 1994 99 4 cases Rs 0 27 lakh) and Transport (Before 1994 95 19 cases Rs 9 54 lakh and 1994 99 5 cases Rs 13 22 lakh)

Further scrutiny of pending cases revealed that 128 cases (Rs 32 06 lakh) and 40 cases (Rs 28 25 lakh) were under departmental and Police investigation 31 cases (Rs 37 62 lakh) were pending in the courts 68 cases (Rs 28 42 lakh) were sent to Government for write off and in 25 cases (Rs 14 01 lakh) full recovery had not been made (July 1999)

On this being pointed out (June 1999) in audit Government stated (July 1999) that administrative departments were requested to minimise these cases At the instance of audit (June 1998) Government also directed (July 1998) the administrative departments to minimise the cases but no fruitful results have come out

**Appendix XXX**  
**(Refer paragraph 3 17)**

Statement showing cases of misappropriations defalcations etc under investigation

Sr No	Department	Departmental investigation Cases pertaining to				Criminal Prosecution pertaining to				Grand Total	
		1993-94 and earlier years		1994-95 to 1998-99		1993-94 and earlier years		1994-95 to 1998-99		Number	Amount (Rupees in lakh)
		Number	Amount (Rupees in lakh)	Number	Amount (Rupees in lakh)	Number	Amount (Rupees in lakh)	Number	Amount (Rupees in lakh)		
1	Agriculture			1	0.16			2	0.81	3	0.97
2	Animal Husbandry	8	1.59	1	2.91	2	0.20	1	0.02	12	4.72
3	District Administration	1	0.25							1	0.25
4	Education	22	10.60	2	1.00	5	2.28	5	2.52	34	16.40
5	Fisheries	2	0.38			1	2.29			3	2.67
6	Food and Supplies	5	5.15	1	1.23			1	0.02	7	6.40
7	Forest	14	3.90	5	11.23			3	2.21	22	17.34
8	Industries					1	1.44			1	1.44
9	Irrigation	59	12.27	7	0.22	20	3.30	6	0.24	92	16.03
10	Labour and Employment	1	0.22	2	0.54	2	0.17			5	0.93
11	Medical and Health	6	0.96	2	0.01	4	16.12	2	0.26	14	17.35
12	Panchayat							1	1.28	1	1.28
13	Police	1	0.72							1	0.72
14	Printing and Stationery			1	0.10					1	0.10
15	Public Health	30	5.56	4	0.24	4	1.15			38	6.95
16	Public Works (Buildings and Roads)	17	5.59	6	1.38	2	0.41			25	7.38
17	Social Welfare	5	2.92							5	2.92
18	Technical Education							1	0.93	1	0.93
19	Town and Country Planning	1	0.02							1	0.02
20	Transport	14	5.00	3	0.34	5	4.54	2	12.88	24	22.76
21	Treasury and Accounts							1	12.80	1	12.80
<b>Total</b>		<b>186</b>	<b>55.13</b>	<b>35</b>	<b>19.36</b>	<b>46</b>	<b>31.80</b>	<b>25</b>	<b>33.97</b>	<b>292</b>	<b>140.36</b>

Having gone through the departmental replies, the committee observed that a large number of cases of misappropriation and defalcations are still pending for settlement against the various departments despite its earlier recommendations contained in the 50th, 52nd and 54th Reports of the Committee. The Committee viewed it seriously and further recommends that fresh instructions be issued by the Finance Department to the concerned departments so that pending cases are settled at the earliest.

## FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

[44] 6 1 General

(a) Autonomous bodies and authorities perform non commercial functions of public utility services. These bodies/authorities receive substantial financial assistance from Government. Government also provides substantial financial assistance to other institutions such as those registered under the respective State Co-operative Societies Act, Companies Act 1956 etc. to implement various programmes of Government. The grants are given by Government mainly for maintenance of educational institutions, hospitals, charitable institutions, construction and maintenance of schools and hospital buildings, improvement of roads and other communication facilities under municipalities and local bodies.

During 1998-99, Government provided financial assistance of Rs 380.76 crore to various autonomous bodies and others broadly grouped as under:

Sr No	Name of institutions	Amount of assistance paid (Rupees in crore)
1	Universities and Educational Institutions	102.12
2	Municipal Corporations and Municipalities	103.76
3	Zila Parishads and Panchayati Raj Institutions	2.67
4	Development Agencies	87.27
5	Hospitals and other Charitable Institutions	8.39
6	Other Institutions (including statutory bodies)	76.55
<b>Total</b>		<b>380.76</b>

### (b) Delay in furnishing utilisation certificates

The financial rules of Government require that where grants are given for specific purposes, certificates of utilisation are to be obtained by the departmental officers from the grantees and after verification, these should be forwarded to Accountant General (AG) within 15 months from the date of sanction of the grant unless specified otherwise.

Of 2,026 utilisation certificates due in respect of grants and loans of Rs 959.25 crore paid during 1986-87 to 1997-98, only 904 utilisation certificates for Rs 419.76 crore were furnished to AG by 30 June 1999 and 1,122 certificates for Rs 539.49 crore were in arrears. Department wise and age-wise break up of outstanding utilisation certificates was as under —

Department	Upto 1994-95		1995-96		1996-97		1997-98	
	Number of certificates	Amount (Rupees in crore)	Number of certificates	Amount (Rupees in crore)	Number of certificates	Amount (Rupees in crore)	Number of certificates	Amount (Rupees in crore)
Education					15	32.02	13	48.01
Medical	33	5.31	10	0.85	1	0.03	3	0.04
Agriculture	1	0.01						
Development and Panchayat	61	2.35	7	3.60	55	2.88	58	7.80
Command Area Development Agency	2	0.59					4	4.70
Economical and Statistical Advisor	83	29.27	57	11.70	34	5.00	17	5.00
Revenue	7	1.32	1	0.04				
Social Security and Welfare					17	6.99	41	4.60
Sports	10	0.83	17	2.16	14	2.93	31	2.11
Public Health	1	9.39	57	56.17	57	170.70	52	102.46
Science and Technology	1	0.01	4	0.34	1	0.05	5	0.11
Art and Culture							1	0.08
Non Conventional Sources of Energy	2	0.07	6	0.38	3	0.09	1	0.05
Ecology and Environment							5	0.19
Village and Small Scale Industries							9	1.25
Urban Development	111	7.89	8	0.79	92	1.17	80	1.18
Housing			2	0.17	15	4.38	17	2.43
<b>Total</b>	<b>312</b>	<b>57.04</b>	<b>169</b>	<b>76.20</b>	<b>304</b>	<b>226.24</b>	<b>337</b>	<b>180.01</b>

Out of 17 departments 10 departments were not furnishing utilisation certificates continuously for the last three years viz 1995-96 to 1997-98

**(c) Delay in submission of accounts**

The status of submission of accounts by the autonomous bodies and submission of Audit Reports thereon to the State Legislature as of July 1999 was as under —

Sr No	Name of the body	Year upto which accounts due	Year upto which accounts submitted	Year upto which Audit Report issued	Year upto which Audit Report Submitted to State Legislature	Reasons for non finalisation of Audit Report
1	Haryana Khadi and Village Industries Board Manimajra Chandigarh	1998-99	1997-98	1996-97	1995-96	From 1997-98 the audit had not been entrusted
2	Haryana Labour Welfare Board Chandigarh	1998-99	1997-98	1996-97	1996-97	Draft Separate Audit Report for 1997-98 issued (August 1999) to Headquarters Office for approval

Sr No	Name of the body	Year upto which accounts due	Year upto which accounts submitted	Year upto which Audit Report issued	Year upto which Audit Report Submitted to State Legislature	Reasons for non finalisation of Audit Report
3	Haryana Urban Development Authority Panchkula	1998-99	1994-95	1993-94	1989-90	Certification of accounts for 1994-95 is being provided. From 1997-98 audit had not been entrusted.
4	Housing Board Haryana Panchkula	1998-99	1997-98	1996-97	1993-94	Replies to audit observations of Draft Audit Report for the year 1997-98 from the Board awaited.
5	Haryana State Agricultural Marketing Board Panchkula	1998-99				Accounts for the years 1995-96 to 1998-99 not submitted.
6	Haryana Prathmik Shiksha Paryojna Parishad Chandigarh	1998-99	1997-98	1995-96		Work of preparation of Draft Separate Audit Report for the years 1996-97 and 1997-98 in progress.
7	Haryana Forest Development Board (Defunct)	1982-83 to 1985-86				Accounts for the period 1982-83 to 1985-86 were received in July 1999. Audit is being provided.
8	Mewat Development Agency Nuh (Gurgaon) to	1996-97 to 1998-99				Audit was entrusted in the year 1999. Accounts for the year 1996-97 to 1998-99 awaited.

The audit of accounts of the following bodies had been entrusted to the Comptroller and Auditor General of India for a period of 5 years as detailed below —

Sr No	Name of body	Period of entrustment
1	Haryana Khadi and Village Industries Board Mani Majra Chandigarh	1992-93 to 1996-97*
2	Haryana Labour Welfare Board Chandigarh	1998-99 to 2002-2003
3	Haryana Urban Development Authority Panchkula	1992-93 to 1996-97*
4	Housing Board Haryana Panchkula	1994-95 to 1998-99
5	Haryana State Agricultural Marketing Board Panchkula	1995-96 to 1999-2000
6	Haryana Prathmik Shiksha Paryojna Parishad Chandigarh	1995-96 to 1999-2000
7	Mewat Development Board Nuh (Gurgaon)	1996-97 to 2001-2002

**(d) Audit arrangements**

The primary audit of local bodies (*Zila Parishad Nagar Palikas* Town Area/Notified Area committees) educational institutions *Panchayati Raj* institutions and others was conducted by the Director Local Audit Haryana Chandigarh Audit of co operative societies is conducted by the Registrar Co operative Societies Haryana Chandigarh

One hundred twenty two bodies/authorities whose accounts for 1997-98 were received attracted audit by Comptroller and Auditor General of India Of these 97 bodies/authorities were audited during 1998-99 The audit of remaining 25 bodies/authorities had not fallen due

One hundred eighty six annual accounts of 91 bodies/authorities for 1998-99 and earlier years had not been received as of July 1999 by the Accountant General (Audit) The details are given in Appendix XXXII Of these bodies/authorities Municipal Committee Bhiwani did not submit accounts for 6 years Municipal Committees Karnal for 5 years and Municipal Committees Bahadurgarh Narnaul Municipal Corporation Faridabad and Haryana Sahitya Academy Chandigarh for 4 years

Certain interesting points arising out of audit are mentioned in the succeeding paragraphs

**It has been observed by the Committee that utilization Certificates and accounts of various autonomous bodies and other related institutions are not being furnished to the Accountant General (Audit) well in time despite its previous recommendation contained in the 50th, 52nd and 54th Reports of the Committee The Committee viewed it a serious lapse on the part of concerned authorities**

**The Committee, Therefore, recommends that Finance Department may issue fresh instruction to all the concerned authorities to furnish utilization Certificate and accounts relating to their departments within the stipulated period so as to avoid any kind of financial irregularities in future**

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The audit of these autonomous bodies had not been entrusted for 1997-98 onwards Matter had been taken up (October 1997) with them their consent was awaited (August 1999)

## COMMERCIAL ACTIVITIES

### [45] 7.1 General

The Chapter deals with the audit of departmentally managed Government commercial and quasi commercial undertakings. There were 6 departmentally managed Government commercial and quasi commercial and quasi commercial undertakings in the State as on 31 March 1999. The *pro forma* accounts of these undertakings are in arrears and the extent of arrears in preparing the *pro forma* accounts ranged between 1 year to 18 years.

The summarised financial results of all these undertakings on the basis of latest *pro forma* accounts as of June 1999 were as under:

Sr No	Name of undertaking	Period of accounts upto which finalised	Turnover	Profit (+)/ Loss ( )	Extent of arrears in the preparation of accounts
			(Rupees in lakh)		Number of years
1	Transport Department (Haryana Roadways)	1996-97	30 405.54	( ) 2 796.81	2
2	Printing & Stationery Department (Nationalised Text Book Scheme)	1995-96	717.08	(+) 37.83	3
3	Animal Husbandry Department (Veterinary Vaccine Institute)	1996-97	1.43	( ) 1.73	2
4	Food and Supplies Department (Grain Supply Scheme)	1997-98	35 740.10	(+) 2 920.48	1
5	Agriculture Department (Purchase and Distribution of Pesticides)	1980-81	157.41	(+) 14.52	18
6	Agriculture Department (Seed Depot Scheme)	1984-85	31.51	(+) 0.11	14

The matter was referred to Government in July 1999. Their reply had not been received (September 1999).

After going through the written replies the Committee recommends that expeditions steps be taken to up date the *performa* accounts and Committee be informed within the period of three months.

**Appendix XI**  
**(Refer paragraph 3 1 8)**

**Details of schools which had poor results at plus two stage of examination**

Sr No	District	Name of school	Number of students enrolled in +2 class				Students appeared in +2 examination during 1994-95 to 1997-98	Number of students declared successful
			1994-95	1995-96	1996-97	1997-98		
Science Group								
1	Ambala	GSSS B C Bazar Ambala Cantt			1	2	2	Nil
2		GSSS Mullana		3	1		4	Nil
3		GSSS Barara		1	5		5	Nil
4		GSSS Poilice line Ambala Cantt	7	5	5	4	21	Nil
5	Hissar	GSSS Gangwa			1		Nil	Nil
6		GSSS Kuleri				2	2	Nil
7		GSSS Narnaund	1			2	3	Nil
8		GSSS Kirtan						Nil
9		GSSS Satrod Khas				2	2	Nil
10		GSSS Dhanden						Nil
11		GSSS Kapro			1		1	Nil
12	Jind	GSSS Ikhas				2	2	Nil
13	Panchkula	GSSS Barwala (B)	3				3	Nil
14		GSSS Pinjore						Nil
15		GSSS Rattewali	2				2	Nil
16		GSSS Basolan				2	2	Nil
Humanities Group								
17	Hisar	GSSS Sadalpur	75	39	21	20	155	7
18		GSSS Modakhara		38	11	26	75	3
19	Panchkula	*GSSS Tikkar Hills				3	3	Nil

The school was upgraded in the year 1996-97 and total 2 students appeared in final examination in 1997 98

**Appendix XXIV**  
**(Refer paragraph 3.7)**

**Statement showing the details of PLAs operated with/without consultation with Accountant General**

Sr No	Name of District/ Treasury	Total number of PLAs	Number of PLAs opened with consultation of AG	No of PLAs opened without consultation with AG
1	Ambala	29	3	26
2	Bhiwani	14	2	12
3	Chandigarh	7	4	3
4	Delhi	1		1
5	Faridabad	28	3	25
6	Fatehabad	5	2	3
7	Gurgaon	26	3	23
8	Hisar	16	2	14
9	Jind	14	5	9
10	Jhajjar	9		9
11	Kaithal	6	5	1
12	Karnal	8	2	6
13	Kurukshetra	12	2	10
14	Narnaul	7	1	6
15	Panipat	5	2	3
16	Panchkula	7	2	5
17	Rewari	9	2	7
18	Rohtak	21	3	18
19	Sirsa	12	5	7
20	Sonapat	23	3	20
21	Jagadhari	10	3	7
<b>Total</b>		<b>269</b>	<b>54</b>	<b>215</b>

**Appendix XXV**  
**(Refer paragraph 3 7)**

**Statement showing the names of DDO's whose PLAs were checked**

Sr No	Name of treasury	Name of DDO s	Closing balance as on 31 March 1999 (Rupees in lakh)
1	Hisar	(i) General Manager Haryana Roadways Hisar	32 78
		(ii) Cattle fair Officer Hisar	29 31
		(iii) Central Superintendent Govt Live Stock Farm Hisar	12 77
		(iv) Executive Engineer Panchayati Raj Hisar	8 66
		(v) District Food and Supply Controller Hisar	3 67
		(vi) District Social Welfare Officer Hisar	Nil
2	Kurukshetra	(i) Cattle Fair Officer Kurukshetra	9 90
		(ii) District Food and Supply Controller Kurukshetra	9 20
		(iii) District Social Welfare Officer Kurukshetra	0 05
		(iv) General Manager Haryana Roadways Kurukshetra	Nil
3	Sonipat	(i) Cattle Fair Officer Sonipat	38 76
		(ii) District Food and Supply Controller Sonipat	3 27
		(iii) District Social Welfare Officer Sonipat	Nil
4	Yamunanagar	(i) District Food and Supply Controller Yamunanagar	17 70
		(ii) General Manager Haryana Roadways Yamunanagar	1 41
		(iii) District Social Welfare Officer (old age pension) Yamunanagar	Nil
		(iv) District Social Welfare Officer (Handicapped pension) Yamunanagar	Nil
Total			167 48

**Appendix XXVI**  
**(Refer paragraph 3.7 (i))**

**List of PLAs funded from the consolidated fund**

<b>Sr No</b>	<b>Names of DDOs</b>	<b>Amount (Rupees in lakh)</b>
1	District Social Welfare Officer Hissar	0.00
2	General Manager Haryana Roadways Hisar	32.78
3	Chief Superintendent Govt. Live Stock Farm Hisar	12.77
4	Executive Engineer Panchayat Raj Hisar	8.66
5	District Social Welfare Officer Kurukshetra	0.05
6	General Manager Haryana Roadways Kurukshetra	0.00
7	District Social Welfare Officer Sonapat	0.00
8	General Manager Haryana Roadways Yamunanagar	1.41
9	District Social Welfare Officer Old Age Pension Yamunanagar	0.00
10	District Social Welfare Officer Handicapped Pension Yamunanagar	0.00

**Appendix XXVII**  
**(Refer paragraph 3.7(ii))**  
**Non-reconciliation of differences with treasury**

Sr No	Name of DDOs	Treasury balances	Departmental balances	Differences
(Rupees in Lakh)				
1	General Manager Haryana Roadways Hisar	32.78	6.56	26.22
2	District Food and Supply Controller Kurukshetra	9.20	9.19	1.01
3	District Social Welfare Officer Kurukshetra	0.05	0.00	0.05
4	Cattle Fair Officer Kurukshetra at Kamal	9.90	9.12	0.78
5	District Food and Supply Controller Sonipat	3.27	3.03	0.24
6	Cattle Fair Officer Sonipat at Rohtak	38.76	34.29	4.47
7	District Food and Supply Controller Yamunanagar	17.70	15.19	2.51

**Appendix XXVIII**  
(Refer paragraph 3 9)

**Statement showing the details of recoverable amount on account of additional police force supplied to other states/parties**

<b>Sr No</b>	<b>Name of the Party/State to whom force supplied</b>	<b>Period</b>	<b>Amount outstanding (Rupees in crore)</b>	<b>When bill raised</b>
1	Commandant Second Battalion HAP Madhuban			
	Bihar	1 3 1995 to 31 3 1995	0 33	August 1995
	Uttar Pradesh	4 4 1998 to 17 4 1998	0 03	Bill not raised
2	Commandant Fourth Battalion HAP Madhuban			
	Punjab	24 7 1982 to 19 8 1982	0 08	July 1996
	Assam	16 1 1983 to 10 12 1983 13 12 1985 to 31 12 1985	0 59	June 1994 and April 1999
	Bihar	1 3 1995 to 31 3 1995	0 33	August 1995
	Uttar Pradesh	5 4 1998 to 16 4 1998	0 03	Bill not raised
3	Superintendent of Police Gurgaon			
	Bharat Electronics Limited	1 10 1997 to 31 3 1999	0 16	September 1998
<b>Total</b>			<b>1 55</b>	

**Appendix XXIX**  
**(Refer paragraph 3 16)**

**Year-wise position of outstanding Inspection Reports and Paragraphs as on 30 June, 1999**

<b>Year</b>	<b>Number of Inspection Reports</b>	<b>Number of Paragraphs</b>	<b>Amount (Rupees in lakh)</b>
1986-87	1	2	1 03
1987 88	1	4	13 53
1988-89	1	1	0 96
1990-91	5	12	35 20
1991-92	1	2	6 55
1992 93	4	10	2 36
1993-94	3	5	1 25
1994-95	4	9	19 14
1995 96	13	32	58 82
1996-97	1	7	72 74
1997-98	3	15	412 57
1998 99	18	90	578 86
<b>Total</b>	<b>55</b>	<b>189</b>	<b>1,203 01</b>

**Appendix XXXI**  
**(Refer paragraph 4.6)**

**Statement showing yearwise break-up of outstanding Inspection Reports/  
Paragraphs**

<b>Period during which issued</b>	<b>Number of Inspection Reports</b>	<b>Number of Paragraphs</b>	<b>Amount (Rupees in crore)</b>
1977-78 to 1988-89	166	218	7.00
1989-90	31	42	2.41
1990-91	29	41	0.59
1991-92	42	53	2.22
1992-93	45	86	9.50
1993-94	62	110	3.77
1994-95	64	109	12.28
1995-96	67	120	14.02
1996-97	74	166	18.54
1997-98	72	209	33.06
1998-99	99	417	71.36
1999-2000 (upto June 1999)	11	81	29.95
<b>Total</b>	<b>762</b>	<b>1,652</b>	<b>204.70</b>

**Appendix XXXII**  
**(Refer paragraph 6 1 (d))**

Statement showing names of bodies and authorities the accounts of which had not been received

<b>Sr No</b>	<b>Name of the body/authority</b>	<b>Year for which accounts had not been received</b>	<b>Grants and loans received(Rupees in lakh)</b>
1	Municipal Committee Bahadurgarh	1986-87	35 93
		1993 94	34 08
		1996-97	50 00
		1997 98	25 95
2	Municipal Committee Bhiwani	1987-88	36 40
		1988-89	33 25
		1989-90	36 00
		1995 96	50 00
		1997 98	27 56
		1998-99	72 00
3	Municipal Committee Kamal	1982-83	7 00
		1988-89	32 61
		1992 93	45 50
		1997 98	52 53
		1998-99	482 25
4	Municipal Committee Narnaul	1988-89	25 30
		1989-90	28 63
		1997 98	36 12
		1998-99	26 25
5	Municipal Committee Rohtak	1987-88	34 00
		1988 89	37 61
		1989-90	32 35
		1996 97	25 08
		1997 98	78 44
6	Municipal Committee Fandabad	1995 96	39 38
		1996-97	50 00

Sr No	Name of the body/authority	Year for which accounts had not been received	Grants and loans received(Rupees in lakh)
		1997 98	30 00
		1998 99	669 00
7	Municipal Committee Palwal	1995-96	50 00
		1998 99	30 00
8	Municipal Committee Sonapat	1997 98	69 93
		1998 99	326 25
9	Municipal Committee Charkhi Dadri	1995 96	33 33
10	Municipal Committee Rewari	1996-97	50 00
		1997 98	38 82
11	Municipal Committee Jagadhri	1996 97	50 00
		1998 99	26 25
12	Municipal Committee Panipat	1996 97	65 00
		1998 99	528 00
13	Municipal Committee Hisar	1996-97	50 00
		1997 98	48 31
		1998 99	58 25
14	Municipal Committee Barwala	1996 97	33 33
15	Municipal Committee Gurgaon	1996 97	31 69
		1997 98	42 78
		1998 99	471 25
16	Municipal Committee Thanesar	1997 98	31 81
17	Municipal Committee Jind	1997 98	37 12
		1998 99	26 25
18	Municipal Committee Hansi	1997 98	46 97
		1998-99	26 25
19	Municipal Committee Ambala City	1998 99	70 25
20	Municipal Committee Kurukshetra	1998-99	33 75
21	Municipal Committee Kaithal	1998-99	62 25
22	Municipal Committee Yamunanagar	1998 99	350 00
23	Municipal Committee Bhiwani Khera	1998 99	32 03
24	Municipal Committee Kharkhoda	1998 99	50 00
25	Sainik School Kunjpura Kamal	1998 99	140 00
26	Shri Bhuteshwar Temple Tirath Jind	1994 95	25 29

Sr No	Name of the body/authority	Year for which accounts had not been received	Grants and loans received(Rupees in lakh)
27	Haryana Sahitya Academy Chandigarh	1994-95 1995-96 1997-98 1998-99	26 00 30 00 30 21 28 31
28	Haryana Institute of Rural Development Nilokheri	1994-95	36 39
29	Aravli Vikas Sangathan Gurgaon	1995-96	100 00
30	Haryana Imigation Research and Management Institute Kurukshetra	1998-99	100 00
31	Haryana Slum Clearance Board Chandigarh	1998-99	700 48
32	Rajya Sainik Vocal Training Centre Panchkula	1998-99	46 25
33	Integrated Women s Employment and Development Project Haryana Chandigarh	1996-97 1997-98 1998-99	330 03 152 00 86 50
<b>Private Aided Colleges</b>			
34	MD SD College for Girls Ambala City	1996-97 1997-98 1998-99	26 30 29 90 26 45
35	Guru Nanak Khalsa College Yamunanagar	1998-99	109 30
36	Guru Nanak Khalsa Girls College Yamunanagar	1996-97 1997-98 1998-99	57 45 72 50 61 15
37	MP College for Girls Dabwali (Sirsa)	1996-97	26 80
38	Vaish College Bhiwani	1996-97 1997-98 1998-99	74 50 82 52 63 50
39	Adarh Mahila MV Bhiwani	1996-97 1997-98 1998-99	53 05 54 80 60 20
40	JVMGRR College Charkhi Dadri	1996-97 1997-98 1998-99	62 50 67 30 61 50
41	YM Degree College Nuh	1996-97 1997-98 1998-99	27 60 36 90 28 65

Sr No	Name of the body/authority	Year for which accounts had not been received	Grants and loans received(Rupees in lakh)
42	Nirankan Baba Gurbachan Singh Memorial College Sohna (Gurgaon)	1996-97	30 60
		1997-98	33 30
		1998-99	27 50
43	GG DSD College Palwal (Fandabad)	1996-97	69 80
		1997 98	67 80
		1998-99	74 80
44	Aggarwal College Ballabhgarh (Fandabad)	1996-97	44 10
		1997 98	46 30
		1998-99	43 60
45	DN College for Women Fandabad	1996 97	44 10
		1997 98	66 80
		1998-99	41 40
46	CRM Jat College Hisar	1996 97	85 40
		1997 98	98 80
		1998-99	92 25
47	DN College Hisar	1998-99	121 90
48	MM College Fatehabad	1997 98	47 50
		1998-99	32 50
49	CR Kisan College Jind	1996 97	47 20
		1997 98	55 30
		1998 99	43 10
50	Hindu Kanya MV Jind	1996-97	32 20
		1997 98	35 20
		1998 99	31 60
51	DAV College Karnal	1996 97	29 20
		1997 98	33 80
		1998 99	37 25
52	Dayal Singh college Karnal	1998 99	89 90
53	KVA DAV College for Women Karnal	1996-97	48 35
		1997 98	59 80
		1998 99	46 35
54	Arya College Panipat	1997 98	63 10
		1998 99	52 90
55	SD College Panipat	1997 98	76 00
		1998 99	71 45
56	IB College Panipat	1997 98	70 10
		1998 99	59 60
57	Gandhi Adarsh College Samalkha (Panipat)	1996-97	25 40
		1997 98	27 79
		1998 99	25 50

Sr No	Name of the body/authority	Year for which accounts had not been received	Grants and loans received(Rupees in lakh)
58	RKSD College Kaithal	1998-99	86 70
59	IG Mahila MV Kaithal	1997 98	32 10
		1998-99	25 10
60	DAV College Pehowa (Kurukshetra)	1996-97	32 60
		1997 98	31 90
		1998 99	36 70
61	IG National College Ladwa	1996 97	34 40
		1997 98	41 80
		1998 99	39 60
62	BRA Janta College Kaul (Kaithal)	1996-97	31 30
		1997 98	36 00
		1998-99	29 25
63	Viveka Nand MV Nangal Chaudhry (Mohindergarh)	1996-97	26 29
64	KLP College Rewari	1998-99	86 70
65	Ahir College Rewari	1998-99	35 00
66	All India Jat Hero s Memorial College Rohtak	1998-99	109 70
67	GB Degree College Rohtak	1996-97	29 90
		1997 98	31 70
		1998 99	31 30
68	Sh LN Hindu College Rohtak	1996 97	44 70
		1997 98	51 10
		1998 99	48 90
69	Vaish College Rohtak	1998 99	72 20
70	Vaish College for Girls Rohtak	1996 97	32 80
		1997 98	34 50
		1998 99	28 60
71	CRA College Sonapat	1998 99	80 20
72	Hindu College Sonapat	1998 99	127 85
73	Hindu Mahila MV Sonapat	1996 97	96 10
		1997 98	105 30
		1998 99	97 55
74	Gita Vidya Mandir Sonapat	1996 97	46 90
		1997 98	56 10
		1998-99	47 00
75	SD College Ambala Cantt	1998-99	108 00
76	Arya Girls College Ambala Cantt	1998 99	30 20

<b>Sr No</b>	<b>Name of the body/authority</b>	<b>Year for which accounts had not been received</b>	<b>Grants and loans received(Rupees in lakh)</b>
77	MLN College Yamunanagar	1998 99	110 90
78	SJK College Kalanaur	1998 99	42 75
79	CMK National Girls College Sirsa	1997 98	37 20
		1998 99	35 80
80	BPSM Girls College Khanpur Kalan (Sonipat)	1997 98	38 50
		1998 99	34 70
81	DAV College Ambala City	1998 99	85 25
82	S L DAV College of Education Ambala City	1998-99	26 80
83	SM Lubana Khalsa Girls College Barara	1998 99	25 35
84	DAV College for Girls Yamunanagar	1995-96	31 00
		1997 98	38 80
		1998 99	42 40
85	DAV Centary College Fandabad	1998 99	25 00
86	FC College for Women Hisar	1998 99	32 80
87	Guru Nanak Khalsa College Karnal	1998 99	34 20
88	Kanya Maha Vidyalya Fatehpur Pundri (Kaithal)	1998 99	26 80
89	RDS Public Girls College Rewari	1998 99	39 30
90	MK Jat Kanya Maha Vidyalya Rohtak	1998 99	27 90
91	Hindu College of Education Sonipat	1998 99	29 25

## 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 decisions**

Sr No	Name of Department	Paragraph	Brief Subject
1	2	3	4
			<b>7th Report</b>
1	PWD (B&R)	33	Payment of work done
			<b>9th Report</b>
2	Industries	5(2)	Credit facilities for development of small industries
			<b>11th Report</b>
3	Welfare of SC & BC	26	Loan for Social Welfare
			<b>14th Report</b>
4	Industries	16	Purchase of Cotton Yarn
			<b>15th Report</b>
5	Agriculture	6	Distribution of taccavi loan in the form of chemical fertilizers
			<b>16th Report</b>
6	Industries	2(a) and 2 (d)	Subsidy of setting up industries Units in selected Backward areas (Cases of M/s B K Steel Rolling Mill) Tohana and M/s Modern Industries Charkhi Dadri
			<b>18th Report</b>
7	Co operation	39	Co operative Consumer Stores
			<b>19th Report</b>
8	Public Relations	8	Setting up of an open air theatre in village Kaul (District Kurukshetra)
9	Co operation	25(ii)	Co operative Consumer Store
10	Agriculture	28	Social conservation and water management works
11	Excise and Taxation	40	Loss of duty on excess wastage
			<b>21st Report</b>
12	PWD (Public Health)	12	Outstanding Recoveries against contractor

1	2	3	4
<b>22nd Report</b>			
13	Industries	10(ii)	Industrial Estate
14	Co operation	16	Co-operative Consumer Stores
15	Irrigation	18	Remodelling & Lining of the Hansi Branch
16	Irrigation	20	Penal recovery of cost of coal issued to Kiln Contractors in excess requirement
17	Revenue	39(6 ii) (8)	Land holding tax
18	Revenue	40	Non levy of registration fee
19	Excise and Taxation	52	Loss of duty on excess wastage in bottling operation
20	Excise and Taxation	53	Loss of duty on excess storage wastage
21	Excise and Taxation	54	Shrotfall in duty
22	Excise and Taxation	56	Recovery due from contractor
<b>23rd Report</b>			
23	Co operation	34	Co operative Consumer Stores
24	Food and Supplies	35	Haryana State Federation of Consumer Co operative Wholesale Stores Limited Chandigarh
25	Excise and Taxation	47	Uncollected Revenue
26	Excise and Taxation	55	Result of test audit in general
27	Excise and Taxation	57	Failure to initiate action to recover the licence fee
28	Excise and Taxation	58	Loss of duty on excess storage wastage
29	Excise and Taxation	59	Loss of duty on excess wastage in bottling operation
<b>25th Report</b>			
30	Co operation	5	Co operative consumer Stores
31	Colonization	9	Encroachment of Land
32	Colonization	11	Recoveries from plot holders
33	Food and Supplies	15	Abnormal shortage/Quality cuts on damaged wheat stocks
34	Education	30	Embezzlement
35	Fisheries	31	Development of Fisheries

1	2	3	4
36	Excise and Taxation	54	Un collected revenue
37	Excise and Taxation	58	Incorrect computation of tax on interstate sales
38	Excise and Taxation	67	Irregular allowance for wastage
39	Excise and Taxation	69	Failure to enforce licence conditions
<b>26th Report</b>			
40	Revenue	10	Gratuitous relief for crops/houses damaged
41	Irrigation	22	Faulty measurement of work resulting in over payment
42	Excise and Taxation	49	Uncollected revenue
43	Excise and Taxation	61	Duty not recovered on spirit loss in bottling operation in excess of norms
44	Excise and Taxation	63	Non recovery of licence fee and interest
<b>28th Report</b>			
45	Education	5	Irregularities on release/utilisation of grant
46	Irrigation	10	Masani Barrage Project
47	PWD (B&R)	14	Shortage of Steel
48	Printing and Stationery	22	Stationery Branch
49	Police	26	Over payment of daily allowance
50	Development	30	Selection of works
51	Excise and Taxation	41	Registration of dealers under Sale Tax Act
52	Excise and Taxation	44	Non recovery of licence fee and interest
<b>29th Report</b>			
53	Forest	8	Afforestation Social Forestry & including Rural fuel wood plantation and farm forestry
54	Irrigation	17	Excess issue of coal
55	Irrigation	21	Misappropriation
56	Irrigation	22	Miscellaneous Public Works Advances
57	Development	32	Forestry sector

1	2	3	4
58	Excise and Taxation	47	Non levy of penalty
59	Excise and Taxation	50	Non levy of penalty
60	Excise and Taxation	51	Non levy of penalty
61	Excise and Taxation	53	Interest not charged
62	Excise and Taxation	55	Non levy of duty on spirit lost in redistillation or conversion
63	Transport	58	Results of Audit
64	Revenue	62	Results of Audit
65	Revenue	63	Under valuation of immovable property
66	Mines and Geology	71	Results of Audit
<b>32nd Report</b>			
67	Industries	4	Development of small Industries
68	Industries	6	Outstanding recoveries of loan
69	Irrigation	10	Excess measurement
70	Irrigation	12	Misappropriation
71	Irrigation	13	Wasteful expenditure on purchase of tractors
72	Irrigation	14	Recovery due from contractors
73	Irrigation	20	Shortage of stores
74	Revenue	25	Inadmissible payment
75	Town and Country Planning (HUDA)	35	Alleged embezzlement
76	Town and Country Planning (HUDA)	36	Loss due to defective storage of cement
77	Public Health	41	Urban water supply and sewerage scheme
78	Public Health	42	Commencement of work without sanction
79	Mines and Geology	47	Uncollected revenue
80	Mines and Geology	48	Results of Audit
81	Mines and Geology	49	Short recovery or non recovery of royalty on bricks
82	Agriculture	56	Embezzlement of licence fee money
83	Excise and Taxation	61	Uncollected revenue

1	2	3	4
84	Excise and Taxation	69	Irregular levy of tax at concessional rate
85	Excise and Taxation	71	Interest penalty not charged
<b>34th Report</b>			
86	Development and Panchayats	8	Irregular and wasteful expenditure on books
87	Industries	12	Review of the functioning of a few industries
88	Home	25	Absence of Area/Project approach
89	Revenue	29	Land reforms
90	Revenue	30	Compensation to landowner
91	Revenue	31	Consolidation of holdings
92	Irrigation	33	Substandard Work
93	Irrigation	42	Shortages
94	Food and Supplies	47	Under Storage of wheat
95	Mines and Geology	55	Uncollected revenue
96	Mines and Geology	56	Non recovery short recovery of royalty
97	Excise and Taxation	63	Uncollected revenue
98	Excise and Taxation	66	Short levy/non levy of purchase tax
99	Excise and Taxation	69	Non levy of penalty
100	Excise and Taxation	70	Non filling the quarterly returns
101	Irrigation	72	Arrears of revenue
102	Irrigation	73	Short recovery of water charges
103	Irrigation	74	Non raising of demand
104	Chief Electrical Inspector	78	Uncollected revenue
105	Chief Electrical Inspector	80	Arrears of electricity duty
106	Chief Electrical Inspector	81	Reconciliation of treasury receipts
107	Public Health	82	Results of Audit
108	Revenue	83	Results of Audit
109	Revenue	84	Under valuation of immovable property
110	Revenue	86	Short recovery of stamp duty on exchange

1	2	3	4
<b>36th Report</b>			
111	Local Self Government	3	Non recovery of Government dues
112	Food and supplies	7	Loss due to storage of wheat
113	Transport	9	Irregular payment of overtime allowance
114	Industries	13	Non utilization of loan
115	Town and Country Planning	16	Loss on auction of a shop cum flat
116	Revenue	18	Inadmissible gratuitous relief
117	Civil Aviation	19	Procurement operation and maintenance of aircraft
118	Public Health	20	Acceptance of sub standard material
119	Public Health	21	Recovery due from a contractor
120	Public Health	23	Consturction of a water tank
121	Haryana State Lotteries	25	Suspended misappropriation of Governmnet money
122	PWD (B&R)	29	Excess measurement
123	PWD (B&R)	31	Misappropriation of stroes
124	Irrigation	37	Shortage of stores
125	Power (HSEB)	41	Acquisition of land
126	Revenue	43	Results of Audit
127	Revenue	45	Irregular grant of exemption
128	Revenue	46	Misclassification of instruments
129	Revenue	48	Uncollected Revenue
130	Mines and Geology	50	Non recovery/Short recovery of royalty
131	PWD (B&R)	51	Results of Audit
132	Excise and Taxation	53	Uncollected Revenue (P G T)
133	Excise and Taxation	54	Uncollected Revenue (State Excise)
134	Excise and Taxation	58	Results of Audit (Sales Tax)
135	Excise and Taxation	59	Short leavy/Non leavy of purchase
136	Excise and Taxation	65	Exemption allowed in assessment
<b>38th Report</b>			
137	Science and Technology	16	Evaluation and monitoring

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138	Medical and Health	18	Stores and Stock
139	Irrigation	26	Sub standard execution of work
140	Irrigation	27	Under utilisation of Crawler Tractors
141	Irrigation	28	Excess payment of Earth Work
142	Irrigation	32	Surplus material
143	Irrigation	34	Other point of interest
144	Irrigation	35	Shortage/Misappropriation of material
145	Irrigation	36	Shortage of tiles
146	Public Health	39	Rural Water Supply Scheme
147	Public Health	41	Excess payment to the contractor
148	Public Health	42	Excess Payment
149	Public Health	43	Shortage of material
150	Mines and Geology	49	Outstanding inspection reports
151	Mines and Geology	50	Results of Audit
152	Mines and Geology	51	Receipts from Mines and Minerals
153	Agriculture	56	Interest not charged on belated payments
154	PWD (B&R)	61	Arrears of rent
155	PWD (B&R)	62	Sale of empty bitumens drum
156	Revenue	63	Outstanding inspection reports
157	Revenue	64	Results of Audit
158	Revenue	68	Misclassification of Instrument
159	Excise and Taxation	70	Assessments in arrears
160	Excise and Taxation	71	Uncollected revenue
161	Excise and Taxation	76	Stay of Sales Tax demands against bank guarantee by the High Court/ Supreme Court
162	Excise and Taxation	77	Non levy/Short levy of purchase tax
163	Excise and Taxation	79	Suppression of purchases
164	Excise and Taxation	80	Incorrect deduction from turnover
165	Excise and Taxation	81	Irregular stay of tax and interest
166	Excise and Taxation	85	Non recovery of loss on re-auction of Vend

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167	Excise and Taxation	86	Loss of Excise Duty due to issue of permit
168	Excise and Taxation	87	Recovery at the instance of Audit
<b>40th Report</b>			
169	Home	15	Non recovery of telephone calls
170	Home	16	Outstanding Inspection Reports
171	Town and Country Planning	18	Non realization of service charges
172	Town and Country Planning	19	Delay in land acquisition cases
173	Town and Country Planning	20	Extra contractual payment
174	Irrigation	23	Extra expenditure
175	Irrigation	25	Injudicious purchases
176	Public Health	32	Irregular expenditure
177	Public Health	33	Stores and stock
178	Public Health	34	Injudicious purchases
179	Public Health	35	Shortage of material
180	PWD (B&R)	37	Extra payment due to incorrect entries in Measurement Books
181	PWD (B&R)	38	Avoidable extra expenditure due to retendering
182	PWD (B&R)	39	Extra expenditure due to sputting up of work
183	Co operation	41	Embezzlement
184	Food and Supplies	47	Damage caused to wheat in Storage
185	Supplies and Disposals	49	Extra expenditure due to retendering
186	Excise and Taxtion	50	Assessment in arrears
187	Excise and Taxtion	51	Uncollected Revenue (Sales Tax)
188	Excise and Taxtion	52	Uncollected Revenue (State Excise)
189	Excise and Taxtion	54	Results of Audit
190	Excise and Taxtion	55	Delay in re assessment of remand cases
191	Excise and Taxtion	57	Appeals entertained without deposit of tax
192	Excise and Taxtion	59	Other interesting cases
193	Excise and Taxtion	60	Loss of revenue due to delays in assessment and demand of tax

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194	Excise and Taxtion	61	Application of incorrect rate to tax
195	Excise and Taxtion	62	Non levy of tax
196	Excise and Taxtion	64	Irregular grant of exemption
197	Excise and Taxtion	66	Incorrect deduction on account of sales to registered dealers
198	Excise and Taxtion	68	Non levy of penalty
199	Excise and Taxtion	69	Interest not charged
200	Excise and Taxtion	71	Results of Audit (Entertainment duty of show tax)
201	Excise and Taxtion	74	Non recovery of duty on wastage in excess norms
202	Excise and Taxtion	75	Interest not charged
203	Revenue	79	Outstanding Inspection Reports
204	Revenue	80	Results of Audit
205	Revenue	81	Under valuation of immovable property
206	Revenue	82	Misclassifications of instruments
207	Revenue	83	Irregular grant of exemption
208	Revenue	84	Non/Short levy of stamp duty
209	Revenue	85	Irregular registration of supplementry deeds
210	Revenue	87	Evasion of stamp duty and registration fee through power of attorney
211	Revenue	89	Embezzlement of Goverment revenue
212	Mines and Geology	93	Outstanding Inspection Reports
213	Mines and Geology	94	Results of Audit
214	Cooperation	95	Results of Audit
<b>42nd Report</b>			
215	Irrigation	11	Excess payment due to inflated/ fictitious measurements
216	Irrigation	13	Jawahar Lal Nehru Lift Irrigation Scheme
217	Irrigation	16	Unfruitful expenditure due to non energisation of pumps
218	Irrigation	17	Defective execution of work

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219	Irrigation	18	Avoidable payment of interest
220	Irrigation	19	Unfruitful expenditure on a incomplete work
221	Transport	26	Performance of minibuses
222	Local Bodies	31	Bodies and Authorities substantially financed by Government grants and loans
223	Agriculture	38	Unfruitful expenditure on idle equipment
224	Food and Supplies	42	Loss due to negligence
225	Public Health	52	Funding Pattern
226	Public Health	53	Targets and achievements
227	Public Health	54	Arrears due from municipalities
228	Public Health	55	Others points
229	Public Health	60	Inflated/Fictitious measurement
230	Public Health	61	Outstanding Inspection Reports and Paragraphs
231	Public Health	63	Infructuous expenditure on abandoned work
232	PWD (B&R)	68	Reserve Stock Limit
233	PWD (B&R)	71	Shortage of Tools and Plant
234	PWD (B&R)	73	Irregular purchase of material at higher rates
235	PWD (B&R)	74	Sub standard execution of work
236	Education	82	Fraudulent drawal of Leave Travel Concession
237	Education	84	Operation Blackboard
238	Social Welfare	88	Outstading Inspection Reports
239	Cooperation	95	Outstnding Inspection Reports/ Paragraphs
240	Cooperation	99	Results of Audit
241	Revenue	101	Outstanding Inspection Reports
242	Revenue	102	Land Revenue
243	Revenue	103	Results of Audit
244	Revenue	104	Irregular exemption of stamp duty
245	Revenue	106	Recovery at the instance of Audit

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246	Excise and Taxation	108	Uncollected Revenue
247	Excise and Taxation	109	Frauds and evasion of taxes
248	Excise and Taxation	110	Outstanding Inspection Reports
249	Excise and Taxation	111	Results of Audit
250	Excise and Taxation	112	Details of appeals pending on 31 3 90
251	Excise and Taxation	113	Delay in taking up of appeal cases
252	Excise and Taxation	115	Stay of SalesTax demands by the Appellate Authorities
253	Excise and Taxation	116	Recovery of Demands in arrears under Salex Tax
254	Excise and Taxation	118	Non recovery of arrears due to delay in assessment
255	Excise and Taxation	119	Failure to verify the genuineness of dealers/sureties
256	Excise and Taxation	120	Irregular grant of exemption certificate
257	Excise and Taxation	121	Delay in initiating/non pursuance of recovery proceedings
258	Excise and Taxation	122	Other interesting cases
259	Excise and Taxation	123	Evasion of tax
260	Excise and Taxation	125	Application of incorrect rate of tax
261	Excise and Taxation	126	Non/Short levy of interest
262	Excise and Taxation	127	Results of Audit
263	Excise and Taxation	128	State Excise Duty
264	Excise and Taxation	129	Loss of revenue due to re auction vends
265	Excise and Taxation	130	Short recovery of composite fee
266	Excise and Taxation	131	Non recovery of license fee and interest
267	Excise and Taxation	132	Loss due to non observance of prescribed procedure regarding auction of vends
268	Excise and Taxation	133	Interest not recovered
269	Excise and Taxation	134	Non recovery of penalties
270	Excise and Taxation	135	Assessments in arrears
271	Excise and Taxation	136	Uncollected Revenue

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272	Excise and Taxation	138	Results of Audit
273	Excise and Taxation	139	Under assessment due to irregular grant of exemption to non manufacturers
274	Excise and Taxation	140	Under assessments due to short/non levy of purchase tax
275	Excise and Taxation	142	Under assessment due to short levy of purchase tax and incorrect deduction
276	Excise and Taxation	144	Short levy of penalty
277	Excise and Taxation	145	Results of Audit
<b>44th Report</b>			
278	Public Health	3	Sub-Standard execution of work
279	Public Health	4	Recovery due from contractor
280	Public Health	6	Surplus materials
281	Public Health	8	Excess issue of materials
282	Irrigation	11	Extra expenditure due to defective lining
283	Irrigation	12	Surplus materials
284	Irrigation	14	Unnecessary purchase
285	Irrigation	17	Shortage of T&P articles
286	Labour and Employment	20	Cost of sub-standard medicines not recovered
287	Social Welfare	21	Old Age Pension
288	Social Welfare	23	Payment of pension to ineligible persons
289	Social Welfare	26	Liberation of scavengers
290	Medical and Health	27	Family Welfare programme including India Population Project
291	Local Government and Housing	32	Financial outlay and expenditure
292	Local Government and Housing	33	Scheme of Employment through Housing and Shelter Upgradation (SHASU)
293	Rural Development	35	Non recovery of subsidy misutilised
294	Rural Development	36	Integrated Rural Development Programme

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295	Town and Country Planning	38	Unfruitful Expenditure
296	Town and Country Planning	41	Functioning of State Planning Cell
297	Town and Country Planning	42	Idle investment
298	Town and Country Planning	43	Avoidable payment of interest
299	Printing and Stationery	44	Avoidable extra expenditure of bus tickets
300	Revenue	46	Mewat Development Board
301	Sports and Youth Welfare	47	Embezzlement of funds
302	Mines and Geology	48	Uncollected Revenue
303	Mines and Geology	49	Outstanding inspection Reports
304	Mines and Geology	50	Results of Audit
305	Mines and Geology	51	Short recovery of royalty and interest
306	Mines and Geology	52	Loss of revenue due to defective execution of lease deed
307	Mines and Geology	53	Short Calculation of interest
308	Mines and Geology	54	Uncollected Revenue
309	Mines and Geology	55	Outstanding Inspection Reports
310	Mines and Geology	56	Results of Audit
311	Mines and Geology	57	Non realisation of contract money and interest
312	Mines and Geology	58	Non recovery of dead rent and interest thereon
313	Mines and Geology	59	Interest not charged on delayed payments
314	Mines and Geology	60	Uncollected revenue
315	Mines and Geology	61	Results of Audit
316	Mines and Geology	62	Non recovery of contract money and interest
317	Mines and Geology	63	Non recovery/Short recovery of royalty
318	Mines and Geology	64	Interest not charged
319	Revenue	65	Uncollected Revenue
320	Revenue	66	Uncollected Revenue (Land Revenue)
321	Revenue	67	Result of Audit

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322	Revenue	68	Short levy of Stamp duty
323	Revenue	69	Under valuation of immovable property
324	Revenue	70	Evasion of Stamp duty and registration fee through power of attorney
325	Revenue	71	Irregular exemption of Stamp duty and registration fee
326	Revenue	72	Misclassification of instruments
327	Revenue	73	Uncollected Revenue
328	Revenue	74	Uncollected Revenue (Land Revenue)
329	Revenue	76	Results of Audit
330	Revenue	77	Short recovery of stamp duty on mortgage deed
331	Revenue	78	Irregular exemption of stamp duty
332	Revenue	79	Short realisation of stamp duty due to under valuation of immovable property
333	Revenue	80	Misclassification of instruments
334	Transport	81	Outstanding Inspection Reports
335	Transport	83	Review on taxes on motor vehicles
336	Transport	87	Short realisation of registration fee/transfer of ownership fee/hire purchase agreement fee
337	Transport	88	Short realisation of permit/counter signature fee
338	Transport	89	Results of Audit Permit/Counter signature fee
339	Transport	90	Short realisation of permit/ Counter signature fee
340	Prohibition Excise and Taxation	91	Arrears in assessment of sales tax and passengers and goods tax
341	Prohibition Excise and Taxation	92	Uncollected Revenue (Sales Tax)
342	Prohibition Excise and Taxation	94	Results of Audit
343	Prohibition Excise and Taxation	95	Non registration of dealers liable to registration
344	Prohibition Excise and Taxation	96	Grant of Certificates of registration without following proper procedure

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345	Prohibition Excise and Taxation	97	Non observance of departmental instructions regarding crossverifications
346	Prohibition Excise and Taxation	98	Non observance of prescribed procedures for receipt and issue of declaration forms
347	Prohibition Excise and Taxation	99	Non observance of prescribed procedures for receipt and issue of declaration forms
348	Prohibition Excise and Taxation	100	Irregular deduction allowed against stolen forms
349	Prohibition Excise and Taxation	101	Incorrect deduction from turnover
350	Prohibition Excise and Taxation	102	Incorrect levy of Concessional rate of Tax
351	Prohibition Excise and Taxation	103	Other points of interest
352	Prohibition Excise and Taxation	104	Non/short levy of purchase tax
353	Prohibition Excise and Taxation	106	Results of Audit
354	Prohibition Excise and Taxation	107	Interest not charged
355	Agriculture	108	Non recovery of purchases tax and interest
356	Agriculture	109	Non recovery of purchase tax and interest
357	Power	111	Uncollected Revenue
358	Power	113	Shortfall in statutory inspection of electrical installations
359	Power	114	Non Reconciliation of treasury receipts
360	Irrigation	116	Under assessment of water charges
<b>46th Report</b>			
361	Home	4	Non recovery of charges in advance for deployment of police personnel
362	Housing	5	Infructuous expenditure
363	Housing	6	Loss owing to construction of houses on unapproved layout plan
364	Agriculture	7	Purchase of reverse rotary rig machine
365	Education	9	Improvement of science education in schools

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366	PWD (B & R)	17	Other points of interest
367	PWD (B & R)	18	Extra expenditure
368	PWD (B & R)	21	Avoidable extra expenditure
369	PWD (B & R)	23	Surplus materials
370	PWD (B & R)	25	Short receipt of material
371	PWD (B & R)	26	Fictitious Adjustment
372	PWD (B & R)	27	Procurement of sub standard cement
373	Public Health	29	Unfruitful expenditure
374	Public Health	30	Outstanding Inspection Reports
375	Irrigation	34	Procurement of sub standard cement
376	Animal Husbandry	35	Outstanding Inspection Reports/ Paragraphs
377	Haryana State Lotteries	36	Appointment of main stockists
378	Haryana State Lotteries	37	Loss due to excess claims of Prize winning tickets
379	Haryana State Lotteries	39	Outstandings against Sales Officers
380	Haryana State Lotteries	40	Other points of interest.
381	Prohibition and Excise	41	Arrears in revenue
382	Prohibition and Excise	42	Results of Audit
383	Commercial Taxes	43	Arrears in revenue
384	Commercial Taxes	44	Arrears in assessment
385	Commercial Taxes	46	Outstanding inspection reports and audit observations
386	Commercial Taxes	47	Results of Audit
387	Commercial Taxes	48	Sales Tax Check Barriers
388	Commercial Taxes	50	Short levy of Purchases Tax
389	Commercial Taxes	51	Non/Short levy of interest and penalty
390	Commercial Taxes	52	Results of Audit
<b>48th Report</b>			
391	Rural Development	3	Implementation and Achievement
392	Agriculture	4	Arrears in revenue
393	Animal Husbandry	8	Frauds and evasion of taxes/duties
394	Co operation	11	Arrears in revenue

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395	Mines and Geology	14	Arrears in revenue
396	Mines and Geology	15	Outstanding inspection reports and audit observations
397	PWD (B & R)	17	Outstanding inspection reports and audit observations
398	Industries	18	Outstanding inspection reports and audit observations
399	Transport	19	Outstanding inspection reports and audit observations
400	Transport	20 (192)	Outstanding audit objections in Internal Audit
401	Transport	21	Results of Audit
402	Agriculture	23	Outstanding inspection reports/ paragraphs
403	Food and Supplies	25	Extra expenditure
404	Housing	27	Avoidable liability of interest
405	Animal Husbandry	28	Uneconomical working of Liquid Nitrogen Gas Plants
406	Education	29	Purchases without assessment of requirement
407	PWD (B&R)	31	Irregular/Excess expenditure on execution of works
408	PWD (B&R)	32	Outstanding inspection reports
409	Excise and Taxation	33	Arrears in revenue
410	Excise and Taxation	34	Arrears in assessment
411	Excise and Taxation	35	Frauds and evasion of taxes/duties
412	Excise and Taxation	36	Outstanding inspection reports and audit observations
413	Excise and Taxation	37	Results of Audit
414	Excise and Taxation	39	Non/Short levy of tax
415	Excise and Taxation	43	Irregular deduction allowed against invalid declaration forms
416	Excise and Taxation	44	Loss of revenue due to defray in finalisation of assessment
417	Excise and Taxation	45	Non levy of interest and penalty
418	Excise and Taxation	46	Results of Audit
419	Excise and Taxation	47	Non observance of internal control mechanism

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420	Excise and Taxation	50	Short recovery of entertainments duty
<b>50th Report</b>			
421	Finance (Lottenes)	3	Printing of lottery tickets
422	Industries	5	Capital investment subsidy
423	Industries	6	Irregular release/nonrecovery of assistance
424	Social Welfare	8	Panjiri Plants
425	Home (Jail)	9	Injudicious purchase
426	Public Health	11	Rural water supply schemes
427	Public Health	12	Other points
428	Public Health	13	Recovery due from contractor
429	Irrigation	16	Defective Lining
430	Irrigation	18	Stores and Stock
431	Irrigation	20	Tools and plants returns
432	Irrigation	21	Physical verification
433	Irrigation	22	Surplus materials
434	Revenue	23	Excess payment of grant
435	Town and Country Planning	24	Construction of Building and Roads by HUDA
436	Town and Country Planning	25	Construction of Building
437	Town and Country Planning	26	Test check of records relating to construction of roads
438	Town and Country Planning	27	Other points of interest
439	Town and Country Planning	28	Non recovery of compounding fee
440	Town and Country Planning	29	Avoidable payment of interest
441	Transport	30	Material Management and Inventory control
442	Transport	31	Loss on wreckers
443	Transport	32	Purchase of Sub standard tubes of butyl rubber
444	Transport	35	Avoidable payment of compensation and interest thereon
445	Forest	36	Generation of employment
446	Forest	38	Alkali/saline land plantation

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447	Home	44	Unauthorised expenditure
448	Medical and Health	45	Unfruitful expenditure on TB ward
449	Social Welfare	46	Outstanding inspection reports
450	PWD (B&R)	47	Construction of Major Building including Staff Quarters
451	PWD (B&R)	48	Time overrun
452	PWD (B&R)	49	Execution of works without technical sanction of cost estimates
453	PWD (B&R)	50	Work progress control mechanism
454	PWD (B&R)	51	Quality Control
455	PWD (B&R)	52	Undue financial favour to the contractors
456	PWD (B&R)	53	Other points of interest
457	PWD (B&R)	54	Excess payment
458	PWD (B&R)	55	Fictitious debit to work
459	PWD (B&R)	56	Monitoring
460	PWD (B&R)	57	Reimbursement claims
461	PWD (B&R)	58	World Bank and Asian Development bank loan
462	PWD (B&R)	59	Physical targets and achievements
463	PWD (B&R)	60	Execution
464	PWD (B&R)	61	Release of advances not covered by agreement
465	PWD (B&R)	62	Non deduction of un conditional rebate and irregular payment to compensate income tax/sales tax deductions at source
466	PWD (B&R)	63	Excess payment of price increase on diesel
467	PWD (B&R)	64	Under utilisation/idle machinery
468	PWD (B&R)	65	Irregular adjustment of expenditure
469	PWD (B&R)	66	Unfruitful expenditure due to rejection of proposal for metalling service road
470	PWD (B&R)	67	Infructuous expenditure on construction of swimming pool

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471	PWD (B&R)	68	Avoidable expenditure due to non observance of codal provisions
472	PWD (B&R)	69	Loss due to defect in enforcement of the agreement
473	Irrigation	70	Loss and avoidable extra expenditure due to non fulfilment of contractual obligations
474	Irrigation	71	Outstanding inspection reports
475	Public Health	72	Stores and Stock
476	Rural Development	75	Payment of wages
477	Rural Development	76	Quality Controls
478	Rural Development	77	Other points
479	Rural Development	78	Non recovery/non adjustment of advances to Ex Sarpanches
480	Rural Development	79	Non recovery of misutilised subsidy
481	Town and Country Planning	80	Non levy of Penalty
482	Town and Country Planning	81	Non recovery of auction money
483	Town and Country Planning	82	Non transfer of developed sectors
484	Transport	83	Infructuous expenditure on printing of tickets
485	Transport	86	Avoidable payment of compensation due to delay in renewal of insurance policy
486	Transport	87	Avoidable payment of compensation due to incorrect filing to affidavit before the tribunal
487	Food and Supplies	88	Loss due to wrong charging of cost of gunny bags
488	General	89	Misappropriation defalcations etc
489	General	90	Write off of losses etc
490	General	91	Final assistance to local bodies and others
491	Revenue	92	Arrears in revenue
492	Revenue	93	Frauds and evasion of taxes/duties
493	Revenue	94	Results of Audit
494	Revenue	95	Internal Audit
495	Revenue	96	Results of Audit

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496	Revenue	97	Stamp duty and Registration Fees
497	Revenue	98	High Pendency of cases of undervaluation with Collectors
498	Revenue	99	Misclassification of instruments
499	Revenue	100	Short levy of stamp duty
500	Revenue	101	Pre audit of registrable documents
501	Revenue	102	Arrears in Revenue
502	Revenue	103	Frauds and evasion of taxes/duties
503	Revenue	104	Results of Audit
504	Revenue	105	Outstanding audit objections in Internal Audit
505	Revenue	106	Results of Audit
506	Revenue	107	Short recovery of stamp duty on mortgage deed
507	Revenue	108	Evasion of stamp and registration fees through power of attorney
508	Revenue	109	Evasion of Stamp Duty
509	Chief Electrical Inspector	110	Arrears in revenue
510	Transport	111	Results of Audit
511	Mines and Geology	112	Results of Audit
512	Mines and Geology	113	Non recovery of interest for late deposit of contract money
513	Co operation	114	Arrears in revenue
514	Animal Husbandry	115	Frauds and evasion of taxes/duties
515	Excise and Taxation	116	Arrears in revenue
516	Excise and Taxation	117	Arrears in assessment
517	Excise and Taxation	118	Under assessment due to inadmissible deduction from turnover
518	Excise and Taxation	119	Under assessment
519	Excise and Taxation	120	Under assessment due to irregular deduction allowed against invalid declaration forms and non/short levy of purchase/sales tax
520	Excise and Taxation	121	Under assessment
521	Excise and Taxation	122	Under assessment

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522	Excise and Taxation	123	Under assessment
523	Excise and Taxation	124	Under assessment due to application of incorrect rates of tax
524	Excise and Taxation	125	Non short levy of purchase tax
525	Excise and Taxation	126	Results of Audit
526	Excise and Taxation	127	Internal control mechanism of receipts from distilleries and breweries
527	Excise and Taxation	128	Low yield of spirit
528	Excise and Taxation	129	Loss of spirit due to re distillation
529	Excise and Taxation	130	Non recovery of excise duty where verification reports are not received
530	Excise and Taxation	131	Non recovery of cost of supervisory excise staff
531	Excise and Taxation	132	Other points of interest
532	Excise and Taxation	133	Interest short charged
533	Excise and Taxation	134	Short realisation of composite fee
534	Revenue	135	Results of Audit
535	Revenue	136	Short levy of stamp duty due to misclassification of instruments
536	Revenue	137	Arrears in revenue
537	Transport	138	Results of Audit
538	Mines and Geology	139	Arrears in revenue
539	Mines and Geology	140	Results of Audit
540	Agriculture	141	Arrears in revenue
541	Agriculture	142	Results of Audit
542	Agriculture	143	Non recovery of purchase tax and Interest
543	Irrigation	144	Results of Audit
544	Irrigation	145	Short recovery of water charges
545	Finance (Lotteries)	146	Results of Audit
546	General	147	Outstanding inspection reports and audit observations
547	General	148	Recoveries of interest of Loans and Advances

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52nd Report			
548	Rural Development	3	MP Local Area Development Scheme
549	Education	4	Total Literacy Campaign
550	Education	5	Colour television under Education Technology Scheme lying unused
551	Education	6	Extra expenditure on purchase of paper
552	Agriculture	9	Loans to Companies/Corporations
553	Agriculture	10	Outstanding Inspection Reports/ paragraphs
554	Agriculture	11	Production and Distribution of Seeds and Development Schemes for Major Crops
555	Agriculture	12	Chaudhary Charan Singh Haryana Agriculture University Hisar
556	Agriculture	13	Other points of interest
557	Agriculture	14	Irregular Adhoc appointments
558	Agriculture	15	Non recovery of principal and interest from Sugar Mills
559	Revenue	16	Withdrawal of funds twice against one sanction and keeping of the funds outside the Government accounts
560	Revenue	17	Misutilisation of funds meant for flood relief
561	Technical Education	18	Central grant for establishment of Community Polytechnics lying unused for 10 years
562	Technical Education	19	Incomplete and defective supply of machinery to polytechnics
563	Forest	20	Payment of Rs 12 74 lakh for fictitious earth work for plantation
564	Industries	21	Outstanding Inspection Reports
565	Transport	22	Sanction Procurement and Utilisation of Government vehicles
566	Transport	23	Maintenance and repairs of vehicles
567	Transport	24	Inventory of stores

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568	Transport	25	Miscellaneous irregularities and avoidable expenditure
569	Irrigation	27	Physical targets and achievements
570	Irrigation	30	Other points of interest
571	Irrigation	31	Surplus spare parts of machinery
572	Irrigation	32	Infructuous expenditure on a work executed without technical approval from competent authority
573	Irrigation	35	Unfruitful expenditure due to non commissioning of an irrigation channel
574	Irrigation	38	Outstanding audit observations
575	Irrigation	39	Miscellaneous Public Works Advances
576	PWD (B&R)	40	Infructuous expenditure on construction of a road
577	PWD (B&R)	41	Blocking of funds due to non utilisation of a road constructed without railway level crossing
578	PWD (B&R)	43	Miscellaneous Public Works Advances
579	PWD (B&R)	44	Stores and Stock
580	PWD (B&R)	45	Purchase without sanctions
581	PWD (B&R)	46	Short receipt of material
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