

P R E F A C E

This Report on the audit of expenditure incurred by the Government of Maharashtra has been prepared for submission to the Governor under Article 151 of the Constitution. The report covers significant matters arising out of the compliance and performance audits of various departments including autonomous bodies and departmentally run commercial undertakings. Audit observations on the Annual Accounts of the Government would form part of a Report on State Finances, which is being presented separately.

The Report starts with an introductory Chapter outlining the audit scope, mandate and the key audit findings which emerged during the year-long audit exercise. Chapter II of the Report covers performance audits while Chapter III discusses material findings emerging from compliance audits. Chapter IV includes a report on the assessment and evaluation of internal controls in the Fisheries Department.

The cases mentioned in this Report are among those which came to notice in the course of test-audit of accounts during the year 2008-09 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 2008-09 have also been included wherever necessary.

CHAPTER I: INTRODUCTION

1.1 About this Report

This report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from performance audit of selected programmes and activities and compliance audit of Government departments and autonomous bodies.

Compliance audit refers to examination of the transactions relating to expenditure of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with. On the other hand performance audit, besides conducting a compliance audit, also examines whether the objectives of the programme/activity/department are achieved economically and efficiently.

The primary purpose of the Report is to bring to the notice of the State Legislature, important results of audit. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the Executive to take corrective actions as also to frame policies and directives that will lead to improved financial management of the organisations, thus contributing to better governance.

This chapter, in addition to explaining the planning and extent of audit, provides a synopsis of the significant deficiencies and achievements in implementation of selected schemes, significant audit observations made during the audit of transactions and follow up on previous Audit Reports. Chapter II of this report contains findings arising out of performance audit of selected programmes/activities/departments. Chapter III contains observations on audit of transactions in Government departments and autonomous bodies. Chapter IV presents an assessment of internal controls in the Fisheries Department.

1.2 Auditee profile

There are 29 departments in the State at the Secretariat level, headed by Additional Chief Secretaries/Principal Secretaries/Secretaries, who are assisted by Directors/Commissioners and subordinate officers under them and 13 autonomous bodies which are audited by the Principal Accountant General (Audit)-I, Mumbai and the Accountant General (Audit)-II, Nagpur.

The comparative position of expenditure incurred by the Government during the year 2008-09 and in the preceding two years is given in **Table 1**.

Table 1: Comparative position of expenditure

(Rupees in crore)

Particulars	2006-07			2007-08			2008-09		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
Revenue expenditure									
General services	285	24821	25106	377	23469	23846	384	26201	26585
Social services	5304	18255	23559	7215	19558	26773	8286	22766	31052
Economic services	2595	9108	11703	2648	10589	13237	3668	13145	16813
Grants-in-aid	51	966	1017	35	889	924	71	1173	1244
Total			61385			64780			75694
Capital expenditure									
Capital Outlay	7982	2110	10092	9467	2023	11490	12776	6097	18873
Loans and Advances disbursed			2322			1225			1281
Payment of Public Debt			2042			2745			3221
Public Accounts disbursement			26975			27619			30507
Total			41431			43379			53882
Grand Total			102816			108159			129576

1.3 Authority for audit

The authority for audit by the C&AG is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. C&AG conducts audit of expenditure of the Departments of Government of Maharashtra under Section 13¹ of the C&AG's (DPC) Act. C&AG is the sole auditor in respect of 13 autonomous bodies which are audited under sections 19(2)² and 20(1)³ of the C&AG's (DPC) Act. In addition, C&AG also conducts audit of 434 other autonomous bodies, under Section 14⁴ of C&AG's (DPC) Act, which are substantially funded by the Government. Principles and methodologies for various audits are prescribed in the Auditing Standards and the Regulations on Audit and Accounts, 2007 issued by the C&AG.

1.4 Planning and conduct of audit

Audit process starts with the assessment of risk of the Department/Organisation as a whole and each unit based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of internal controls and concerns of stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, the

¹ Audit of (i) all transactions from the Consolidated Fund of the State, (ii) all transactions relating to Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit & loss accounts, balance sheets & other subsidiary accounts

² Audit of the accounts of Corporations (not being Companies) established by or under law made by the State Legislature in accordance with the provisions of the respective legislations

³ Audit of accounts of any body or authority on the request of the Governor, on such terms and conditions as may be agreed up on between the C&AG and the Government

⁴ Audit of all receipts and expenditure of a body/authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) all receipts and expenditure of any body or authority where the grants or loans to such body or authority from the Consolidated Fund of the State in a financial year is not less than Rs 1 crore

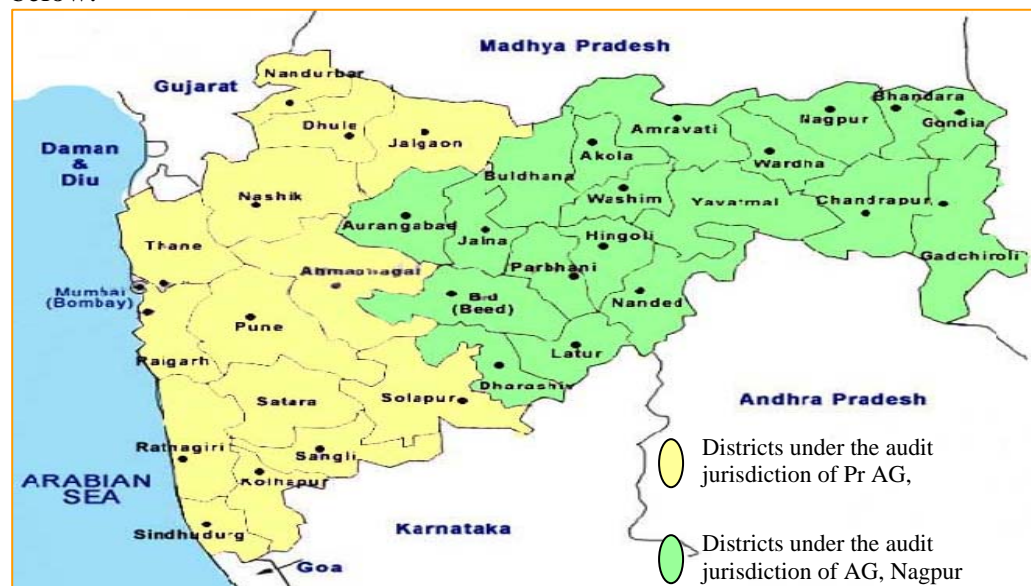
frequency and extent of audit are decided. An annual audit plan is formulated to conduct audit on the basis of such risk assessment.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the head of the unit. The units are requested to furnish replies to the audit findings within one month of receipt of the Inspection Report. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations pointed out in these Inspection Reports are processed for inclusion in the audit reports which are submitted to the Governor of Maharashtra under Article 151 of the Constitution of India.

During 2008-09, 10,031 party-days were used to carry out audit of 1698 units (compliance audit and performance audits) out of 8591 units and of the various departments/organisations. The audit plan covered those units/entities which were vulnerable to significant risk, as per our assessment.

1.5 Organisational structure of the offices of the Principal Accountant General (Audit)-I, Mumbai and the Accountant General (Audit)-II, Nagpur

Under the directions of the C&AG, the offices of the Principal Accountant General (Audit)-I, Mumbai and the Accountant General (Audit)-II, Nagpur conduct the audit of the various Government Departments and offices/autonomous bodies/institutions under them. While 16 districts from Konkan and Western Maharashtra fall under the audit jurisdiction of the Principal Accountant General (Audit)-I, Mumbai, the remaining 19 districts from Vidarbha and Marathwada are under the audit jurisdiction of the Accountant General (Audit)-II, Nagpur, as shown in the map below.



1.6 Significant audit observations

In the last few years, Audit has reported on several significant deficiencies in implementation of various programmes/activities through performance audits, as well as on the quality of internal controls in selected departments which impact the success of programmes and functioning of the departments. Similarly, the deficiencies noticed during compliance audit of the Government departments/organisations were also reported.

1.6.1 Performance audits of programmes/activities/department

The present report contains four performance audits, one Information Technology audit and an assessment of internal controls in a Government Department. The highlights of the performance audits are given in the following paragraphs.

(i) National Rural Health Mission

Even after four years of its launch in April 2005 and a mammoth spending of Rs 1130 crore, the Government of India sponsored National Rural Health Mission programme has still not been able to come out of its initial hurdles, such as lack of reliable beneficiary database, improper planning *etc.* The performance audit noted serious gaps in the delivery of mission objectives. Although the mission made considerable progress in achieving Revised National Tuberculosis Control Programme, Infant Mortality Rate and Total Fertility Ratio targets, these were overshadowed by suboptimal use of the available health care infrastructure such as mobile medical units. The Mission needs to seriously introspect into the functioning of the Rugna Kalyan Samitis besides upgrading the standards of PHCs and Sub-centres to the level of Indian Public Health Standards.

(ii) Development of Sports in Maharashtra

Physical Education and Sports form an integral part of the educational system. In recognition of this, in 2001, the State Government evolved its Sports Policy to develop and nurture a sports culture by creating suitable infrastructure at village, taluka and district levels. A review of the development of sports in the State revealed that the Government initiative in the development of sports lacked phase-wise planning and programme management. There were shortages of Physical Education Teachers in schools. Grants-in-aid given to non-Government organizations /institutions went unmonitored and the school level participation in games events was very low.

(iii) Working of DRDAs in Maharashtra

The District Rural Development Agency (DRDA) is responsible for supervision and monitoring of various poverty eradication schemes in rural areas. A performance review on the functioning of DRDAs in eight selected districts found that four major schemes delivered by them have raised certain

serious management issues at planning, budgeting, accounting and monitoring stages.

(iv) *Minor Irrigation (Local Sector) Projects*

Small irrigation works known as ‘Minor Irrigation (Local Sector)’ (MILS) projects are designed to reach the benefits of enhanced agricultural production from small patches of land in the quickest possible time. Audit of 541 MILS projects revealed that the projects were formulated without adequate survey and investigation of the ground realities. As a result, projects taken up remained incomplete for long periods without accrual of any benefits. Unviable projects were taken up and the irrigation potential envisaged was not created even after incurring huge expenditure. Formation of water users’ association was very slow in respect of most of the completed projects and as a result the upkeep of projects continued to remain with the Department. The irrigation potential created was underutilised. Assessment and recovery of water charges was also not satisfactory.

(v) *Computerisation in Police Department*

Information Technology audit of computerization in Police Department noticed that Crime and Criminal Information System and Common Integrated Police Application meant for crime data storage and retrieval did not deliver the desired output. The deficiencies in input controls and supervisory checks have resulted in incomplete and incorrect database, making the systems unreliable and thus not useful. No tangible benefits have thus accrued so far from the computerisation.

(vi) *Internal Control in Fisheries Department*

An evaluation of the internal controls in the Fisheries Department revealed delayed submission of budget proposals, large savings, non-surrender of savings, deficient cash management and non-maintenance of records. There were inadequacies in operational controls in the Department. Audit observed non-monitoring of schemes, dwindling fish production, non-operation of fish seed farms to optimum capacity *etc.* Implementation of the Centrally Sponsored Schemes for providing houses to fishermen, development of inland fisheries through construction of new ponds and for preservation, transport and marketing of fish by setting up of ice factories and purchase of trucks, was not satisfactory.

1.6.2 Compliance audit of transactions

Audit has also reported on several significant deficiencies in critical areas which impact the effective functioning of the Government departments/organisations. These are broadly categorised and grouped as (i) Fraudulent drawal/misappropriation/embezzlement/losses, (ii) Excess payment/wasteful/infructuous expenditure, (iii) Violation of contractual obligations, undue favour to contractors and avoidable expenditure, (iv) Idle investment/ idle

establishment/blocking of funds, delays in commissioning of equipments and diversion/misutilisation of funds of funds and (v) Regulatory issues and other points of interest.

Significant audit findings pointed out in this category are as follows:

- Medical reimbursement bills were passed without exercising proper checks by the Medical Superintendent, Rural Hospital, Parli Vaijanath (Beed) resulting in fraudulent payment.
(Paragraph 3.1.1)
- Payment of work advance of Rs 33.72 crore to two contractors on the approval of the VIDC, though not provided for in the contract, resulted in undue benefit to them.
(Paragraph 3.2.4)
- In Amravati Irrigation Division, sanction of extra item rate list for excess quantities instead of regulating them under Clause 38 of the contract resulted in extra contractual benefit of Rs 8.25 crore to the contractor.
(Paragraph 3.2.5)
- Due to adoption of basic price index of an old period for calculation of price escalation, there was an excess payment of Rs 1.13 crore to a contractor in Medium Irrigation Division, Gondia.
(Paragraph 3.2.7)
- Charging land premium for land actually allotted in December 2007 as per a defunct pricing policy, instead of the existing revised pricing policy of Maharashtra Housing & Area Development Authority resulted in loss of Rs 9.66 crore to the Authority.
(Paragraph 3.3.1)
- Allotment of the work of commercial exploitation of land owned by Regional Transport Officer, Andheri without tendering and incorrect valuation of the property for calculating the developer's income and profit by Public Works Department, resulted in undue benefit of Rs 73.45 crore to the developer.
(Paragraph 3.3.3)
- In Water Resources Department, mobilisation advance of Rs 15 crore was given to contractor in contravention of the contract conditions.
(Paragraph 3.3.5)
- Sanction and release of grant to Shivaji University by the Government for laying of synthetic track without specifying any time schedule for its utilization as well as improper survey of site and delay in finalization of the site by the University resulted in blockage of Rs 1.17 crore for over five years.
(Paragraph 3.4.1)
- Construction of office units without firm demand, contrary to the stipulation made in the administrative approval, by the Pune Housing

and Area Development Board resulted in idling of office units costing Rs 1.57 crore for over a period of seven years.

(Paragraph 3.4.4)

- Commencement of the work without ascertaining the status of land acquisition, delays in execution of work by the contractors, delays in termination of the contracts in case of failure to carry out the work by the contractor resulted in an idle investment of Rs 1.21 crore, in Public Works Division No.2, Solapur.

(Paragraph 3.4.7)

- Due to change in scope of the work after issue of the work order, lack of funds and delay in sanction of the revised estimate by Maharashtra Jeevan Pradhikaran, a water supply scheme in Kopargaon Taluka remained incomplete for more than 10 years after spending Rs 8.21 crore.

(Paragraph 3.4.9)

1.7 Budget and expenditure controls

A summary of Appropriation Accounts for 2008-09 in respect of the State Government is given in **Table 2**.

Table 2: Summary of Appropriation Accounts for 2008-09

(Rupees in crore)

	Nature of expenditure	Original grant/appropriation	Supplementary grant/appropriation	Total	Actual expenditure	Saving (-)/Excess (+)
Voted	I Revenue	67822.19	12545.99	80368.18	63749.05	(-)16619.13
	II Capital	15625.94	6979.00	22604.94	22627.69	(+)22.75
	III Loans and Advances	2332.02	360.44	2692.46	1398.14	(-) 1294.32
Total Voted		85780.15	19885.43	105665.58	87774.88	(-)17890.70
Charged	IV Revenue	13673.18	598.15	14271.33	14109.74	(-) 161.59
	V Capital	3.25	0.10	3.35	0.24	(-) 3.11
	VI Public Debt-Repayment	6145.67	0.00	6145.67	4124.51	(-) 2021.16
Total Charged		19822.10	598.25	20420.35	18234.49	(-)2185.86
Appropriation to Contingency Fund (if any)		650.00	..	650.00	650.00	..
Grand Total		106252.25	20483.68	126735.93	106659.37	(-)20076.56

Note: The expenditure includes the recoveries adjusted as reduction of expenditure under revenue expenditure Rs 2,164.87 crore and capital expenditure Rs 3872.27 crore.

The overall saving of Rs 20,076.56 crore, which constitutes 15.84 per cent of the total grant/appropriation (Rs 1,26,735.93 crore) was the result of saving of Rs 22,465.94 crore in 131 grants and 52 appropriations under Revenue Section, 78 grants and 14 appropriations under Capital Section, offset by excess of Rs 2,389.38 crore in 15 grants and 8 appropriations under Revenue Section and 23 grants and one appropriation under Capital Section.

1.7.1 Excess expenditure over available provisions

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularized by the State Legislature. The regularization of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). However, excess expenditure amounting to Rs 6,666.17 crore for the years 2002-2008 was yet to be regularized. During 2008-09, excess amounting to Rs 2,244.87 crore was noticed in case of 37 grants which require regularization under Article 205 of the Constitution.

1.7.2 Unnecessary/excessive/inadequate supplementary provision

Supplementary provision aggregating Rs 796.51 crore obtained in 34 cases during the year proved unnecessary as the expenditure did not come up to the level of original provision. The supplementary provision obtained in each of these 34 cases was Rs 10 lakh or more. In 6 cases, supplementary provision of Rs 2,100.96 crore proved insufficient by more than Rs 1 crore each leaving an aggregate uncovered excess expenditure of Rs 286.02 crore.

1.8 Response of the departments to draft paragraphs

The draft paragraphs are forwarded demi-officially to the Principal Secretaries/Secretaries of the concerned Departments between March and July 2009 with the request to send their responses within six weeks. Despite this, the departments did not send their replies to five out of the six performance audits and 23 out of 26 paragraphs featured in this Report. The replies wherever received, have been suitably incorporated in the report.

According to instructions issued by the Finance Department in March 1981, administrative departments were required to furnish Explanatory Memoranda duly verified by Audit to the Maharashtra Legislature Secretariat in respect of paragraphs included in the Audit Reports, within one month of presenting the Audit Reports to the State Legislature. The administrative departments did not however, comply with these instructions and 194 Explanatory Memoranda pertaining to the period from 1988-89 to 2007-08 were outstanding. Department-wise details are given in **Appendix 1.1**.

CHAPTER II

PERFORMANCE AUDIT

This chapter contains performance audits on National Rural Health Mission (2.1), Development of Sports in Maharashtra (2.2), Working of District Rural Development Agencies (DRDAs) in Maharashtra (2.3), Minor Irrigation (Local Sector) Projects (2.4) and Computerisation in Police Department (2.5).

Public Health Department

2.1 National Rural Health Mission

Highlights

Government of India launched National Rural Health Mission (NRHM) in April 2005 throughout the country for providing reliable, affordable and accessible health care facilities in rural areas. With the rest of the country the programme was also started in Maharashtra since then. A comprehensive study by Audit revealed some important findings as indicated below:

Programme Implementation Plans for 2006-07 and 2007-08 were prepared without considering the needs of the districts, blocks and villages. Identification of the health care needs were inadequate as the facility survey was not conducted in 50 per cent Community Health Centres (CHCs), 75 per cent Primary Health Centres (PHCs) and 94 per cent Sub Centres. Also, household survey did not cover 19,911 villages.

(Paragraphs 2.1.6.1, 2.1.6.2 and 2.1.6.3)

Rugna Kalyan Samitis did not carry out some of the main responsibilities such as review of services at hospital and outreach works etc.

(Paragraph 2.1.7.1)

Underutilisation of funds (28 per cent to 73 per cent) adversely affected the scheme implementation. State Government did not contribute its share of Rs 115.90 crore for the year 2007-08, as required under NRHM.

(Paragraph 2.1.8.1)

Financial irregularities like improper maintenance of cash book, huge cash payment instead of cheque payment, delays in transfer of funds and irregular expenditure etc. were noticed. Delay in establishment of Financial Management Group in the State affected the accounting and control over expenditure.

(Paragraphs 2.1.8.2, 2.1.8.3 and 2.1.8.4)

Against the additional requirement of 2,627 Sub Centres, 394 PHCs and 95 CHCs to be set up during the Mission period, construction of only 161 Sub-Centres was completed and no new PHCs and CHCs were set up during 2005-09.

(Paragraph 2.1.9.1)

While there was overall shortfall in upgradation of health centres as per Indian Public Health Standards (IPHS), no focus was given to the first level health centres *i.e.* PHCs and SCs. Inadequate diagnostic services and other facilities like blood storage, operation theatre and X-ray clinics in CHCs were also noticed.

(Paragraphs 2.1.9.4 and 2.1.9.7)

There was shortages of Specialist Medical Officers (68 per cent), Medical Superintendents (69 per cent) and staff nurse (74 per cent) affecting the delivery of health care services. Selection of Accredited Social Health Activists was inadequate; shortfall was 36,000 as of March 2009.

(Paragraphs 2.1.9.8 and 2.1.9.9)

Mobile Medical Units were not operationalised despite receipt of funds from GoI in the year 2007-08, thus depriving the people of the intended medical facilities at their door step.

(Paragraph 2.1.9.10)

There was heavy shortfall in training of medical and paramedical staff which resulted in their inability to render quality health care services.

(Paragraph 2.1.9.11)

Declining trend of registration of pregnant women during twelve weeks of pregnancy, Iron Folic Acid Administration (IFA) and Tetanus toxoid dosages was noticed. The proportion of vasectomy to total sterilization was only four per cent. This indicated that male participation in family planning was inadequate.

(Paragraphs 2.1.10.1 and 2.1.10.3)

2.1.1 Introduction

The National Rural Health Mission (NRHM) was launched by the Government of India (GoI) on 12 April 2005 for the period 2005-2012 throughout the country with special focus on 18 States; Maharashtra comes under non-focus States¹. The mission aimed at providing accessible, affordable, accountable, effective and reliable healthcare facilities in the rural areas by converging various stand alone existing National Disease Control Programmes (NDCP) of the Ministry of Health and Family Welfare with the exception of the National AIDS Control and Cancer Control Programmes. The components of the NRHM include bridging gaps in healthcare facilities, facilitating decentralized planning in health sector and advocating

¹ As Maharashtra State has a good network of CHCs, PHCs and Sub-Centres to provide health care facilities to the rural population and its IMR, MMR and TFR are better as compared to National averages, MoFW has categorised it as non-focus State

convergence with related social sector Departments like Women and Child Development, Panchayati Raj *etc.*

The objectives of the Mission are as under:

- Rural people's access to integrated comprehensive primary health care;
- Universal access to public services for food and nutrition, sanitation, hygiene and public health care services with emphasis on universal immunisation;
- Reduction in infant and maternal mortality rate;
- Prevention and control of communicable and non-communicable diseases, including locally endemic diseases;
- Population stabilization and control on gender and demographic imbalances; and
- Revitalising local health traditions and mainstream AYUSH.

In Maharashtra, the Mission was operationalised in October 2005 and the State Health Society (SHS) was formed in November 2005.

2.1.2 Organisational set up

At the State level, the NRHM functions under the overall guidance of the State Health Mission (SHM) headed by the Chief Minister for policy design in health sector, review of progress in implementation of NRHM and inter-sectoral co-ordination. The Chief Secretary as the head of its Governing Body exercises power to approve the State Annual Action Plan for the NRHM, reviews the implementation of the Annual Action Plan and the status of follow up action on decisions of the SHM *etc.* SHS is constituted for overall implementation, approval of proposals from districts and other implementing agencies, execution of the approved State Action Plan including release of funds for programmes at State level. The Principal Secretary, Public Health Department is the Chairperson and the Mission Director (MD) is the Member Secretary of the Executive Body of the SHS and both are responsible for State health planning, implementation and control as per the guidelines of the GoI, obtaining approval to annual action plan from GoI, providing guidance for preparation of District Health Action Plan, inter-department co-ordination to develop a system of release of funds to districts and lower level authorities. District Collector, the Chairperson of the Governing Body of District Health Society (DHS) and Chief Executive Officer (CEO) of Zilla Parishad (ZP), the Chairperson of the Executive Committee of DHS are responsible for planning, monitoring, evaluation, accounting, database management and release of funds to health Centres at sub-district level, Panchayat bodies.

The implementation of various disease control programmes was being supervised by the respective heads of the Disease Control Programmes. Various components/ activities of NRHM are being implemented through 33 DHSs, 23 District Hospitals, 464 Community Health Centres (CHCs), 1,816

Primary Health Centres (PHCs) each headed by Medical Officer-in-charge and 10,576 Sub-Centres (SCs) headed by ANM.

2.1.3 Audit objectives

The objectives of the performance audit were to assess:

- how far the planning and monitoring mechanism for implementation of the Mission led to delivery of effective and reliable healthcare services to rural population;
- the level of community participation in planning, implementation and monitoring of the Mission;
- the adequacy of public spending on State health sector and efficiency in assessment, release and utilisation of NRHM funds;
- whether the Mission has built adequate capacity and strengthened its healthcare infrastructure and human resources as planned; and
- whether the performance indicators and targets fixed in the key areas viz. reproductive and child healthcare, immunisation and disease control programmes were achieved.

2.1.4 Audit criteria

The audit criteria adopted were:

- GoI guidelines on the scheme and instructions issued from time to time;
- State Programme Implementation Plan (PIP) approved by GoI;
- Memorandum of understanding between the GoI and State Government;
- Indian Public Health Standards (IPHS) for upgradation of CHCs, PHCs and SCs.

2.1.5 Scope and methodology of audit

The performance audit was conducted (February-May 2009) covering the period from 2005-06 to 2008-09 by test-check of records in the Mission Directorate, eight² DHSs along with 24 CHCs, 48 PHCs and 96 SCs (**Appendix 2.1**). Districts were selected by adopting Probability Proportional to Size with Replacement method and CHCs, PHCs and Sub Centres were selected using Simple Random Selection without Replacement method. An entry conference with the Secretary, Public Health Department was held on 16 June 2008 wherein the audit objectives and criteria were discussed. Government replies on the audit observations have been suitably incorporated in the review.

² Ahmednagar, Gondia, Nagpur, Nashik, Osmanabad, Pune, Thane and Yavatmal

Audit findings

2.1.6 Planning

The NRHM strives for decentralised planning and implementation arrangements to ensure that need based and community owned District Health Action Plans (DHAPs) become the basis for interventions in the health sector. The DHSs are, thus, required to prepare Perspective Plans for the entire Mission period (2005-12). Household survey and facility survey at the levels of village, block and district were to be conducted for comprehensive understanding of the needs and to decide the quantum of intervention needed.

2.1.6.1 Submission of State PIP and District Health Action plans

As per the NRHM framework, the Programme Implementation Plan (PIP) for the State was to be prepared annually by the State Health Society (SHS) by aggregating the annual DHAP of each district. The PIP was to be submitted to GoI by 15th March of the previous financial year. It was, however, seen that no State PIP was prepared in 2005-06 and there were delays in final submission of the PIPs during 2006-09, as detailed in **Table 1**.

Table 1: Submission of State PIP and DHAPs

Year	Scheduled date of submission of final PIP by the State Government	Actual date of submission	Delay (in days)
2006-07	15 March 2006	July 2006	137
2007-08	15 March 2007	15 July 2007	120
2008-09	15 March 2008	25 March 2008	10

Delay in submission of final PIPs by the SHS resulted in delay in approval by GoI, consequent delay in release of funds and ultimately delay in implementation of the Mission.

It was noticed that State PIPs for the years 2006-07 and 2007-08 were prepared without considering the needs of the districts, blocks and villages. While no DHAPs were prepared during 2006-07, the DHAPs for 2007-08 were prepared without considering the needs of the blocks and the villages. However, Annual Plans were prepared at all levels for the year 2008-09. In the absence of block and village plans, the aim of decentralised planning under the NRHM remained unfulfilled.

Government stated (September 2009) that PIP for the year 2005-06 was submitted to GoI on 16 March 2005. It was not expected to consider District PIPs in 2006-07 and for preparation of State PIP for 2007-08, District perspective plan was considered.

The reply was not acceptable as the State PIP for 2005-06 was stated to be submitted on 16 March 2005 *i.e.* before implementation of NRHM and preparation of State PIPs without considering district, block and village level plans was not intended.

As per the NRHM framework, the Village Health and Sanitation Committee (VHSC) would be formed in each village within the overall framework of the

State PIPs were prepared without considering the needs of the districts, blocks and villages. Submission of State PIPs was delayed upto 137 days

Gram Sabha by 2008. The VHSC would be responsible for village level health planning and monitoring. As of March 2009, VHSCs were formed in 39,392 villages (96 *per cent*) out of 40,910. In the test-checked districts, VHSCs were formed in 11,947 (98 *per cent*) villages out of 12,207.

2.1.6.2 Household survey

The objectives of assessing the health care needs were not fully achieved due to shortfall in household survey

The household survey, to be carried out in each and every district of the State (50 *per cent* by December 2007 and 100 *per cent* by December 2008), was aimed at understanding the health care needs of the rural population, resource mapping and also assessing as to how other determinants influenced health of households such as drinking water, sanitary latrine, employment and access to other requirements.

As per the information furnished (March 2009) by the State Government, household survey was conducted during 2006-07 in 23,965 villages of 20 districts, leaving 19,911 villages (45 *per cent*) in 13 districts³ without any survey. Out of eight test-checked districts, household survey was not conducted in Nashik and Ahmednagar Districts. The survey data was not got verified by PRI members. Further, database of household survey was not prepared at SHS and DHS levels.

Government stated (September 2009) that household survey was completed in 2008.

However, Audit noticed in test-checked districts⁴ and in selected sub centres that there was no consolidation of household survey data. The Member Secretaries of DHSs had also stated (May 2008) that no household database was prepared.

Further, no health action plans at village level were prepared for the year 2007-08. Thus, due to shortfall in conducting household survey and non-preparation of database, the objective of assessing the health care needs of the rural population were not fully achieved.

2.1.6.3 Facility survey

Deficiencies in facilities in all the health care institutions could not be identified due to inadequate facility survey

In order to set up benchmark for quality of service and identify the input needs, facility⁵ survey was to be conducted *per cent* by December 2008 in each facility in CHCs, PHCs and SCs. These surveys were to provide critical information in terms of infrastructure and human resource gaps which are needed to be addressed through planning process.

The Department conducted facility survey of 105 CHCs through NGOs and the remaining were surveyed departmentally. It was noticed that the facility survey was not conducted in 234 CHCs (50 *per cent*), 1,366 PHCs (75 *per cent*) and 9,926 Sub Centres (94 *per cent*)⁶ as of March 2009.

³ Akola, Ahmednagar, Bhandara, Buldhana, Hingoli, Jalna, Jalgaon, Latur, Nanded, Nashik, Parbhani, Pune and Washim

⁴ Except Nashik District

⁵ Specialist services, manpower, investigating facilities, equipment, other infrastructure *etc.*

⁶ Total number of CHCs 464, PHCs 1,816 and Sub Centres 10,576

In the test-checked CHCs, PHCs and SCs the shortfalls were 63 per cent, 69 per cent and 94 per cent respectively (details in **Appendix 2.2**).

Government stated (September 2009) that facility survey would be completed by November 2009. However, the fact remains that Government could not adhere to the stipulated time line.

Due to inadequate facility survey, deficiencies in facilities in all the health care institutions were not identified. Further, in Sub Centres of the villages where the access to health care is minimal and therefore needing greater attention, there was only 6.15 per cent survey of the infrastructure need. In the absence of this basic data, planning could not be realistic.

2.1.6.4 Public report on health

The NRHM is committed to publishing Public Reports on Health at the State and the District levels to report to the community at large, on the progress made in Mission activities. However, it was seen that reports on Public Health were not prepared by the State (May 2009) as also in test-checked Districts. As a result, the community was not aware of the health care facilities available.

Government stated (September 2009) that reports would be published by March 2010.

2.1.7 Community participation

2.1.7.1 Rugna Kalyan Samiti (RKS) for hospital management

As per guidelines under NRHM, the Rugna Kalyan Samiti⁷ (RKS) is to be constituted and registered under Societies Registration Act, 1860 for healthcare centres at PHC, CHC and DH levels under the Panchayat Raj framework for management of the hospital to review the performance of the Outpatient Department (OPD) and In-Patient Department (IPD) services and facilities at hospital and outreach work. The RKS is to redress the complaints of the beneficiaries and ensure access to quality health care service. Each RKS has one Governing Body for policy decisions and monitoring and one Executive Committee for the execution of the decisions.

Out of total 2,290 RKSs (23 at District Hospitals, 451 at CHCs and 1,816 at PHCs) to be formed in the State, 2,248 RKS (98 per cent) were formed up to 2008-09. In eight test-checked districts, out of total 618 RKS to be formed, 615 RKS (99 per cent) were formed up to 2008-09. In 79 RKS test-checked out of 615, it was noticed that though GBs and ECs were formed they did not carry out the main responsibilities such as review of services at hospital and outreach works *etc.* except sanctioning expenditure. Thus, the purpose of formation of RKS remained largely unfulfilled.

Government while accepting the facts stated (September 2009) that measures had been taken for capacity building of RKS.

The purpose of formation of RKS remained unfulfilled as RKS did not carry out their responsibilities

⁷ The members of the RKS are PRI representatives, local representatives to the State Legislature, officials from Health Department, leading members of the community and In-charge of local CHC and PHC

2.1.7.2 Funding of RKS

User charges were not collected by RKS and they were entirely financed by GoI grants

As per the NRHM guidelines, funds are to be released by SHS to RKS in a timely manner to carry out their functions. From 2007-08 onwards the funds released to the corpus fund at different rates at DH, CHC and PHC levels of the RKS was proposed to be shared by State (20 per cent), internal resources of RKS i.e. user charges and donations (20 per cent) and GoI (60 per cent). Further, State Health Society (December 2007) empowered the RKS to levy, collect and deposit user charges in RKS bank account with effect from January 2008. It was, however, seen that in the test-checked units, no such user charges were collected by RKS and they were entirely financed by GoI grants. This would affect the viability of the long term goal of community ownership of the health centres through the RKS.

Government while accepting the facts stated (September 2009) that efforts were being made to deposit user charges in RKS accounts.

2.1.7.3 Inadmissible expenditure out of RKS funds

Expenditure of Rs 18.31 lakh was incurred on inadmissible items

In 28 out of the 79 RKSs test-checked, it was noticed that out of total grant of Rs 29 lakh released, an expenditure of Rs 18.31 lakh (**Appendix 2.3**) was incurred from RKS funds towards purchase of computers for office use, chairs, and payment of wages *etc* which were not admissible under NRHM.

Government stated (September 2009) that as CHCs and district hospitals were to be prepared for ISO certification, expenditure was made as per GoI guidelines. Reply was not acceptable as the expenditure incurred by the RKSs in the PHCs during 2007-08 was inadmissible.

2.1.8 Financial management

Unspent balance of Rs 265.81 crore and Rs 166.20 crore were lying with SHSs and DHSs respectively at the end of 2008-09

2.1.8.1 Receipts and utilisation of funds for Mission activities

The GoI provided 100 per cent grant-in-aid to the State Government for the years 2005-06 and 2006-07 (ending Tenth Five-year Plan period). From 2007-08 onwards, as per the terms of MOU executed in January 2006 with GoI, the State Government was to contribute 15 per cent of the share for NRHM. According to SHS, the total receipts and expenditure and closing balances during 2005-09 were as shown in **Table 2**.

Table 2: Receipt and utilisation of funds

(Rs in crore)

Year	Allocation	Opening balance	Grant received from GoI	Other Receipts/ Interest etc.	Total receipts	Total expenditure	Unspent balance	Percentage of unspent balance to total receipts
2005-06	234.44	9.57	121.82	0.59	131.98	51.87	80.11	60.70
2006-07	358.12	80.11	314.71	0.68	395.51	106.30	289.21	73.12
2007-08	446.89	289.21	439.55	0.73	729.49	300.19	429.30	58.85
2008-09 ⁸	455.74	429.30	386.22	121.61*	937.13	671.32	265.81	28.37
Total	1495.19		1262.31	123.61	1395.49⁹	1129.68	265.81	

* including State's share of Rs 120.90 crore.

⁸ Figures for the year 2008-09 are unaudited/ provisional, hence, differ from the GoI figures

⁹ Rs 9.57 crore + Rs 1262.31 crore + Rs 123.61 crore = Rs 1395.49 crore

From the above it would be seen that during 2005-09 there was heavy unspent balance of Rs 265.81 crore at SHS level.

Apart from this, GoI grants¹⁰ were also routed through State budget for Direction and Administration, Rural Family Welfare Services, Urban Family Welfare Services, Grants to State Training Institutes and health posts. The State Government received Rs 538.34 crore against allocation of Rs 776.62 crore and incurred a total expenditure of Rs 795.91 crore during the period 2005-09. State Government met the excess expenditure of Rs 257.57 crore on these components out of its own resources. Excess expenditure occurred mainly during 2006-07 (Rs 210.22 crore) when no GoI grant was received for these components.

The component wise details of receipt of funds and utilisation under NRHM are given in the **Appendix 2.4**.

It was reported by SHS that the grant amounting to Rs 166.20 crore was lying unspent at DHS level at the end of 2008-09 in respect of major components of NRHM *i.e.*, RCH-II, Immunisations and NRHM additionalities. Underutilisation of funds at State level and District level adversely affected implementation of NRHM.

State did not contribute 15 per cent share during 2007-08

Further, it was also noticed that State Government did not contribute State share of Rs 115.90 crore in the year 2007-08. In the year 2008-09, State Government had contributed Rs 120.90 crore against the due share of Rs 105 crore.

Government stated (September 2009) that Rs 120.90 crore contributed during 2008-09 includes Rs 15.90 crore for 2007-08.

As per MOU signed in January 2006, the State Government was to increase the spending on State Health Sector by 10 *per cent* every year. It was noticed that the increase in expenditure under State Health Sector was 8.46 *per cent* and 6.15 *per cent* during 2005-06 and 2006-07, while it was 15.75 *per cent* and 19.53 *per cent* during 2007-08 and 2008-09 respectively.

2.1.8.2 Delay in transfer of funds

There were significant delays in transfer of funds from SHS to DHS and from DHS to subordinate centres

For effective implementation of any programme, the funds should be transferred to the implementing agency without delay. However, it was seen that there was delay ranging between 17 and 290 days in transferring funds from SHS to DHS and between 48 and 235 days by DHS to CHC, PHC and sub-centres as detailed in **Appendix 2.5**. SHS stated that the delay was due to time required for ascertaining the balances available with the districts.

¹⁰

(Rs in crore)

Year	Allocation	Grant received	Expenditure
2005-06	151.61	113.70	144.23
2006-07	154.83	nil	210.22
2007-08	224.25	224.47	190.89
2008-09	245.93	200.17	250.57
Total	776.62	538.34	795.91

While accepting the facts, Government stated (September 2009) that fund could not be released to districts as sufficient unspent balances were available with them.

2.1.8.3 Accounting procedure

FMG at State level was established late

As per guidelines issued by GoI, Financial Management Groups (FMG) was to be established in the Programme Management Support Units (PMSUs) at State and Districts level which is responsible for centralised processing of fund release, accounting of expenditure reported by subordinate units, monitoring of UCs and audit arrangement. However, it was seen that FMG at State level was established late in August 2008. The SHS stated that the FMG would start functioning in June 2009. Belated establishment of FMG adversely affected the accounting and control over the expenditure. As a result, the SHS could not furnish the final figures of total funds received during the year and the closing balances as of March 2009 for the State.

2.1.8.4 Maintenance of cash books

Separate cash books were not maintained for NRHM

The Mission Director (MD) NRHM and Additional Director (AD), Health and Family Welfare Society (HFWS) were required to maintain two separate cash books for NRHM additionalities and RCH-II. However, they maintained a single tally account jointly for both the offices at Pune. Cash book was maintained only with effect from 1 April 2008 but no authentication by competent authority was done.

Government stated (September 2009) that only one cash book was maintained as only one bank account was operated and same has been authenticated.

The reply was not acceptable as two separate cashbooks were required to be maintained and authentication was not shown to Audit.

Heavy cash balances were maintained; payments were made in cash instead of cheques

GoM, in Finance Department, stipulated (January 1980) that payment to parties/payees in excess of Rs 1,000 should be made through cheques. It was, however, noticed that in DH, Thane, heavy cash in hand ranging between Rs 3.95 lakh and Rs 23.34 lakh was maintained for making cash payments instead of issue of cheques during the period February 2007 to December 2007. The CS, DH, Thane stated that in future, payments would be made by cheque.

While accepting the facts, Government stated (September 2009) that system of cash payment was discontinued from January 2008.

2.1.8.5 Irregular expenditure

DHS, Nashik incurred expenditure on inadmissible items

Scrutiny of records of DHS Nashik revealed that expenditure of Rs 3.82 lakh was incurred on account of insurance of Janani Suraksha Yojana (JSY) beneficiaries which was not provided in NRHM. Besides, an expenditure of Rs 5.41 lakh was incurred on purchase of inverters supplied to Taluka Medical Offices (TMO) for office use.

While accepting the facts, Government stated (September 2009) that four *per cent* grant under JSY was admissible as contingent expenditure, which was

utilised for insurance. The expenditure was incurred for strengthening of TMOs. The reply was not acceptable as there was no provision of insurance under JSY and strengthening of offices under NRHM.

2.1.9 Capacity building

2.1.9.1 Creation of new infrastructure

The NRHM framework targets provision of one Sub-Centre for 5,000 population (3,000 in tribal areas), one Primary Health Centre for 30,000 population (20,000 in tribal/desert areas) and one Community Health Centre for 1,00,000 population (80,000 in tribal/desert areas). As per the perspective plan of the State approved in December 2006, there was additional requirement of 2,627 Sub-Centres, 394 PHCs and 95 CHCs to be set up during the Mission period of seven years (2005-12). The status of setting up of infrastructure at the end of fourth year *i.e.* 2008-09 compared to the requirements is as detailed in **Table 3**.

Table 3: Creation of infrastructure

Health care centres	Number in existence as of April 2005	Number required to be created during 2005-12 as per Perspective Plan	Number required to be created upto 2008-09 as per Perspective Plan	Number created during 2005-09	Shortfall in creation of new infrastructure	Percentage of short-fall
Sub Centres	10535	2627	1970	161	1809	92
Primary Health Centres	1818	394	138	0	138	100
Community Health Centres (RH)	386	95	34	0	34	100

No new PHC and CHC was set up during 2005-09

From the above table it could be seen that no new PHC and CHC was set up up to 2008-09. Therefore, development of health infrastructure was much below the requirement of the rural community.

Delivery of health care services was affected due to delay in construction of health units

Scrutiny also revealed that during 2008-09, SHS released Rs 96.72 crore to 33 DHSs for construction of CHCs, PHCs and SCs. Out of 33 DHSs, six¹¹ had not utilised Rs 6.02 crore due to non-availability of land, change of site, non-availability of engineer *etc.* This affected delivery of health care services to the beneficiaries. It was stated (May 2009) that health services are made available by temporarily arranging the services of Zilla Parishad premises, Gram Panchayat premises, Anganwadi or school premises.

Non-setting up of the required number of infrastructure as per the population norms resulted in short achievement of the primary objective of improving accessibility to health facilities in rural areas.

Government while accepting the facts stated (September 2009) that there was a restriction of civil works upto 25 *per cent* of PIP size. Further, District Scheule of Rates increased by 2.5 times. The reply was not acceptable as the

¹¹ Bhandara, Dhule, Gondia, Nagpur, Solapur and Yavatmal

expenditure incurred on new construction was even less than 25 per cent and increase in cost was due to delay in construction.

2.1.9.2 Slow execution of new construction works

Diversion of funds resulted in slow pace in creation of new infrastructure

In the eight test-checked districts, grant of Rs 18 crore for new construction and Rs 70 lakh for maintenance and repairs (MR) works was received from the SHS during 2005-08. However, total expenditure of Rs 3.44 crore was incurred on MR works as against the allocation of Rs 70 lakh by diverting the funds for new construction. There was no new construction work. Thus, there was an unspent balance of Rs 15.26 crore at the end of March 2008. It was replied that expenditure on maintenance and repairs was incurred as per directives of Mission Director, NRHM, Mumbai.

During 2008-09, grant of Rs 19.07 crore for new construction and Rs 2.67 crore for MR works were received, out of which total expenditure of Rs 11.19 crore was incurred due to delay in transfer of funds and delay in establishment (August 2007) of Infrastructure Development Wing (IDW) leaving an unspent balance of Rs 10.55 crore at the end of March 2009.

This resulted in slow pace in creation of new infrastructure required under population norms and thereby depriving required medical facility to the needy people.

Government while accepting the facts stated (September 2009) that repair works of existing institutions were undertaken for optimum use of these institutions instead of creating new infrastructure.

2.1.9.3 Strengthening of nursing schools

In three test-checked districts, grants amounting to Rs 1.15 crore were released during 2007-08 by SHS for strengthening nursing schools. As against this, a meagre expenditure of Rs 6.64 lakh was incurred during 2007-08 and 2008-09, leaving a total unspent balance of Rs 1.08 crore as shown in **Table 4**.

Table 4: Strengthening of nursing schools (Rs in lakh)

District	Grant received in 2007-08	Expenditure incurred during		Unspent balance	Remarks
		2007-08	2008-09		
Gondia	45.00	--	--	45.00	No expenditure was incurred
Pune	22.50	--	2.00	20.50	Amount paid to PWD for construction of nursing school
Yavatmal	47.50	2.95	1.69	42.86	Payment made towards stipend to nurses in 2008-09
Total	115.00	2.95	3.69	108.36	

Blocking of funds due to release of grants without ascertaining requirement

Similarly, it was seen that the total grants of Rs 1.99 crore were released during 2007-08 for strengthening of infrastructure¹² of one nursing school each in Nashik, Osmanabad, Ahmednagar, Nagpur and Thane Districts

¹² Repair, renovation, extension of existing building, hiring of building for school and hostel, hiring of vehicle, workshop, training, stipend of students, payment to staff, etc.

without ascertaining the actual requirement, resulting in blocking of huge funds of Rs 81.81 lakh with the DHSs as detailed in **Table 5**.

Table 5 : Underutilisation of funds for nursing schools (Rs in lakh)

District	Grants received	Expenditure incurred		Unspent balance
		2007-08	2008-09	
Nashik	25.00	14.75	N.A.	10.25
Osmanabad	47.50	16.79	16.94	13.77
Ahmednagar	47.50	--	19.56	27.94
Nagpur	31.37	--	14.47	16.90
Thane	47.50	13.28	21.27	12.95
Total	198.87	44.82	72.24	81.81

The DHS stated that there was no much scope for improvement in the nursing school. Audit observed that there was significant shortage of nurses (864) as discussed in paragraph 2.1.9.8.

While accepting the facts, Government stated (September 2009) that due to acute shortage of nurses, grants were released to districts for new construction and strengthening of infrastructure. However, fact remains that grants were released without ascertaining the actual requirement.

2.1.9.4 Upgradation of health centres as per Indian Public Health Standards (IPHS)

The Mission has set the target of providing guaranteed services at the level of District Hospitals (DHs), CHCs, PHCs and Sub Centres by the year 2010. In this connection the Ministry has brought in the concept of Indian Public Health Standard (IPHS) for each level of health centre for ensuring availability of standard facility. Under NRHM, Health Centres (HCs) were to be upgraded to IPHS.

Scrutiny of the records of SHS revealed that low targets were fixed in respect of PHCs and Sub-centres till 2008-09. However, there was shortfall in achievements even after spending Rs 95.52 crore as in **Table 6**.

Table 6: Up gradation of health centres (Rs in crore)

Name of the HC	Number of the existing HCs	Up gradation of HCs		Grants released up to 2008-09	Expenditure reported	Upgraded to IPHS
		Targets to be fixed up to 31 March 2009	Selected for IPHS to 2008-09			
District Hospitals	23	10	23	23.00	95.52	23
CHCs (SDH/RH/WH/CH)	464	209	230	68.85		98
PHCs	1816	817	450	22.50		104
Sub Centres	10576	4741	650	6.50		33
Total	12879	5777	1353	120.85	95.52	258

It would be seen from the above table that achievement for CHCs was less than half of the targets, while upgradation of PHCs and sub-centres was only

Achievement in upgradation of Health Centres was low even after spending Rs 95.52 crore

23 *per cent* and five *per cent* respectively. This indicated that people in the rural areas were deprived of adequate health facilities.

Although, 258 health centres were shown to have been upgraded to IPHS in the report submitted to GoI, the SHS had stated to an audit query that no hospital could be declared as IPHS because there was a huge shortage of specialists in many of the hospitals/ centres.

Upgradation of the PHCs and SCs was meagre compared to the improvement made in DHs and CHCs. Thus, no focus was given to the first level health centres.

While accepting the facts, Government stated (September 2009) that due to acute shortage of nurses and doctors, realistic targets were fixed.

2.1.9.5 Diversion of IPHS grant

IPHS grants were diverted for purchase of medicines

Scrutiny revealed that Civil Surgeon, General Hospital Nashik (CS) received Rs 60 lakh for the upgradation of three Sub District Hospitals at Kalwan, Niphad and Chandwad to IPH standards. Of this, the CS utilised Rs 21.92 lakh on purchase of medicines, which should have been spent from regular State budget. The CS stated (September 2008) that the diversion was made with the approval of the Executive Committee of the DHS Nashik.

No specific reply was furnished by Government.

2.1.9.6 Inadequate physical infrastructure at health centres

Many basic facilities did not exist in the health centres

Scrutiny revealed that basic facilities like operation theatre, air conditioner, generator, labour room, telephone *etc.* were not available in many health centres test-checked, as detailed in **Appendix 2.6**. Out of total 24 CHCs, 48 PHCs and 96 SCs test-checked, three CHCs, six PHCs and 29 SCs had not been established in their own building. In 32 sub centres, Auxiliary Nursing Midwives (ANMs) had no residential facility.

These indicate that people in the rural areas were deprived of adequate health facilities.

Government while accepting the facts stated (September 2009) that there was a restriction of civil works upto 25 *per cent* of PIP size. Hence, few buildings could be provided under NRHM funds.

2.1.9.7 Lack of facilities at health centre

Operation theatre (OT)

According to IPHS norms, fourteen major equipments are necessary to make an OT fully operational. Out of 24 test-checked CHCs, in four CHCs there were no OTs, while in three CHCs, OTs were either not working or defunct due to non-availability of manpower, generator and AC machine. In the remaining 17 CHCs though they were functional, the OTs did not have supportive equipment as detailed in **Appendix 2.7**.

Diagnostic services

The Mission provides for essential laboratory services at the PHCs and CHCs. At the PHC the services should include laboratory services for routine urine, stool and blood tests, blood grouping, bleeding time, clotting time, diagnosis of RTI/STD, sputum testing for tuberculosis, blood smear examination for malaria parasites, rapid tests for pregnancy/malaria and RPR tests for syphilis/YAWS. Test-check revealed that out of 48 PHCs, 20 had no facilities for laboratory services.

Out of 48 PHCs, 22 PHCs did not have laboratory technician

At the CHCs, besides the aforesaid laboratory services, microscopy facilities for tuberculosis, diagnostic facilities for complicated cases of malaria, dengue and Japanese encephalitis, diagnostic facilities for leprosy *etc.* were to be provided. While the position was better in CHCs as out of 24 test-checked CHCs, 18 had all the diagnostic services and three had partial facilities. In 22 PHCs there was no laboratory technician. In the absence of minimum diagnostic services in the PHCs, the rural public was deprived of these facilities.

Radiological/X-ray services

The Mission provides for X-ray services at CHCs. Out of 24 test-checked CHCs, X-ray facilities were available at 19 CHCs. Of these 19 CHCs, radiographer was available only in five CHCs. In the absence of technician, X-ray facilities could not be used at the CHCs.

Blood storage facilities

The NRHM provides for blood storage facilities at each CHC. Test check, however revealed that out of 24 CHCs, blood storage facilities were available only in five CHCs. Due to non-installation of blood storage unit in 19 CHCs, the needy rural patients were deprived of easy access to blood.

Emergency services

As per NRHM norms, the Primary Health Centres providing 24 hours emergency services should have three staff nurses. In none of the test-checked PHCs full strength of staff nurses were available. Out of 48 PHCs providing emergency services, 13 PHCs had two nurses, 15 PHCs had only one nurse and 20 PHCs had no nurse.

In the absence of prescribed diagnostic, radiological, blood storage facilities *etc.* in CHCs and PHCs, delivery of reliable health care services at an affordable cost remained largely unfulfilled in the rural area.

While accepting the facts, Government stated (September 2009) that slow pace was due to inadequate funds and after launch of NRHM, IPHS funds were being utilised to complete the upgradation. Reply was not tenable as the achievement in upgradation of the health centres was also low.

2.1.9.8 Manpower management

There were huge shortages of medical and paramedical staff

The NRHM aimed at providing adequate medical and other related manpower at different health centres. The contractual staff should be engaged in addition to the sanctioned strength as required under the NRHM and not as a substitution to the sanctioned strength. It was, however, noticed that there were acute shortages of doctors and nurses as discussed below:

The men-in-position against the sanctioned posts of medical and para medical staff (both regular and contractual) as on 31 March 2009 are shown in **Table 7**.

Table 7: Shortfall in manpower

Regular					
Name of the post		Sanctioned strength	Men-in-position	Shortfall	Percentage of shortfall
Class I Medical Officers (Specialists)		519	165	354	68
Medical Superintendent for SDH & RH (class I)		438	136	302	69
Class II Medical Officers		7281	6707	574	8
Staff Nurse		6938	6074	864	12
Lady Health Visitor (LHV)		2266	2030	236	10
Auxiliary Nursing Midwife (ANM)		12543	12004	539	4
Contractual					
Categories of paramedical staff	Total number required by 2012	Number required till March 2009	Number filled in as of March 2009	Shortfall	Percentage of shortfall
Additional ANM per Sub Health Centre	10579	5078	4191	887	17
Three Staff Nurse per PHC	5448	2615	675	1940	74
One LHV per PHC	1816	1816	1152	664	37
Nine Staff Nurse per CHC	3942	1734	Information not furnished		

In 24 sample CHCs, the percentage of shortfall of medical staff *i.e.*, General Surgeon, Physician, and other specialists ranged between 71 and 88. Shortfall was high in case of paramedical staff *i.e.*, Public Health Nurses (PHN) (96 per cent), radiographers (79 per cent) and dressers (92 per cent). In case of 48 test-checked PHCs, the percentage of shortfall of staff nurses was 72 and health educators 81 as detailed in the **Appendix 2.8**.

Out of 96 test-checked SCs, two ANMs as required under NRHM were not posted in 66 SCs.

Thus, in view of this widespread shortage of medical and paramedical staff providing quality health care services would be severely affected.

While accepting the facts, Government stated (September 2009) that due to huge gap between demand and availability of doctors and nurses in government sector, there were intra-health centre differences.

2.1.9.9 Engagement of Accredited Social Health Activist (ASHA)

Under the NRHM a trained female community health worker called Accredited Social Health Activist (ASHA) had been provided in each village in the ratio of one per 1,000 population (or less for large isolated habitations) in the State. The ASHA was expected to act as an interface between the community and the public health system.

The position of appointment of ASHAs and their training is shown in **Table 8**.

Table 8: Engagement and training of ASHA

	Number of ASHAs engaged up to 2008-09			Number of ASHAs provided with training				
	Target	Achievement	Shortfall	1 st Module	2 nd Module	3 rd Module	4 th Module	5 th Module
For Tribal Area	9000	8657	343	8242	7753	6944	1694	Nil
For Non Tribal Area (with effect from September 2008)	51741	16045	35696	No training was imparted though basic training was to be provided within seven days of appointment.				
Total	60,741	24,702	36,039					

It is evident from the above that there was a shortfall in the achievement of selection and training to ASHAs which would affect the programme implementation.

2.1.9.10 Mobile Medical Units

Despite availability of funds, no MMU was set up

With the objective to make health care available at the doorstep of the rural people, GoI sanctioned (August 2007) Rs 15.79 crore for procurement of 35 Mobile Medical Units (MMUs). Although funds were released by the GoI in the year 2007-08, SHS did not purchase any mobile unit as of May 2009 as type design for vehicles for MMU was not finalised. SHS have failed to operationalise MMUs so far, though National Programme Coordination Committee (NPCC) had ordered that the operationalisation of the MMUs should be ensured during the same year *i.e.*, 2007-08.

While accepting the facts, Government stated (September 2009) that there was a delay in taking decision for setting up of MMUs. However, the funds were utilised for other approved activities. The reply was not tenable as NPCC while approving the funds for MMUs had categorically instructed to ensure the operationalisation during 2007-08.

Non-operationalisation of MMUs has deprived the people of the intended medical facilities at their door step.

2.1.9.11 Training to medical and paramedical staff

There was heavy shortfall in training of medical and paramedical staff

Capacity building through regular training and exposure of ANMs, Public Health Nurses (PHNs), Staff Nurses and Medical Officers was to be done according to the needs as well as for upgradation of their skills. This was an important module of NRHM. Analysis of data obtained from SHS, however, revealed that there was a heavy shortfall in achievement of training targets.

During 2007-08 and 2008-09, shortfall varied between 30 and 74 *per cent* in respect of ANM, for Staff Nurse from 57 to 86 *per cent* and for medical officer from 44 to 78 *per cent* as detailed in **Appendix 2.9**. It was stated that the DHOs did not nominate the Medical Officers for training, as many of the PHCs were manned by a single doctor.

While accepting the facts, Government stated (September 2009) that due to lack of training facilities, training could not be completed as per the needs.

2.1.10 Performance indicators

2.1.10.1 Reproductive and child health care (RCH), immunisation and various disease control programme

The NRHM prescribes national targets for reducing infant mortality rate (IMR)¹³ maternal mortality rate (MMR)¹⁴, total fertility rate (TFR)¹⁵, reducing morbidity and mortality rate and increasing cure rate of different endemic diseases covered under various national programmes. Targets of MMR, IMR and TFR and achievement there against in the State are as shown in **Table 9**.

Table 9: Performance indicators

Particulars of indicators	Targets to be achieved as per NRHM	Targets fixed by the State	Year wise targets fixed by the State		Achievement at the end of each year
			Year	Target	
IMR	30/1000 live births up to 2012	25/1000 live births by 2010	2005	Not fixed	36
			2006	Not fixed	35
			2007	32	34
			2008	32	34
MMR	100/100000 live births up to 2012	100/100000 live births by 2010	2005	Not fixed	149
			2006	Not fixed	Not compiled
			2007	125	130
			2008	125	Not compiled
TFR	2.1 up to 2012	2.0 by 2010	2005	Not fixed	Not compiled
			2006	Not fixed	2.11
			2007	2.0	Not compiled
			2008	2.0	Not compiled

It would be seen from the above table that while in respect of IMR and TFR, the State position is almost at par with the norm, in MMR it is yet to achieve the target of 100.

Government stated (September 2009) that the target of 100 for MMR would be achieved by 2012 as per NRHM norms.

One of the major aims of the safe motherhood is to register all the pregnant women before they attain 12 weeks of pregnancy and provide them with

¹³ IMR is the number of infant deaths (one year of age or younger) per thousand live births

¹⁴ MMR is the number of deaths of women per lakh while pregnant or within 42 days of termination of pregnancy from any cause related to or aggravated by the pregnancy or its management

¹⁵ TFR is the total number of children, the average women in a population is likely to have, based on current birth rates throughout her life

There was continuous shortfall in registration of pregnancy, administration of IFA tablets and Tetanus Toxoid

services, such as, four antenatal check-ups, 100 or more Iron Folic Acid (IFA) tablets, two doses of Tetanus Toxoid (TT) and advice on the correct diet and vitamin supplements and in case of complications referring them to specialised gynecological care.

The number of pregnant women registered during 12 weeks of pregnancy for check up as against the total pregnancies were in declining trend as detailed in **Table 10**.

Table 10: Registration of pregnant women

Year	No. of total pregnant women registered at health centre	No. of pregnant women registered during 12 weeks of pregnancy	Shortfall	Percentage of shortfall
2005-06	22,35,950	20,61,763	1,74,187	7.79
2006-07	22,29,445	20,07,729	2,21,716	9.94
2007-08	22,26,174	19,52,056	2,74,118	12.31
2008-09 (up to February 2009)	20,28,314	11,58,883	8,69,431	42.86

Similarly, Iron Folic Acid (IFA) administration and Tetanus toxoid dosages to pregnant women were also in declining trend as detailed in **Table 11**.

Table 11: Administration of IFA tablet and TT dosages

Year	No. of pregnant women registered at health centre	No. of pregnant women not receiving 100 days of IFA tablets	Percentage of pregnant women not receiving 100 days of IFA tablets	No. of women not given Tetanus toxoid dosages	Percentage of women not given Tetanus toxoid dosages
2005-06	22,35,950	9,13,263	40.84	1,74,187	7.79
2006-07	22,29,445	15,23,765	68.35	2,21,716	9.94
2007-08	22,26,174	12,18,733	54.75	2,74,118	12.31
2008-09 (up to Feb 09)	20,28,314	Not compiled		3,28,794	16.21

From the above table it could be seen that the number of needy and pregnant women receiving IFA was decreasing which indicated less access to needed iron supplement. As regard gap between registration and immunisation the SHS stated (May 2009) that all the registered women are not coming forward for immunisation.

Government stated (September 2009) that 100 and 200 IFA tablets were prescribed for non-anaemic and anaemic pregnant women respectively. The Expected Level of Achievement (ELA) was 50 *per cent* and same was achieved during last two years in respect of non-anaemic women. The reply was not acceptable as no data was available in support of distribution of 200 IFA tablets to anaemic women.

2.1.10.2 Institutional deliveries

An important component of the RCH II programme was to encourage mothers to undergo institutional deliveries. The goals set in 10th Plan objective were to

Shortfall in institutional deliveries was significant in some districts like Gondia

achieve 80 per cent institutional/safe deliveries by 2007. Further, in the State PIP for RCH for the year 2008-09, State had targeted to achieve 80 per cent in institutional deliveries. However, scrutiny of records of SHS revealed that this target had not been achieved as of February 2009, as detailed in **Table 12**.

Table 12 : Institutional deliveries

Year	Total deliveries	No. of institutional deliveries	Per cent of institutional deliveries
2004-05	16,43,063	10,26,853	62.5
2005-06	16,82,766	11,03,685	65.59
2006-07	14,25,940	10,00,853	70.19
2007-08	18,02,857	13,46,693	74.7
2008-09 (up to Feb 09)	16,19,516	12,33,074	76.13

In the eight test-checked districts it was observed that the position during 2005-2009 varied widely between 36 per cent (Gondia 2005-06) and 90 per cent (Pune 2008-09)(**Appendix 2.10**). Institutional deliveries above 80 per cent were achieved by Thane in 2007-09 and Pune during 2005-06 and 2007-09. However, Gondia, a tribal inhabited district, presented a grim picture of 36.07 to 65.37 per cent institutional deliveries during the last four years.

While accepting the facts, Government stated (September 2009) that schemes implemented under NRHM and through Tribal Welfare Department showed positive impact on institutional deliveries.

2.1.10.3 Family planning

The family planning includes terminal method to control total fertility rate and spacing method to improve couple protection ratio(CPR)¹⁶. The terminal method of family planning includes vasectomy for male and tubectomy for female.

Analysis of data obtained from SHS revealed that as against the target of 2.63 lakh vasectomies in 2005-09 (up to February 2009) in the State, the achievement was only 1.19 lakh leading to shortfall of 54.83 per cent. Further, the proportion of vasectomy to the total sterilisation was only 4 per cent during 2005-09. This showed that male participation in family planning did not come up as per targets of NRHM. It has been stated that low performance of vasectomy was due to lower acceptance in the society, low female literacy etc. During 2005-08 the achievement under tubectomy was 22.71 lakh against the targets of 18.27 lakh.

Targets *vis-à-vis* achievement during 2005-09 of family planning operations in eight test-checked districts were detailed in **Appendix 2.11**.

In eight test-checked districts, while shortfall in achievement of target under vasectomy was highest in Thane District (85 to 94 per cent), the targets were

¹⁶ CPR is the percentage of the women in the age group of 15-49 years, protected from pregnancy/child birth in the year under consideration for a specific area

There was shortfall in both male and female sterilisation

low in Osmanabad and Gondia Districts. However, in respect of female sterilisation *i.e.* tubectomy and laparoscopic, it was noticed that in respect of Osmanabad the target of 10,647 in 2005-06 was gradually reduced to 8,791 in 2008-09. In this connection, SHS stated (May 2009) that family welfare services were purely voluntary and they could not compel any one to accept any particular method and that all efforts were being made through Information, Education and Communication (IEC) to motivate for family planning.

While accepting the facts, Government stated (September 2009) that though the vasectomy was recommended as first choice, proportion of families accepting vasectomy was very low. However, because of newer techniques, the vasectomy acceptance had started improving.

2.1.10.4 Immunisation and Child Health

There was shortfall in child immunisation

Strengthening of services to improve child survival is one of the major components of the RCH II programme. This mainly focuses on preventive aspects. In this connection, for secondary immunisation, children in the age group of 5 to 6 years were required to be administered three doses of DT (Diphtheria and Tetanus) and two doses of Tetanus Toxoid (TT) at the age of 10 and 16 respectively. However, scrutiny of records revealed that there was shortfall against targets for secondary immunisation ranging from 6.55 to 19.30 *per cent* for DT, 9.78 to 24.63 *per cent* for TT (10) and 10.68 to 25.03 *per cent* for TT (16) during 2005-06 to 2008-09 as detailed in **Appendix 2.12**.

While accepting the facts, Government stated (September 2009) that the performance had improved.

2.1.10.5 Vitamin A administration

There was shortfall in Vitamin A administration to children

The RCH II programme emphasised Vitamin A solution for all children less than three years of age. Prophylaxis against blindness amongst children due to Vitamin A deficiency requires the first dose at nine months of age along with measles vaccine and second dose along with DPT/OPV and subsequently three doses at six monthly intervals. There were shortfalls ranging between 8.11 *per cent* and 23.36 *per cent* against the targets of first dose and between 22.94 *per cent* and 45.72 *per cent* during 2005-06, to 2008-09 as detailed in **Table 13**.

Table 13 : Vitamin A administration

Year	Targets	Achievement	Shortfall	Percentage of shortfall
1st dose				
2005-06	20,93,721	19,23,895	1,69,826	8.11
2006-07	20,98,904	16,08,698	4,90,206	23.36
2007-08	19,74,378	18,05,625	1,68,753	8.55
2008-09	19,27,574	15,05,108	4,22,466	21.92
2nd dose				
2005-06	17,03,089	17,51,442	-	-
2006-07	20,14,740	14,54,787	5,59,953	27.79
2007-08	22,54,431	17,37,331	5,17,100	22.94
2008-09	19,74,375	10,71,676	9,02,699	45.72

Government stated (September 2009) that in order to achieve 100 *per cent* coverage, the State was implementing mass Vitamin A supplementation drive.

2.1.10.6 National Programme for Control of Blindness (NPCB)

The NPCB aimed at reducing prevalence of blindness cases to 0.8 *per cent* by (March) 2007 through increased cataract surgery (46 lakh by 2012), school eye screening and free distribution of spectacles, collection of donated eyes and creation of donation centres and eye-banks and strengthening of infrastructure by way of supply of equipment and training of eye surgeons and nurses.

Cataract operation

Cataract operations (catops) are performed by Government doctors in Government hospitals, by NGOs and private practitioners in clinics and eye camps. The distribution of workload between private and public sectors was expected to be in the ratio of 1:1. While the NGOs and private sector exceeded the 50 *per cent* mark, the Government sector fell behind, and it was ranging from 19 to 23 *per cent* as detailed in **Table 14**.

Table 14: Cataract operations

Year	Performance of catops in Government hospitals		Performance of catops by NGOs		Performance of catops by private practitioners and others		Total cataract operations
	Number	Percentage	Number	Percentage	Number	Percentage	
2005-06	1,48,236	23	1,24,816	19	3,83,343	58	6,56,395
2006-07	1,37,557	20	1,56,516	23	3,89,631	57	6,83,704
2007-08	1,52,456	21	1,60,114	23	3,99,735	56	7,12,305
2008-09	1,34,454	19	1,75,580	24	4,08,572	57	7,18,606
Total	5,72,703	21	6,17,026	22	15,81,281	57	27,71,010

The shortage of eye surgeons in the Government hospitals contributed to the shortfall in Government sector, as 13 eye surgeons were posted against 38 sanctioned posts.

Government further stated (September 2009) that ceiling of number of operations per surgeon had also contributed to the shortfall in Government sector.

Eye donation

The percentage of eyes actually utilised was much less than donated eyes as detailed in **Table 15**.

Government sector fell behind in performing cataract operation

Table 15 : Eye donation

Year	Number of eyes				
	Donated	Utilised	Transferred to other bank	Rendered unfit	Used for research
2005-06	3946	1476	639	172	1533
2006-07	4192	1396	732	209	1457
2007-08	4987	1869	1033	117	1796
2008-09	5885	1878	672	1492	1579
Total	19010	6619	3076	1990	6365

Government stated (September 2009) that 35 *per cent* utilisation was acceptable as per international norms.

Refractive error and free distribution of spectacles

The programme envisaged imparting training to school teachers in Government and Government aided schools, for screening refractive errors among students and free distribution of spectacles to the students having refractive errors. The position is shown in **Table 16**.

Table 16: Distribution of spectacles

Year	Refractive error detected	Spectacles supplied	Shortfall
2005-06	87,878	57,286	30,592
2006-07	1,10,934	81,815	29,119
2007-08	1,15,876	90,619	25,257
2008-09	1,05,203	74,062	31,141

There was shortfall in providing spectacles to school children

All the students who had refractive errors were not provided with free spectacles and the shortfall ranged between 25,257 and 31,141 during last four years. The programme requires further improvement.

2.1.10.7 Revised National Tuberculosis Control Programme

Average detection of new sputum positive cases during 2005-09 worked out to 95 *per cent* which was much higher than the prescribed target of 70 *per cent*. The cure rate ranged between 86 and 87 *per cent* which was higher than the desired level of 85 *per cent* as detailed in **Table 17**. The State is fully covered under Revised National Tuberculosis Control Programme (RNTCP).

The State is fully covered under RNTCP

Table 17: Cure rate of TB patients

Year	TB patients registered	Cured + treatment completed	Per cent cure rate	Died	Failures	Defaulters	Transferred out
2005-06	54,944	47,800	87.00	2747	1248	2690	275
2006-07	53,816	46,820	87.00	2691	1266	2794	319
2007-08	57,900	49,717	85.87	2956	1288	2874	474
2008-09	55,290	47,384	85.70	3096	1106	3096	608

2.1.10.8 National Vector Borne Disease Control Programme

Annual Blood Examination Rate (ABER) and Annual Parasitic Incidence (API) for malaria

The programme stipulated ABER of 10 *per cent* and API of less than 0.5 per thousand for the country. As per information available with the State the ABER was 14.5, 16.6, 12.6 and 14.1 and API was 0.43, 0.5, 0.6 and 0.8 during the years 2005-06 to 2008-09.

Government stated (September 2009) that increase in API was due to nine districts in the State.

Impact of vector borne diseases

During 2005-08 morbidity and mortality due to various vector borne diseases were as in **Table 18**.

Table 18: Cases of morbidity and mortality

Year	Malaria		Filaria		Japanese Encephalitis		Dengue	
	Cases	Deaths	Cases	Deaths	Cases	Deaths	Cases	Deaths
2005-06	45,614	104	9294	0	60	0	31,508	56
2006-07	56,852	133	6211	0	62	0	11,096	27
2007-08	67,844	176	5167	0	10	0	4243	25
2008-09	68,977	160	6386	0	1	0	3782	20

The above table indicated increasing number of Malaria cases and deaths thereof.

Government accepted (September 2009) the facts.

2.1.10.9 National Leprosy Elimination Programme (NLEP)

The NLEP aimed to eliminate leprosy by the end of 11th plan (2012). It also aims to ensure leprosy prevalence rate (PR) of less than one per ten thousand. The total number of new cases of leprosy and PR in the state during 2005-09 was as in **Table 19**.

Table 19: Leprosy Elimination Programme

Year	New cases	Prevalence Rate
2005-06	13,844	0.64
2006-07	11,189	0.61
2007-08	12,397	0.71
2008-09	14,274	0.87

The NRHM stipulated facilities for diagnosis and treatment of leprosy at all health centres up to PHC level. As per data available at the SHSs the facility for diagnosis of leprosy was available in all CHCs and PHCs.

The facility for diagnosis of leprosy was available at all the test-checked CHCs and PHCs.

Though leprosy prevalence rate is below one per ten thousand the number of persons affected has increased in the years 2007-08 and 2008-09.

Government accepted (September 2009) the facts.

2.1.11 Conclusion

The implementation of the NRHM in the State suffered mainly due to lack of comprehensive planning as well as inadequate monitoring. The programme was implemented in the State without the aid of a reliable household database and adequate facility surveys for understanding and identifying the health care needs of the rural population. Perspective Plan for the mission period was not prepared by the DHSs initially. The RKSs did not review the services at hospitals and outreach works.

Underutilisation of the Mission funds resulted in huge unspent balances. Maintenance of cash books and accounts was deficient. No new CHC and PHC were set up. There were large unspent funds meant for strengthening of nursing schools. No focus was given for up gradation of standards of the PHCs and Sub Centres to IPHS. Mobile Medical Units were not in operation. Diagnostic services were inadequate. Blood storage units were not started in most of the CHCs. There were shortages of doctors, nurses and paramedics for providing health care services. In respect of IMR and TFR, the State position is almost at par with the norm; in MMR it is yet to achieve the target of 100. There was shortfall in registration of pregnancy. Family planning targets were not achieved; male participation in family planning was inadequate. As far as RNTCP is concerned the performance of the State Government was appreciable.

2.1.12 Recommendations

The following recommendations are made for improving NRHM implementation in the State:

- For realistic planning, complete household and facility surveys should be carried out soon.
- Provision of diagnostic services in PHC and blood bank facility in CHC should be improved.
- Construction of new CHCs, PHCs and SCs should be given priority along with strengthening of nursing schools for better coverage of health care services.
- More women in rural and tribal areas should be brought under institutional delivery facility through extensive use of IEC.
- Mobile Medical Units should be operationalised to take health care facilities to the doorstep of people in rural areas.
- Sanctioned posts of doctors and nurses are required to be filled in on a priority basis for providing essential medical services. Training of doctors and para medical staff should be given due importance to achieve the desired quality of health care delivery services.

School Education and Sports Department

2.2 Development of Sports in Maharashtra

Highlights

Physical Education and Sports are the integral parts of the educational system of our country. The primary objective of the Sports Policy, 2001 of the State was development and nurturing of a sports culture, creation of sports facilities at village, taluka and district level and through this develop upcoming, talented sportspersons and create awareness and liking for sports at a young age. As the focus of the policy was 'child', it was decided to implement physical education and sports from the school level. A performance audit of the development of sports in the State revealed that Government initiative in the development of sports in the State was not sufficient. There were lack of phase-wise plan/programme for implementation of sports policy, shortages of physical education teachers in schools, absence of taluka coaching centres in each taluka and inadequate facilities in the sports academies and their under utilisation. It also revealed the absence of sports infrastructure at all the talukas, districts and divisions as required. Non-monitoring of proper utilisation of grants-in-aid given to non-Government organisations /institutions, inadequate participation of schools in school games, delay in conferring awards/incentives etc. were also noticed.

Government provided only Rs 197 crore (39 per cent) during 2002-07 against the plan outlay of Rs 500 crore proposed in the sports policy. State Sports Development Fund was almost defunct.

(Paragraphs 2.2.7.2 and 2.2.7.3)

As against the sanctioned strength of 38 District Sports Officers and 31 Taluka Sports Officers, 19 posts in each category were lying vacant as of February 2009.

(Paragraph 2.2.8.3)

As against the target of establishment of nine divisional sports complexes, 29 district sports complexes and 382 taluka sports complexes, 11 district sports complexes and 35 taluka sports complexes were established while none of the divisional sport complexes completed till date.

(Paragraph 2.2.9.1)

There were only 113 coaches in 213 district coaching centres. Transfer of the coach of a particular game from a district coaching centre and posting of a substitute coach of a different game adversely affected the trainees.

(Paragraph 2.2.10.1)

Against the target of creation of 382 taluka coaching centres, only 50 were established.

(Paragraph 2.2.10.2)

The Battery of Tests consisting of a set of nine different tests of physical capacity of children in the age group of eight to fourteen conducted to identify talented sportspersons at an early age was found to be ineffective.

(Paragraph 2.2.11.1)

The sports academies, except Pune, did not have proper accommodation and other basic facilities. All the trainees were given a general diet irrespective of their game. Utilisation of 10 sports academies (except Pune) was far below their capacities.

(Paragraphs 2.2.11.2 and 2.2.11.3)

Joint survey of 500 schools in the selected districts showed that 62 per cent schools had not fulfilled the norms of one Physical Education Teacher for 250 students; the ratio ranged from 1:500 to 1:1200 students.

(Paragraphs 2.2.12.1)

Out of 8,908 schools in the selected districts, 4,111 (46 per cent) schools had not participated in school games.

(Paragraph 2.2.12.4)

Scrutiny of grants-in-aid for sports development to various institutions revealed irregularities such as grantee institutions not involved in sports activities, non-receipt of utilisation certificates, non-conducting of pre/post-inspection of site by the DSOs, grantee institute not traceable during field visit, utilisation of the sports premises for other purposes, etc.

(Paragraph 2.2.13)

Action on the recommendations (June 2008) of the committee appointed by the Government for conducting mid-term review of the progress of the implementation of the Sport Policy, 2001 is yet to be taken.

(Paragraph 2.2.15.2)

2.2.1 Introduction

Physical Education and Sports are integral parts of the educational system of our country. Fitness for all through sports was the focal point of the five year Sports Policy introduced in 1996 for the first time in Maharashtra. In 2001 the policy was replaced with a new long term policy for the next 10 years *i.e.*, 2002-2012. The primary objectives of this policy are development and nurturing of a sports culture, creation of sports facilities at village, taluka and district levels besides inculcating sports culture among the upcoming talented sportspersons. It also aims at making available the latest technology and coaching facilities of national and international standard to sportspersons.

The major schemes implemented by the Department, in order to achieve the above objectives are listed in **Appendix 2.13**.

2.2.2 Organisational set up

The Secretary, School Education and Sports Department is responsible for implementation of various sports related schemes in the State. The Director of Sports and Youth Services, Maharashtra, situated at Pune implements various

sports schemes in the State and is assisted by eight Deputy Directors at divisional level, 31 Districts Sports Officers covering 35 districts and 31 Taluka Sports Officers across the State. There are 11 residential sports academies in the State wherein, along with their studies, talented sportspersons are trained at a young age.

While the responsibility of imparting physical education at primary level lies with the respective local bodies (Municipal Corporations and Zilla Parishads), at middle and higher secondary level the same rests with the Director of School Education, who is assisted by Education Inspectors in the districts.

State Sport Development Committee, High Power Committee for Balewadi and Maharashtra State Sport Infrastructure Development Committee were constituted for preparation of action plan and execution of works at various levels, functioning of sports academies, monitoring *etc.* Besides, Sports Complex Committees operate at divisional, district and taluka levels headed by Divisional Commissioner, Collector and Block Development Officers respectively.

2.2.3 Audit scope and methodology

A performance audit on the implementation of various schemes implemented for the development of sports in the State, covering the period from 2004-05 to 2008-09 was conducted between February and June 2009 by test-check of records in the School Education and Sports Department, Mumbai, offices of the Director of Sports, Pune, four out of eight Deputy Directors, nine out of 35 District Sports Officers (DSOs) and 19 out of 39 taluka sports complexes under the nine DSOs which were selected on random sampling basis. Further, records of five sports academies, 38 educational institutions and 24 non-Government institutions in the nine sample districts were also test-checked. Joint site visits of the infrastructure created by some of the grantee institutions were also carried out along with the departmental personnel. Besides, a survey questionnaire for collection of information on availability of physical education teachers (PETs), allotment of physical training periods in schools and their participation in sports competition, was issued to 1,000 educational institutions through the Department in the sample districts to ascertain whether these schools were adhering to the norms as prescribed in the Sports Policy, 2001. Of these, 500 institutions had responded and the data received is brought out at appropriate places in the report. The details of sample covered in audit are given in **Appendix 2.14**. The audit objectives were discussed with the Secretary, School Education and Sports Department at an entry conference held in February 2009. The audit findings were discussed with the Secretary in the exit conference held on 30 September 2009. The Secretary accepted the conclusions and recommendations and stated that these would help the Department to take remedial measure to strengthen the functioning of the Department. However, detailed replies of the Government to the draft performance audit report sought for in July 2009 were not received (October 2009).

2.2.4 Audit objectives

The objective of the performance audit was to assess if the:

- funding was provided as per plan;
- planning was sound and effective to implement schemes;
- envisaged infrastructure was created at taluka/district/division level;
- young talent is groomed properly and got coaching to excel in their respective field;
- physical education is being properly and systematically implemented in all educational institutions across the State;
- grants-in-aid released by Government of India (GoI)/Government of Maharashtra (GoM) to non-Government/voluntary Organisations, for development of sports/infrastructure were utilised properly and effectively and
- monitoring was effective.

2.2.5 Audit criteria

The audit criteria used for the performance audit were:

- Maharashtra State Sports Policy, 1996 and 2001.
- Orders and instructions issued on the subject by the GoM and the GoI from time to time.
- Terms and conditions laid down for grant of financial assistance to the non-Government organisations.
- Guidelines issued for running the sports academies.

2.2.6 Sports scenario in the State

The medal tally of the State at the National Games was increased from 35 medals in the 32nd games held at Hyderabad in 2002 to 97 medals in the 33rd game held at Guwahati in 2007. However, the position of the State based on the medal tally has come down from sixth to eighth place. It was further observed that four States (Andhra Pradesh, Karnataka, Manipur and Punjab) with a smaller population than Maharashtra won more medals in the National Games held at Hyderabad and three such states (Assam, Manipur and Punjab) performed better in the National Games held at Guwahati.

At the School Game Federation of India's games held during the years 2004-05 to 2007-08, Maharashtra stood first with medal tallies of 351, 378, 379 and 434 respectively.

Audit findings

2.2.7 Funding

2.2.7.1 Budget provision and expenditure

The expenditure incurred for development of sports and physical education in the State by the Department *vis-a-vis* budget provisions made during the period 2002-03 to 2008-09 was as in **Table 1**.

Table 1 : Budget provisions *vis-a-vis* and expenditure (Rs in crore)

Year	Plan		Non-plan		Total	
	Provision	Expenditure	Provision	Expenditure	Provision	Expenditure
2002-03	37.03	35.41	13.34	12.69	50.37	48.10
2003-04	35.99	34.76	14.42	14.33	50.41	49.09
2004-05	18.55	16.80	13.49	13.36	32.04	30.16
2005-06	52.63	45.12	16.30	18.74	68.93	63.86
2006-07	53.03	53.77	17.12	20.48	70.15	74.25
Total	197.23	185.86	74.67	79.60	271.90	265.46
2007-08	53.71	55.71	24.81	24.93	78.52	80.64
2008-09	44.94	62.58	51.32	50.42	96.26	113.00
Grand total	295.88	304.15*	150.80	154.95	446.68	459.10

* Includes Rs 20.45 crore under Tribal Plan and Rs 4.89 crore under Centrally Sponsored scheme

Source: Finance Accounts

2.2.7.2 Inadequate and insufficient funding

The Sports Policy, 2001 stipulated that a minimum fund of Rs 100 crore *per annum* would be made available from 2002-03 for implementation of various schemes for development of sports during 10th Five Year Plan period (2002-07). As against the proposed provision Rs 500 crore during 2002-03 to 2006-07 only Rs 197.23 (39 *per cent*) crore was actually provided under Plan outlay and expenditure was Rs 185.86 crore. It can be seen that during 2002-09 only Rs 295.88 crores was provided and an expenditure of Rs 304.15 crore was incurred for development of sports under Plan outlay.

2.2.7.3 Creation of State Sports Development Fund

In order to nurture a sports culture, it was decided in the Sports Policy, 2001 to create a State Sports Development Fund (SSDF) for development of sports facilities, making available services of foreign coaches to sportspersons in the State, providing sports equipment of international standards and giving financial aid to renowned sportsmen in the State. The SSDF was to be maintained and operated by the Secretary, School Education and Sports Department.

The SSDF was proposed to be created from Government contribution of Rs 50 lakh per annum, one day's income from horse racing, donation from various commercial and industrial establishments, and contributions from the local bodies and educational institutions and funds collected from exhibition matches and cultural programmes.

Plan outlay of Rs 197.23 crore was provided during 2002-07 against Rs 500 crore proposed in Sports policy

The State Sports Development Fund created to provide sports facilities of international standards was almost non-functional

Scrutiny revealed that adequate steps were not taken by the Department to raise money from the above mentioned sources for creation of SSDF. The total contribution made to SSDF by the Government during 2003-04 to 2008-09 was only Rs 95 lakh against the stipulated Rs 3 crore in six years. Further, only Rs 37 lakh was disbursed (April 2007 to April 2009) from SSDF as financial assistance to ten sportspersons. It was also observed that ‘Maharashtra State National Sports Fund’ (MNSNF) was formulated in 1951 as a registered society for providing assistance to sports persons/organisations, operation of which was at a standstill since 1989. As per Government resolution of September 2003, the MNSNF was converted into SSDF and the amount accumulated in the MNSNF was transferred to SSDF. The books of accounts and audited statement of SSDF were not made available to Audit though called for.

Department stated (June 2009) that the accounts of the erstwhile Maharashtra State National Fund were not traceable and Rs 6.17 crore pertaining to SSDF was kept in fixed deposits. The above position indicated that there was lack of efforts for development of sports despite availability of funds.

2.2.8 Planning

2.2.8.1 Inadequate planning

Important schemes envisaged in the Sports Policy, 2001 were not implemented

Fitness for all through sports was the focal point of the five year Sports Policy introduced in 1996 for the first time in Maharashtra. The policy was revised and a new long term policy for a 10 year period was framed as the Maharashtra State Sports Policy, 2001 for implementation from 1 April 2002, with focus on development of infrastructure. However, the Government resolution for implementation of the Sports Policy, 2001 was issued only in March 2003. The Sports Policy, 2001 envisaged 50 schemes for development of sports in the state during the period 2002-03 to 2011-12. Of these, 19 schemes (**Appendix 2.13**) were being implemented as of June 2009. Some of the important schemes not being implemented are sports competitions for senior citizens, physically challenged persons, establishment of new district sports offices, setting up of non-residential sports academies in districts, construction of taluka sports training centres *etc.*

As per the Sports Policy, a High Power Committee was to be set up to oversee the implementation of the Policy. This has not been done as of June 2009. Further, the Department had neither prepared any phase-wise plan nor fixed any yearly targets for effective implementation of the Sports Policy, as noticed from the following points.

2.2.8.2 Non-availability of land for sports complex

The sports policy and the Government resolution of March 2003 envisaged establishment of 9 divisional, 29 district and 382 taluka sports complexes across the State and directed the District Sports Development Committees headed by the District Collectors to identify and earmark/allot suitable Government/Local Bodies’ land for construction of sports complexes.

The Department released (April and September 2003) Rs 17.20 crore to 172 taluka sport complex committees for construction of one sports complex in each taluka (Rs 10 lakh each). It was noticed that the Department did not ascertain the availability of land for construction of sports complexes. As a result, the fund remained unutilised with respective sports complex committees. Subsequently in March 2005, Rs 4.02 crore was transferred to 21 other sports complexes where land was available and work was in progress. This indicated lack of proper planning by the Department.

2.2.8.3 Shortage of manpower

Nineteen posts each of District Sports Officers and Taluka Sports Officers were lying vacant

For effective implementation of the State Sports Policy, adequate number of skilled and trained manpower is needed. The Department has not taken effective steps to recruit adequate manpower in key cadres for effective implementation of the sports policy. As against the sanctioned strength of 38 District Sports Officers (DSOs) and 31 Taluka Sports Officers (TSOs), 19 posts were lying vacant in each category as of February 2009. Further, four newly created districts in the State *viz.* Gondia, Hingoli, Nandurbar and Washim neither have independent establishments nor independent District Sports Officers for the last five years. Further, there were acute shortage of coaches and physical education teachers as discussed in Paragraphs 2.2.10.1 and 2.2.12.1 respectively.

2.2.8.4 Special action plan for Mumbai

Special Action Plan for Mumbai was not implemented

Considering the inadequate sports facilities available for common public in Mumbai city, the Sports Policy stipulates preparation of a special action plan (SAP) for Mumbai for optimum utilisation of the available land for development of sports. The SAP included development of separate playgrounds for each game as well as setting up of single game non-residential sports academy, providing funds on the line of divisional sports complexes, creation of sports and entertainment centres on build operate and transfer (BOT) basis and to ensure optimum utilisation of the existing sports complexes and stadia in Mumbai city.

As the possession of open land in Mumbai is with the Municipal Corporation of Greater Mumbai (MCGM), the State Sports Development Committee headed by Sports Minister had a meeting with MCGM in May 2004 for obtaining land for development of sports infrastructure. The MCGM assured (May 2004) to provide land for one divisional, two district and 24 taluka sports complexes in Mumbai. The State Sports Development Committee also recommended (May 2004) formation of an action committee inclusive of Municipal Commissioner as Joint Member for follow up action in the matter. However, no further initiative was taken by the Department in this regard. As of June 2009, no land could be procured for construction of district sports complexes in Mumbai and Mumbai Suburban Districts.

2.2.8.5 Creation of infrastructure facilities on Build Operate and Transfer (BOT) basis

As per Government resolutions of February and March 2003, sports infrastructure is to be created on BOT basis for commercial utilisation of sports complexes and land for generating revenue to meet the expenditure on operation and maintenance of sports infrastructure created. It was, stated that no such plans were prepared and executed as of May 2009.

The special action plan (SAP) for Mumbai, as envisaged in the Sports Policy, also included creation of sports entertainment centres on BOT basis with the help of Municipal Corporations *etc.* However, the SAP was not implemented. Audit scrutiny revealed that the district sports complex at Ahmednagar being constructed on BOT basis was not completed as the land was under litigation.

2.2.8.6 Safety measures in sports complexes

On an audit enquiry, the Department informed that provision for safety measures such as providing fire extinguishers, emergency exit systems in case of emergencies, first aid facilities *etc.*, were not made in the original plans and the same were not provided in the stadia. The Joint Director, Sports and Youth Services, Pune stated (August 2009) that directions were being issued to all the concerned sports committees to include provisions for such arrangements in the new as well as revised proposals.

2.2.9 Development of infrastructure in the State

2.2.9.1 Establishment of divisional/district/taluka sports complexes

To provide comprehensive and modern sports infrastructure facilities for sportspersons and groom them to perform at national and international level sports events, the Government decided (March 2003) to construct sports complexes in each division, district and taluka in the State under the supervision of respective Sports Committees. The facilities¹⁷ to be provided in each of these sports complexes and their cost ceilings are indicated in **Appendix 2.15**. The status of the sports complexes to be constructed and actually constructed is in **Table 2**.

Table 2 : Status of the construction of sports complexes

Sr. No.	Particulars	Division	District	Taluka
1.	Sports complexes proposed to be constructed	9	29	382
2.	Sports complexes sanctioned	7	27	273
3.	Land not available	2	2	74
4.	Sports complexes not completed and in progress	4	16	238
5.	Sports complexes yet to be taken up	3	Nil	nil
6.	Sports complexes completed	Nil	11	35

¹⁷ Such as stadium, swimming pool, hostel, running track, sports equipment, multi gymkhana *etc.*

Construction of only 11 district sports complexes and 35 taluka sports complexes was completed

As can be seen from the above table, only 11 out of 27 sanctioned district sports complexes and 35 out of 273 sanctioned taluka sports complexes were completed till date. Further, none of the seven sanctioned divisional sports complexes were completed.

The main reasons for non-completion and the delay in construction of sports complexes attributed (December 2008) by the Department were (i) that the Divisional/District/Taluka level Sports Committees headed by Divisional Commissioner, Collector, Block Development Officer, respectively were already overburdened, (ii) difficulties in obtaining land, (iii) shortage of Taluka Sports Officers and (iv) inadequate funds.

Thus, non-establishment of divisional/ districts sports complexes in 24 districts deprived 7.75 crore population of these districts of the benefits of adequate sports facilities.

Divisional/district sports complexes in the test-checked districts

Scrutiny of records related to construction work and actual field visits in nine selected districts, having four divisional sports complexes and eight district sports complexes revealed the following:

2.2.9.2 Divisional sports complexes

Out of the four divisional sports complexes (Aurangabad, Mumbai- Suburban, Nagpur and Pune) test checked in the selected districts, the work of divisional sports complex at Mumbai (Suburban) has not been commenced for want of land. The works of the remaining three divisional sports complexes sanctioned during the period July 2001 and August 2004 with a project cost of Rs 159.04 crore and commenced between December 2001 and March 2005 were not completed as of July 2009 due to land problems, delayed release of funds and increase in cost. An expenditure of Rs 37.58 crore was incurred on these works as of July 2009.

2.2.9.3 District sports complexes

Out of the eight test checked district sports complexes (sanctioned between December 1998 and August 2004), the works of three district sports complexes (Dhule, Nandurbar and Sindhudurg) were completed and works of two (Mumbai and Thane) were not started as of July 2009. The works of the remaining three district sports complexes (Ahmednagar, Pune and Nanded), sanctioned in February and October 2003 for Rs 27.78 crore and started during 2002-04 were not completed as of July 2009 due to land acquisition problems and non-execution of memorandum of understanding (MoU) with the Municipal Corporations. An expenditure of Rs 11.19 crore was incurred on these works as of July 2009. In this regard, the following were noticed.

- Though the district sports complex at Sindhudurg was completed (November 2000), the swimming pool was not put to use for more than ten years due to lack of water.

- Though the district sports complex at Nandurbar was completed in 2005-06, sports facilities such as swimming pool, gymnasium and toilets were not ready for use. Hostel constructed was given to tribal school as it was not being used for want of adequate amenities.
- The district sports complex was being constructed on finance, built and transfer basis on the land of the Ahmednagar Municipal Corporation (AMC). As no MoU was entered into between District Sports Complex Committee, Ahmednagar and the AMC, the AMC has claimed the ownership of the land and the structure erected thereon. The matter was pending in the court as of August 2009.
- Similarly, the district sports complex at Nanded was being constructed on the land of Nanded Municipal Corporation (NMC) without signing the MoU. As such, there was no free access to the district sports complex and the Department has to obtain permission from NMC for holding any event at this premises.
- The construction of district sports complexes at Mumbai (Suburban) and Thane was not commenced as of July 2009 for want of land.

2.2.9.4 Taluka Sports Complexes

Out of the 103 talukas in the selected districts, 59 taluka sports complexes (TSCs) were sanctioned. Of these, 17 were completed, 22 were in progress and work in 20 has not yet started. Test-check of 19 taluka sports complexes in these districts revealed deficiencies in sports facilities and basic amenities.

During the joint site visit to 19 TSCs in the selected districts, it was noticed that though the three taluka sports complexes viz., Burhannagar (Ahmednagar), Paithan (Aurangabad) and Kalyan (Thane) were reported as completed, sports facilities such as running track in Burhannagar, play field in Paithan, indoor complex in Kalyan were not provided as of May 2009. Further, basic facilities such as water, electricity and toilets/bathrooms were not provided in any of these three TSCs. As such, conducting regular practice for students (particularly girl students) as well as holding sports competitions was difficult.

Further, in case of Kamtee (Nagpur), Nevasa (Ahmednagar) and Palghar (Thane) the construction work had been undertaken without developing the land and even after spending the entire funds received, neither the play ground nor any infrastructure was available for sports.

2.2.9.5 Maintenance and upkeep of sports complexes

Though Government proposed (March 2003) to provide funds for maintenance of division/district/taluka sports complexes of Rs 15 lakh, Rs 10 lakh and Rs 3 lakh *per annum* respectively for the first three years, no funds were actually provided for this purpose. The committee to review the implementation of the Sports Policy had also expressed their concern over the issue and opined (June 2008) that in the absence of funds and manpower the complexes created would not be utilised efficiently, entailing wastage of Government money.

Due to lack of maintenance, the condition of the indoor halls, running tracks, swimming pools have deteriorated and could not be put to use.

2.2.9.6 Creation of sports infrastructure through Central assistance

The Central Scheme for creation of sports infrastructure was in operation since September 1998. Under this scheme, the cost would be shared between GoI and the grantee organisation in the ratio of 50:50 (75:25 for special category States). For construction of swimming pool (olympic size) the maximum grant admissible was Rs 60 lakh for general category States. The GoI grant was to be released directly to the State Government in one or more installments who in turn would release the amount to the grantee unit. The grantee unit was to submit progress/completion report and utilisation certificates. The works should be completed within two years of release of funds for infrastructure and within one year of release of funds for swimming pool. Violation of the conditions would entail the refund of the grant disbursed. In case the grantee did not refund the amount the same was to be recovered as arrears of land revenue. The scheme was closed on 1 April 2005, but the institutes who had submitted their proposals prior to the above period were eligible for financial assistance. Scrutiny of records and joint site visit to the swimming pools constructed under the scheme in selected districts revealed the following irregularities.

- Central grant of Rs 40 lakh was released (2000 to 2004) to an educational institution at Sakri in Dhule District for construction of olympic size swimming pool. The institution submitted (March 2003) completion report of swimming pool attested by the Executive Engineer, Zilla Parishad, Dhule. The joint site visit (February 2009), however, revealed that the construction of swimming pool was not completed, water filtration plant was not installed and even water supply was not made available. Though the institution promised to commission the pool by the end of March 2009, the same was not commissioned as of May 2009.
- Central assistance of Rs 60 lakh was provided (2003-05) to the Katol Nagar Parishad (Nagpur District) for construction of a swimming pool. The Nagar Parishad submitted (2006-07) utilisation certificate for Rs 20 lakh. A visit to the swimming pool revealed that the construction work of pool was in progress and the tiling, leveling, electrification work was not completed. Filtration plant and test run was also not done. The Nagar Parishad stated (May 2009) that the work would be completed soon.

Thus, in the above cases the work of swimming pool was not actually completed even after lapse of three to five years from the receipt of the grant and the facilities were not available to public. The Department did not ensure the actual execution/completion of the projects.

The Kalyan Dombivali Municipal Corporation (KDMC) in Thane District was sanctioned (March 2005) Rs 60 lakh for construction of a swimming pool. On the basis of progress report submitted (January 2007) by KDMC the GoI released (February 2007) Rs 42 lakh, through the School Education and Sports Department, GoM but the amount has not yet been released to the KDMC. The swimming pool was completed and was being used by public. The Department, stated (June 2009), that the amount was lying in the Government Account and after obtaining revalidation order from the GoI, the same would be released to KDMC.

2.2.10 Training and coaching

2.2.10.1 Shortage of coaches at district coaching centres

There were nearly 50 per cent shortages of coaches in district coaching centres

As per Sports Policy 1996, 213 district coaching centres were established across the State with a view to inculcate sports culture, create coaching facilities for various games and provide sports infrastructure for the promotion and development of sports in the State. The departmental coaches (Government qualified coach) impart training to the sportspersons and prepare them for State/national/international competitions in various disciplines in these centres on a regular basis. There were 113 coaches giving training to 7,421 sportspersons in these 213 district coaching centres. As there was nearly 50 per cent shortage of coaches with reference to the number of coaching centres, one coach has to cover more than one coaching centre of same discipline in a district. It was further noticed that the distribution of sports disciplines in the districts varied from district to district. While Pune has nine disciplines, Mumbai, Nagpur and Thane have coaching centres for only three disciplines. Similarly, Gadchiroli, Sindhudurg and Buldhana are having only one discipline. Coach-wise and game-wise details of coaching centres are given in the **Appendix 2.16**.

Coach of a particular game was transferred and replaced by a coach of another game; trainees had to leave the centre midway

Scrutiny of relevant records also revealed that in the eight test-checked districts a coach of a particular game was transferred and replaced by a coach of a different game (e.g. kabaddi coach is replaced by hockey coach). The training in that particular discipline was affected and due to the absence of a proper coach, the trainees undergoing training in that particular game had to leave the centre midway, adversely affecting their progress.

2.2.10.2 Coaching facilities in taluka coaching centres

Out of 382 talukas, only 50 taluka coaching centres were established

There are 382 talukas in Maharashtra. As per Sports Policy, 1996, 30 taluka sports coaching centres (TCC), i.e., one per district, were established till 2002-03. Considering the utility and benefit of TCCs already established, it was proposed, in the Sports Policy, 2001, to establish TCCs in all the talukas i.e., in the remaining 352 talukas in Maharashtra in the next five years. Subsequently, in March 2003, it was decided that TCCs should be a part of taluka sports complexes (TSCs), consisting of comprehensive sports facilities such as running tracks, various play fields, indoor stadium, and spectator gallery along with sports materials to be established in each taluka. Each TSC would have one Taluka Sports Officer (TSO), two sports instructors, and two

groundsmen/watchmen. The posts of TSOs, where Taluka Sports Complex are established, were to be filled up during the next five years.

As already discussed in Paragraph 2.2.9.1 out of the 273 TSCs sanctioned only 35 TSCs were completed and construction of 238 were in progress. Scrutiny revealed that as of March 2009, out of 382 talukas in the State, only 50 TCCs were functioning. Since only 35 taluka sports complexes were established so far, 15 TCCs were functioning in Government/ public/school play grounds which did not have adequate facilities.

It was also seen that only 12 TSOs were appointed. Out of 50 TCCs established, six centres had only one sport instructor against two sanctioned posts and two centres had no instructors. Nine centres had no watchmen or grounds men. As of March 2009, 4,089 trainees were receiving coaching in these 50 TCCs.

Further, against the proposed remuneration of Rs 2,000 and Rs 1,200 per month only Rs 1,500 and Rs 1,000 per month was being paid to the sports instructors and watchmen/grounds men respectively and that too in lump sum at the end of the year. These rates have not been revised since 2002-03 and hence no qualified instructors were willing to join these centres. Even maintenance grant and adequate sports equipment were not provided to the TSCs.

Department stated (December 2008) that the targets could not be achieved due to insufficient flow of fund and non-availability of land.

2.2.10.3 Relaxation in qualification for recruitment of coaches

As per Rule 3(ii) of Coaches (Director of Sports and Youth Services) Recruitment Rules, 1981 the minimum qualification prescribed for appointment of coach was a degree of University and/or degree in physical education with a certificate in regular coaching courses of the Netaji Subhash National Institute of Sports (NIS), Patiala. It was, however, seen that these rules were relaxed by the Government in December 2001 and NIS certificate in regular coaching course was made optional.

Out of 40 coaches recruited during 2001 to 2009 for the district coaching centres, 30 coaches did not have NIS Diploma. Despite shortage of coaches two coaches not having NIS certificate were not given any assignment related to sports. This points to their lack of ability to impart coaching. Relaxation of qualification of the coaches is not consistent with the sports policy of the Government which envisaged providing services of foreign coaches for development of the sportspersons to international standards.

2.2.10.4 Upgradation of coaching skills

Sports Academy Guidelines, 1997 stipulates that periodical refresher courses for coaches were required to be conducted for upgradation of their knowledge and skill commensurate with the modern technologies and techniques of various games as well as sports equipment. However, the Sports Policy, 2001 is silent on this aspect.

Information obtained from the sports academies, through audit questionnaire, revealed that no such courses were organised by the academies. It was ascertained during the joint visit to the selected sports academies that no registers or any records in the matter were maintained by the academies or Sports Department and no such refresher courses had been conducted by the Directorate as of June 2009. This resulted in depriving the coaches in acquiring modern techniques/technologies and skills in their respective games.

2.2.11 Sports academies

Maharashtra State Sports Policy, 1996 had placed great emphasis on identifying talented sportspersons at an early age and to train them to perform at national and international meets. Accordingly, since 1996-97, the Department has established 11 residential sports academies across the State including the academy at Pune which controls the functioning of the remaining 10 academies across the State. Admissions to the sports academies are made through a scientific selection method called Battery of Tests (BT). The BT is conducted annually at school, taluka, district, division and State level for students between the age group of 8 to 14 years. Selected students are admitted to the sports academies, wherein they would get systematic coaching, nutritious diet, practice, academic education in selected school (situated in the vicinity) and sports related medical facilities. It was envisaged that after 10 to 12 years of systematic coaching and practice a student would attain international standard in his/her discipline.

2.2.11.1 Battery of Tests

The Battery of Tests (BT) consisting of a set of nine¹⁸ different tests of physical capacity of children in the age group of 8 to 14 was conducted to identify talented sportsperson at an early age. It was stated that the BT was scientifically proved and suitable for Indian climatic conditions. The test is conducted at school, taluka, district, divisional, and State level and only students who qualify at the State level are admitted to the sports academies.

The year-wise details of participation and selection of students through BT for the age group of 8 to 14 years and their admission to the sports academies are as in **Table 3**.

Table 3 : Number of students selected through BT and admitted to sports academies

Year	Participated at school	Qualified at Taluka level (Per cent)	Qualified at State level (Per cent)	Finally qualified and admitted (Per cent)
2004-05	*	*	1173 (*)	97 (8)
2005-06	2141381	42941 (0.2)	1729 (4)	95 (6)
2006-07	2570910	7005 (0.3)	416 (6)	103 (25)
2007-08	2867120	9221 (0.3)	687 (7.5)	87 (13)
2008-09	1976286	12134 (0.6)	655 (5.4)	96 (15)

Source: Information furnished by the department (*Figures not available)

¹⁸ (1) Weight, (2) height, (3) 30 metres fly start, (4) vertical long jump, (5) vertical high jump, (6) 6x10 m shuttle run, (7) flexibility, (8) medicine ball throw and (9) 800m running

It could be seen from the above that less than eight *per cent* students who qualified at taluka level were selected for the State level, of which less than 25 *per cent* or less were finally selected for admission to the sport academies. As the same set of tests with the same bench marks were taken at each level, majority of students should have qualified and reached to the next level. Failure of large number of students to qualify in the same set of tests raises doubt about the utility of conducting the test at various levels. However, no review of the selection procedure has been done during the last 15 years. As non-academy sportspersons are performing better than academy's sportspersons, the viability and utility of BT should be reviewed so as to select deserving sportspersons.

2.2.11.2 Low capacity utilisation of sports academies

Capacity utilisation of the sports academies was low

Scrutiny revealed that the total intake capacity in the 11 sports academies as sanctioned by the Department is 960 and utilisation of the sports academies was far below their capacities as the students were reluctant to stay in the academies due to lack of accommodation and unhygienic lodging and boarding in the academies, lack of sports facilities/equipment and inadequate diets as discussed in paragraph 2.2.11.3. It was noticed that against the total sanctioned capacity of 960 students in 11 academies, actual intake was between 471 and 554 during the years 2004-05 to 2008-09. Girl students were admitted only in Pune Academy.

The academy-wise position of intake capacity and actual enrolment of students during 2008-09 was as in **Table 4**.

Table 4 : Position of intake capacity and occupancy of the sports academies in the test-checked districts

Place of academy (1)	Intake capacity of the academy (2)	Occupancy during 2008-09	
		Number of students (3)	Percentage (4)
Amravati	135	24	18
Kolhapur	90	31	34
Pune	170	224	132
Thane	50	26	52
Aurangabad	110	26	24
Nashik	50	14	28
Akola	85	43	51
Sangli	50	14	28
Nagpur	110	28	25
Pravaranagar (Ahmednagar)	60	21	35
Gadchiroli	50	20	40
Total	960	471	49

It would be seen that except for the Pune Academy the intake in the remaining 10 Academies was well below their capacities. The meagre response of students to join the residential academies was attributed by the DSO, Pune to unwillingness of the students and their parents to change the schools and

residences. Thus, the objective of setting up of the sports academies remained largely unachieved.

2.2.11.3 Coaching, lodging and boarding facilities at the academies

The sports academies which are meant to give specialised training, nutritious diet, adequate and modern sports facilities for creating international level sportspersons should be well equipped with the necessary and latest equipment to achieve the intended goals.

Scrutiny of records also revealed that 10 out of 11 sports academies, (*i.e.*, except Pune) are accommodated in rented premises having insufficient space and sports equipment and lack of facilities as discussed below:

- Thane Sports Academy which caters to badminton and athletics was accommodated under the spectator's gallery of the Thane Municipal Corporation's Stadium. The gymnasium and practice track of the sports academy are placed in an open corridor of the stadium. The dormitory for students was accommodated under the stair case of the Stadium and was congested. Even badminton practice was not scheduled in the evening due to non-availability of badminton hall to the inmates of the academy.
- Similarly, in Nagpur and Aurangabad sports academies, the boarding facilities were unhygienic and congested. In Nagpur, 400 meter running track for athletes and sufficient number of courts for handball practice were not available. Besides, sports equipment for athletics was not of the required standard *i.e.*, international standard.
- The diet norms adopted by the Sports Authority of India should have been followed by the sports academies in order to achieve the objective of grooming sportspersons of national and international standard. However, scrutiny of the records revealed that there was a common diet chart for all the students irrespective of their age group and discipline. As per sports academy guidelines, periodical review is required with regard to both physical and performance wise progress. No dieticians and sports medical officers visit any of the academies, except Pune Sports Academy, for examining periodical physical progress of each sportsperson. No supplements to improve the energy level and stamina of an individual sportspersons were provided in any of the sports academies, as recommended by the nutritionist in the Pune Sports Academy. It was further noticed that the rate of Rs 80 per student for daily diet, inclusive of all meals, milk, fruits, *etc.*, sanctioned in September 2003 has not been revised. Though the Sports Academy, Pune demanded Rs 150 per head in June 2008 for providing adequate and substantial nutritious food and it was agreed in the high level meeting held in June 2008 to provide Rs 125, the same has not been sanctioned as of June 2009.

- The rate of remuneration fixed in 1995 for categories I, II and III coaches were Rs 6,000, Rs 4,500 and Rs 1,500 respectively. In this regard it was stated (May 2009) by DSOs Pune and Ahmednagar that as these rates were not revised qualified national/international coaches were reluctant to impart training to the academy students. Thus, the trainees were deprived of high quality coaching and modern sports techniques mainly because there was no system for review of the rates of remuneration. It was noticed that the revised rates proposed during 2003-04 and approved by the Government in October 2008 were Rs 8,000, Rs 6,000 and Rs 3,000 for category I, II and III respectively. However, qualified national/ international coaches are not likely to be available with this marginal increase in the remuneration.

2.2.11.4 Performance of sportspersons from sports academies

The total medals won by sportspersons from the sports academies (SA) *vis-à-vis* the total medals won by sportspersons of the State at national school games during 2004-05 to 2007-08 was as in **Table 5**.

Table 5 : Performance of sportspersons of the State at national school games

Year	Number of inmates in SA	Gold		Silver		Bronze		Total Medals		
		State	SA	State	SA	State	SA	State	SA	Percentage of medals to inmates in SA
2004-05	471	111	47	129	41	111	64	351	152	32
2005-06	465	98	54	125	30	155	48	378	132	28
2006-07	518	109	38	135	43	135	36	379	117	23
2007-08	554	123	42	150	61	161	52	434	155	28
Total	2008	441	181	539	175	562	200	1542	556	28

It is creditable that the performance of Maharashtra in respect of medal tally has improved over the years. Performance of the sports academies (SA) also improved during 2007-08, but the percentage of medals won by inmates of SAs to total medals declined from 32 in 2004-05 to 23 in 2006-07 and 28 in 2007-08. The performance of sportspersons from the sports academies was low in comparison to the performance of non-academy sportspersons. This indicated that the standards of coaching and sports facilities available for academy students were inadequate. Though sports academies are supposed to develop sportspersons for both national and international sports meets the academy students had not won any medals in sports competitions like Asian Games, Olympic Games or World Championship during the last 15 years.

It was further seen that except for the Pune Sports Academy (having coaches for 13 disciplines) five academies had coaching for only two disciplines and the other five academies had coaching for only one discipline. Due to unsatisfactory performance of the academies at national and international level and also considering the large expenditure incurred on them, the Directorate suggested (September 2003) to close the residential academies except Pune Academy. However, on the direction of the Minister it was decided to continue these academies. The Mid-term Review Committee also

recommended (June 2008) the closure of the residential sports academies and setting up of non-residential sports academies.

Thus, the sports academies in the State had not lived up to the expectations even after pursuing and imparting specialised training for the last 15 years.

2.2.11.5 Girls' admission to sports academies

Except in Pune Sports Academy, there are no facilities for admission of girls students in the remaining 10 sports academies. As such, no girl was admitted in these 10 academies, which indicates that adequate opportunities were not provided for the talented girl students. Setting up of non-residential sports academy in each district for boys and girls would give equal opportunity to the girls to prove their talent in sports.

2.2.12 Physical Education

2.2.12.1 Shortage of physical education teachers

As stipulated in the Sports Policy, 2001 and Government resolution issued during January 2005 one physical education teacher (PET) should be appointed for every 250 students in secondary/higher secondary schools. Scrutiny of records in the 38 schools and replies to the questionnaire received from 500 schools in the nine selected districts revealed that only 38 *per cent* schools had fulfilled this norm. The ratio of PET to students in 62 *per cent* schools ranged from 1:500 to 1:1200 students. This has adversely affected the physical education in schools.

The adherence to the prescribed norms of PET in the schools was not ensured either by the Education Officers or by the Sports Officers.

2.2.12.2 Physical education in schools

As per the Sports Policy 2001, 15 *per cent* school periods and one period per day were to be earmarked for physical education and sports subjects. This was to be implemented from the academic year 2002-03. However, the Department had not issued any instructions in this regard though it was mentioned in the Sports Policy, 2001.

Scrutiny of records in the 38 schools and replies to the questionnaires received from 500 schools in the nine selected districts revealed that 96 *per cent* of the schools did not adhere to these norms and only seven to eight *per cent* school periods were allotted for physical education (*i.e.*, four periods out of 48/52 periods in the weekly time table).

2.2.12.3 Supervision of physical education

The Sports Policy 2001 stipulates that power of inspection of school was to be given to the District Sports Officers (DSOs) and Taluka Sports Officers (TSOs) for effective implementation of physical education and sports curriculum activities in the primary and middle schools. It was noticed that such powers were not delegated to the DSOs/TSOs. Further, it was not obligatory for the Education Inspectors to examine the implementation of the

Prescribed ratio of physical education teacher to students was not maintained in 62 per cent schools in the test-checked districts

physical education and sports activities in the schools during their visits to the schools as these items were not included in their prescribed check list. As a result, physical education and sports curriculum were not effectively implemented in the schools. Thus, lack of coordination between the Education and Sports Departments, though working under the same Secretary, resulted in non- implementation of the provisions of the Sports Policy.

2.2.12.4 Organising sports competition for school students

The Director of Sports and Youth Services, Pune, organises sports competition for 30 games, recognised by the School Game Federation of India (SGFI), at taluka, district, divisional and State level for school children in various age groups. A team selected from the State level competitions is also sent for national level school game competition. Besides, competition in 34 games are organised with the help of respective sports organisations. At State level, a game calendar is prepared by the Directorate for organising sports competition at various levels. As per Government resolution of November 1997, grants of Rs 500 and Rs 2,500 are admissible for conducting taluka and district level competitions respectively. For State level games, assistance for providing food to sportspersons in payment of daily allowance for referee or selection committee members is also admissible in addition to Rs 2,500 per game.

Scrutiny of records and information obtained revealed that the amount of grant fixed in 1996-97 has not been revised though there was huge increase in the expenditure in conducting these competitions. The DSOs of Ahmednagar, Aurangabad, Nagpur, Kandivali, Pune and Sindhudurg, opined that the amounts received for conducting the sports competitions were not sufficient. In April 2009, the Director submitted a proposal to the Sports Department to increase the amount of assistance.

Non-revision of the rates of assistance for conducting school games competition for such a long period shows lack of seriousness on the part of the Government.

Further, during the visit of schools in select districts and information obtained from them, it was noticed that out of 8,908 schools 4,111 (46 per cent) schools had not participated in school games as indicated in **Table 6**.

Table 6 : Participation of schools in school games

Sl. No.	Name of the district	Number of schools	Number of schools		Percentage of non-participation
			participated	not participated	
1	Pune	1881	1486	395	21
2	Mumbai Suburban	1200	850	350	29
3	Sindhudurg	200	50	150	75
4	Thane	1034	577	457	44
5	Dhule	454	390	64	14
6	Ahmednagar	891	620	271	30
7	Aurangabad	2462	427	2035	83
8	Nagpur	786	397	389	49
9	Nanded	NA	NA	NA	NA
Total		8908	4797	4111	46

In the test-checked districts, 46 per cent schools did not participate in the school games

The DSOs attributed the meagre participation of schools to non-receipt of separate grant for such activities since 2004-05. The shortages of physical education teachers in schools and insufficient physical education classes also contributed to their non-participation in school games.

2.2.13 Grants-in-aid to local bodies/sports associations/educational institutions for creation of sports infrastructure

In order to create interest among the youths about sports and physical fitness three¹⁹ schemes are in operation since 1997, under which grants-in-aid are given for development of playgrounds and gymnasias to educational institutions, sports associations, Government organisations and cultural societies *etc.*, whose main objective is development of sports. The salient features of these schemes are given in **Appendix 2.17**.

2.2.13.1 Financial assistance for development of gymnasium

The details of grants released during the period 2004-05 to 2008-09 and the number of institutions which benefited under the scheme are in **Table 7**.

Table 7 : Details of grants released to institutions for development of gymnasium (Rs in crore)

Year	Grant released	Number of institutions
2004-05	2.89	291
2005-06	2.08	220
2006-07	5.75	507
2007-08	8.50	677
2008-09*	12.33	814

*Provisional.

A test-check (February to June 2009) of 162 out of 600 grant-in-aid cases in the selected eight districts (information in respect of Nanded District was not available) revealed the following omissions/irregularities :

- Though the utilisation or completion certificates were due after one year after release of fund, 126 institutions, which availed grant of Rs 141.81 lakh for construction of gymnasium or purchase of gymnasium equipment did not submit utilisation certificates (UCs) for the period from 2004-05 to 2007-08.
- The main objective of 18 institutions (**Appendix 2.18**) such as Gram Vikas Mandal, Police Stations, and Women Rescue House *etc.*, which received grant of Rs 30 lakh for development of gymnasium, was not development of sports.
- Pre-inspection of the site/equipment in respect of above test-checked cases was not conducted by the respective DSOs, except in Aurangabad, though required as per the prescribed checklist.

¹⁹ 1. Development of playground (for both urban and rural), 2. Development of gymnasium (for both urban and rural) and 3. Development of playground and gymnasium at each village (quantum of GIA being less than that of first two schemes)

The Department did not ensure eligibility of the grantee units before release of grants and also utilisation of the grants for the intended purpose

- There was no signature of DSO on 63 approved individual proposals for grants-in-aid out of 84 proposals in Ahmednagar, Mumbai Suburban, Nagpur and Thane Districts in token of approval of the proposals.
- Six institutions which received grant for construction of gymnasia during 2005-06 and 2006-07, had neither applied for grant for gymnasium equipment nor submitted UCs for the same.
- On joint-site visit by Audit, it was seen that a gymnasium hall constructed in Ahmednagar was being used for yoga classes and another one was being used for storing hay stacks in Aurangabad District. In Pune District, a gymnasium hall was used as a class room.
- On joint-site visits, one organisation in Sindhudurg and three in Nanded Districts, which were to construct gymnasia, could not be located at the given addresses.
- In Ahmednagar a gymnasium could not be constructed on the land as it was under litigation. Further, one gymnasium was being constructed in the basement of building without proper ventilation facilities.

It could be seen from the above that the Department did not ensure the availability of land and its ownership before sanctioning and releasing the grant, which could have been noticed through pre-inspection. The Department did not ensure eligibility of the grantee units before release of grants and also utilisation of the grants for the intended purpose.

2.2.13.2 Grants-in-aid for Development of playground and gymnasium at each village

In rural areas this scheme is introduced to create interest and awareness among the youths about sports and physical fitness. Under this scheme maximum grant of Rs 1 lakh is admissible to grantee unit for development of sports facilities such as playground leveling, fencing, construction of gymnasium hall *inter-alia* eligibility conditions of grantee unit indicated in **Appendix 2.17**.

Test-check (February to June 2009) of 57 out of 215 cases of grants amounting to Rs 54.90 lakh paid to the grantee units for development of playground and gymnasium in each village in the selected eight districts (except Mumbai Suburban District) revealed the following:

- Pre-inspection of site and documents was not carried out by the DSOs in respect of all the test-checked cases, except in Aurangabad, as required.
- Application registers were either not maintained or entries were not authenticated by the DSOs.
- Thirty six institutions had not submitted UCs amounting to Rs 34.75 lakh up to 2007-08.

- Signatures of DSO, Nagpur in token of approval of the individual proposals were not available in eight²⁰ cases involving Rs 8 lakh.
- Plans and estimates of the construction proposals of 22 institutions were not approved by the Public Works Department/Zilla Parishad though it was a condition for sanction of grant.
- Land, as per the prescribed norms, was not available in three²¹ cases involving Rs 3 lakh.
- Fourteen out of 17 beneficiaries in Aurangabad and Nagpur Districts who received grant of Rs 14 lakh for construction of gymnasia during the years 2004-05 to 2007-08 had not applied for gymnasium equipment so far.
- During field visit it was seen that in Nagpur district, grant-in-aid of Rs 1 lakh, was paid to Sagar Dairy Junior College during 2007-08 for construction of gymnasium. However, a laboratory was established in the gymnasium hall and at another place school classes were being conducted. In Aurangabad, yoga classes were being run in the gymnasium hall.
- During site visit it was noticed that the gymnasium constructed by Sanjeevani Medical Training Centre, Ahmednagar during 2005-06, with grant-in-aid of Rs 1 lakh, was dismantled and a class room was being constructed.
- In Dhule grant was given for development of playground on agricultural land.

2.2.13.3 Fraudulent disbursement of GIA at Nanded

On the basis of a report (May 2009) of an enquiry committee, appointed by the Director of Sports, Pune for examining the GIA disbursement in Nanded, the DSO, Nanded and two other officials of his office were suspended (May 2009) on charges of misappropriation of funds and fraudulent disbursement of grants-in-aid to ineligible grantee units. An FIR was also lodged with the police in May 2009. The amount involved was Rs 22.90 lakh paid to three grantee units during 2007-08. The enquiry committee noticed non-conducting of pre/post-inspection of site, absence of signature of DSO on the proposal in token of recommendation/ approval, non-submission of UCs *etc.*, which

²⁰ (1) Shri Ram Gram Vikas Sikshan Sansthan, (2) Yashwant Bahuddeshiya Jankalyan Sansthan (3) Shri Vasundhara Van aur Paryavaran Vikas Bahuddeshiya Sanstha (during 2005-06); (4) Late Kamlabai Sawarkar Sikshan, Kamlabai Sawarkar Primary Adivashi Ashramshala (during 2006-07); (5) Institute of Engineering and Technology and Saibaba Adivashi Ashramshala (6) Ramtek Sikshan Sanstha's Sagar Junior College (7) The Teachers' Welfare Education Society and Shri Sant Gyaneshwar Vidya Mandir High School and (8) Zilla Parishad Higher Primary School, Chirwaha (during 2006-07)

²¹ Ahmednagar District: Sanjeevani Medical Training Centre, during 2005-06; Aurangabad District: Pandit Dindayal Updhyay Sikshan Sansthan, during 2006-07 and Nagpur District: Institute of Engineering and Technology, during 2007-08

concluded with the audit findings (February-April 2009) in the other districts. As such, the misutilisation of funds in these cases also cannot be ruled out.

2.2.14 Awards and incentives

The Government introduced the following awards/incentive schemes for talented sportspersons and outstanding players who bring glory to the nation in general, and Maharashtra in particular. The Government also framed rules in 1988-89 governing the grant of such awards/incentives. A selection committee was appointed by the Government for recommending the names of the eligible sportspersons for awards and incentives.

2.2.14.1 Awards

The three major awards of the State are Shiv Chhatrapati State Sports Award for sportspersons for lifetime achievement in sports, Dadoji Konddev Award for outstanding performance of coaches and Eklavya Award for physically handicapped sportsmen.

Scrutiny revealed that though eligible sportspersons for the year 2006-07 were selected in October 2008, felicitation ceremony has not been conducted and selection of sportspersons for the year 2007-08 not yet been done as of June 2009. Due to delay in conferring awards to sportspersons the very purpose of encouraging the sportspersons is not fulfilled.

2.2.14.2 Incentives

The three major incentive schemes of the State are:

- Monthly pension scheme for veteran and senior persons who had made outstanding performance in national/international sports competition (Rs 1,000 for international, Rs 800 for national, Rs 2,000 for wrestling).
- Cash award for sportsperson who had won gold/silver/bronze medal in Olympic, Asian, World Cup, Commonwealth and National games.
- Scholarship to the sportspersons who won a medal in school game competition.

The amounts given to national award winner sportsperson *viz.*, Rs 10,000, Rs 7,000 and Rs 5,000 for gold, silver and bronze medal winners respectively were meagre and would neither encourage them nor help in promotion of the game. The Mid Term Review Committee in its report stated (June 08) that the Andhra Pradesh Government gives Rs 5 lakh, Rs 3 lakh and Rs 2 lakh and Punjab and Assam and other State Governments give Rs 3 lakh, Rs 2 lakh and Rs 1 lakh as incentives for above categories respectively and therefore the amount of incentives for the sportspersons in Maharashtra should be enhanced suitably.

It was noticed that though Maharashtra had won 25 gold, 28 silver and 45 bronze medals in the 33rd National Games held in Guwahati, Assam in 2007, the medal winners had not been honoured with any incentives as of June 2009.

There were delays in conferring the awards

Incentive amounts paid to the award winner sports persons were inadequate

2.2.15 Monitoring and internal audit

2.2.15.1 High Power Committee

The Sports Policy, 2001 stipulates constitution of a High Power Committee, under the Chairmanship of the Minister (Sports). The Secretary, Sports Department is the Member Secretary of the committee and is responsible for implementation of the Sports Policy. As per Government resolution (August 2003) the main functions of the committee are preparing a detailed action plan, periodical review and monitoring the progress of various schemes in addition to co-ordination with concerned agencies and Government departments, taking remedial measures and suggesting modification required from time to time.

It was, however, noticed that the High Power Committee was never constituted. As such, a detailed action plan was not prepared and periodical review of implementations of various schemes was not conducted.

The Department stated (June 2009) that since a State Sports Development Committee (SSDC) was established in March 2003 with similar objectives, the High Power Committee was not constituted. The reply was not tenable as the Government resolution of August 2003 regarding constitution of High Power Committee was issued subsequent to the constitution (March 2003) of SSDC. Further, the HPC is to monitor the implementation of schemes envisaged in the Sports Policy, 2001, while SSDC was constituted to prepare action plan for overall sports infrastructure development in the State and their execution. However, even SSDC had not prepared phase-wise programme for implementation of various schemes in the sports policy.

2.2.15.2 Mid-term Review

As required, a mid-term review of progress of implementation of Sport Policy, 2001 was conducted by a committee appointed by the Government during 2006-07 and the report was submitted to Sports Department in June 2008. In the report, the Committee commented on laxity in implementation of various schemes related to physical education, participation of schools in sports competition, inadequate physical training periods in school timetable, shortage of fund for creation of sports infrastructure and maintenance of various sports facilities, low performance of sports academies and recommended various measures for effective and timely implementation of Sports Policy across the State. The major recommendations of the Committee are given in **Appendix 2.19**. However, no action on this report was taken as of August 2009.

2.2.15.3 Internal audit

As per Government resolution of August 1980, an internal audit wing was to be created to ascertain the lapses, irregularities in disbursement and utilisation of grants. It was noticed that no internal audit wing was created and staff earmarked for this purpose. As such, the Department could not ascertain the

No action on the recommendations of the review committee was taken

lapses, irregularities in disbursement and utilisation of grants sanctioned and omissions in the daily transactions, as pointed out in the preceding paragraphs.

2.2.15.4 Asset account

Asset account of the sports complexes created was not maintained

As per Government resolution of March 2003, the divisional/district/taluka sports complex committees established under the Trust Act/Registration Act, have to construct and maintain the respective sports complexes. Since these sports complexes are constructed partly with Government funds the committees are required to maintain an asset register as per provisions contained in para (1) in Section III of Appendix 22 of the Bombay Financial Rules, 1959. It was, however, noticed that the committees had not maintained such asset registers. Further, as these committees are preparing only Receipt and Payment Account and Income and Expenditure Account and not preparing any Balance Sheet, the assets are not reflected in their accounts.

2.2.16 Conclusion

Government initiatives for development of sports in the State were inadequate. The objectives of the Sports Policy, 2001, which aimed all-round development of sports in Maharashtra, was not achieved fully due to lack of funding, proper planning and shortage of manpower. While none of the seven proposed divisional sports complexes were completed, only 11 out of the 29 proposed district sports complexes and 35 out of 382 taluka sports complexes were completed. Shortages of coaches adversely affected the functioning of the district coaching centres. Out of 382 talukas, only 50 taluka coaching centres were established. The sports academies did not have proper accommodation and basic amenities for the inmates, adequate diet and medical facilities and also lacked sports facilities. As a result, their utilisation was far below their capacities. There were shortages of physical education teachers and allotment of periods for physical education in schools was insufficient. Funds provided for conducting taluka and district level sports competitions were meagre. Participation of the schools in competition events was too little. Proper utilisation of grants-in-aid given to non-Government organisations/ institutions for creation of sports infrastructure was not ensured. The amounts of awards/ incentives given to eligible sportspersons were meagre. Action on the recommendations of the Mid-term Review Committee, appointed for reviewing the implementation of Sports Policy, 2001 is yet to be taken.

2.2.17 Recommendations

- Government should consider enhancement of plan outlay for sports development and ensure proper functioning of the State Sports Development Fund.
- Government should chalk out a proper action plan and schedule for early completion of the sports complexes.
- Government should convert the ineffective residential sports academies to residential cum non-residential academies and provide adequate facilities to attract more students.

- Government should also consider revision of the amount sanctioned for the diet to the trainees and provision of nutritious diet as per requirement.
- Government should evolve a reliable mechanism to ensure effective implementation of physical education and sports curriculum in schools.
- Government should consider revision of funds provided for conducting taluka and district level sports competitions.
- Government should streamline the mechanism to ensure proper utilisation of grants given to non-Government institutions.
- Government should consider enhancement of the rates of incentives and awards to the sportspersons.

Rural Development and Panchayat Raj Department

2.3 Working of DRDAs in Maharashtra

Highlights

The District Rural Development Agency (DRDA) has traditionally been the principal organ at the district level to oversee and monitor the implementation of various schemes for eradication of poverty in rural areas. A performance audit of the Working of DRDAs in Maharashtra revealed deficiencies in management of fund and planning and selection of beneficiaries. The supervision and monitoring of the schemes was found to be inadequate affecting their successful implementation.

Management of funds in DRDAs was unsatisfactory. Due to short utilisation/ excess carryover of funds, inadmissible expenditure and short release of State matching share, Government of India imposed a cut Rs 12.16 crore in its share towards Indira Awas Yojana (IAY), Swarnjayanti Gram Swarozgar Yojana (SGSY) and DRDA Administration Scheme.

(Paragraphs 2.3.6.2 and 2.3.6.3)

Unspent balances of Rs 5.30 crore lying in the Sampurna Gramin Rozgar Yojana accounts were not transferred to Maharashtra Rural Employment Guarantee Scheme implemented by the Collectors/State Government. There were delays ranging from three to 47 months in release of funds of Rs 9.30 crore under Hariyali scheme to the implementing agencies in six out of the eight test-checked DRDAs during the period 2004-09.

(Paragraphs 2.3.6.4 and 2.3.6.5)

None of the eight selected DRDAs had prepared annual plans for IAY and SGSY during the period 2004-09.

(Paragraph 2.3.7.1)

The eligibility of 278 (86 per cent) out of 325 households in 32 test-checked villages, who were given benefits under various schemes during 2006-09, was doubtful due to improper survey conducted for BPL Census, 2002.

(Paragraph 2.3.8.1)

The supervision and monitoring of the implementation of various schemes by the DRDAs was found to be inadequate affecting their satisfactory implementation. There were shortfalls in holding the meetings of various committees, non-verification of data in the quarterly reports received from implementing agencies and non-conducting of inspections.

(Paragraph 2.3.9)

Out of 41,477 self help groups (SHGs), formed in the eight selected districts till March 2008, which had completed a year of their formation, 36,300 SHGs (88 per cent) had not started economic activities. Infrastructure created without considering the needs of SHGs remained idle.

(Paragraphs 2.3.10.1 and 2.3.10.5)

Under IAY, achievement in construction of dwelling units was 97 per cent. However, in four districts, completion of 271 dwelling units was delayed due to non-availability of land and inability of the beneficiaries to complete the works within sanctioned amount. DRDAs had neither maintained inventory of the IAY dwelling units nor made valuation of the completed buildings.

(Paragraphs 2.3.11 and 2.3.11.1 to 2.3.11.3)

None of the 788 projects under Hariyali scheme targeted in the test-checked DRDAs was completed. Against the project cost of Rs 245 crore, only Rs 119.19 crore was released and Rs 97.87 crore was spent, due to delay in preparation of action plan, lack of technical staff and lack of response from project implementing agencies and non-Government organisations.

(Paragraph 2.3.12.1)

2.3.1 Introduction

The District Rural Development Agency, (DRDA) in Maharashtra, a society registered under the Bombay Society Act, 1860 and Bombay Charitable Trust Act, 1950 has traditionally been the principal organ at the district level to oversee the implementation of various schemes for eradication of poverty in rural areas. The DRDAs do not execute any schemes directly but get them executed through the line departments and Panchayat Raj Institutions. For this purpose, the DRDAs co-ordinate with these departments, banks and other financial institutions, non-Government organisations (NGOs) and technical institutions with a view to garner the support and resources required for poverty eradication in the districts. The DRDA is responsible for closely monitoring the implementation of various schemes by obtaining periodical reports as well as frequent field visits. It is also the duty of the DRDAs to oversee and ensure that the benefits reach the specifically earmarked for certain target groups *i.e.*, BPL households, scheduled caste (SC)/scheduled tribe (ST), women and disabled.

2.3.2 Organisational set up

There are 33 DRDAs in the State under the overall administrative control of the Secretary, Rural Development and Panchayat Raj Department. The Chairperson of the Zilla Parishad is the Chairperson of the Governing Body of DRDA. The Project Director is in overall charge of the activities of the DRDA and is responsible for interaction with the District/State administration as well as the Government of India. He is assisted by the Self-employment Wing and Wage & Employment wings headed by Project Officers, Engineering Wing

headed by an Executive Engineer and Accounts Wing headed by an Accounts Officer. The Monitoring & Evaluation and General Administration Wings work directly under him.

2.3.3 Audit scope and methodology

Performance audit on the “Working of DRDAs in Maharashtra” covering the period from 2004-05 to 2008-09 was conducted between January and May 2009 by test-check of records at Mantralaya and eight out of 33 DRDAs. Records of two Block Development Officers (BDO) under each DRDA and two village panchayats under each BDO were also test checked. Yavatmal and Hingoli DRDAs were selected as they had the highest and lowest number of blocks respectively under them. The other six DRDAs²² and all the BDOs and village panchayats were selected by simple random sampling method (**Appendix 2.20**).

Since the Indira Awas Yojna (IAY), the Swarnjayanti Gram Swarozgar Yojana (SGSY), Hariyali and DRDA Administration are the four major schemes implemented by all the DRDAs, amongst the various schemes implemented by the DRDAs in Maharashtra, audit scrutiny was restricted to the records related to these schemes.

Further, audit conducted a joint survey, along with DRDA officials, of beneficiaries of IAY and SGSY schemes in the selected villages to ascertain the impact of the schemes. The findings of the joint survey are given in paragraph 2.3.8. The audit plan, audit objectives and audit criteria were discussed with the Secretary, Rural Development and Panchayat Raj Department in an entry conference held in February 2009. However, responses of the Government to the draft performance audit report sought for in July 2009 were not received (October 2009).

2.3.4 Audit objectives

The objectives of the performance audit were to assess whether:

- Funds were managed prudently by DRDAs as per the guidelines;
- Planning for implementation of the schemes was done in an effective manner by the DRDAs;
- Selection of beneficiaries of various schemes was proper; and
- DRDAs monitored the implementation of programmes by the implementing agencies.

2.3.5 Audit criteria

The main criteria used for the performance audit are:

- Scheme guidelines in respect of DRDA Administration, SGSY, IAY and Hariyali schemes.
- BPL Census, (2002) Guidelines.

²² Ahmednagar, Bhandara, Nanded, Nandurbar, Raigad and Thane

- Government of India (GoI)/Government of Maharashtra (GoM) orders issued from time to time.

Audit findings

2.3.6 Financial management

2.3.6.1 Funding pattern

The funds for SGSY, IAY, Drought Prone Area Programme and DRDA Administration are shared between GoI and GoM in the ratio of 3:1 and that of Hariyali/Integrated Water Development Programme in the ratio of 11:1. The GoI releases its share in two installments by transferring money to the bank account of the DRDA. The GoM makes provisions for its share in the annual budget and allocates the same to the DRDAs in two installments.

2.3.6.2 Short utilisation of funds

During the period 2004-09, the DRDAs received Rs 2,748.40 crore under the four major schemes (SGSY, IAY, Hariyali and DRDA Administration). Out of total available funds of Rs 2,822.22 crore, including opening balance of Rs 73.82 crore, the DRDAs spent Rs 2,713.62 crore leaving a total unspent balance of Rs 108.60 crore.

The scheme-wise details of funds received, total funds available and expenditure incurred under the four major schemes covered in audit during the period 2004-05 to 2008-09 for the State as a whole and for the eight test-checked districts are given in **Appendix 2.21** and **Appendix 2.22** respectively.

It would be seen from the appendices that utilisation of funds under the SGSY and IAY during the years 2004-05 to 2008-09 was in the range of 93 *per cent* to 98 *per cent* of the total funds available. Similarly, utilisation of funds under DRDA Administration was also satisfactory and ranged between 65 *per cent* and 83 *per cent*. However, utilisation of funds under Hariyali scheme ranged between 48 *per cent* and 62 *per cent* only. Scrutiny of records in the test-checked districts also showed a similar picture. Shortfall in utilisation of funds under DRDA Administration was due to shortage of manpower which adversely affected the planning and monitoring functions of the DRDAs. Under-utilisation of funds under Hariyali was due to delay in release of funds by DRDAs, as mentioned in paragraph 2.3.6.5.

2.3.6.3 Short receipt of Central assistance

GoI imposes a cut in Central assistance for short release of State's share and unutilised balance exceeding 15 *per cent* of the annual allocation. In eight test-checked districts Central assistance of Rs 12.16 crore was received short, due to excess carryover of funds, short release of State's share and inadmissible expenditure on purchase of vehicles, as detailed in **Appendix 2.23**. In two DRDAs (Hingoli and Yavatmal) State's share of Rs 1.52 crore was not released during 2006-07 (Rs 0.04 crore) and 2008-09 (Rs 1.48 crore). The DRDA, Thane attributed the short utilisation of funds under DRDA Administration to shortage of manpower and DRDA, Yavatmal accepted the

inadmissible expenditure on purchase of vehicle. Reasons for under-utilisation/excess carryover of funds under SGSY and IAY were, however, not given by the DRDAs.

2.3.6.4 Transfer of funds of closed schemes

The Sampurna Garmin Rozgar Yojana (SGRY) implemented by the DRDAs, was merged in a phased manner with Maharashtra Rural Employment Guarantee Scheme²³ (MREGS) during 2006-07 and the unspent balances under SGRY were required to be transferred to MREGS. Scrutiny revealed that in six²⁴ out of eight test-checked DRDAs, unspent balances of Rs 5.30 crore lying in the SGRY accounts, as of March 2009, were not transferred to MREGS implemented by the Collectors of the respective district/State Government. The DRDAs agreed (March to May 2009) to transfer the unspent balances.

2.3.6.5 Delay in release of funds under Hariyali scheme

There were no significant delays in release of funds to the beneficiaries under SGSY or IAY. However, scrutiny of the cash books maintained for Hariyali scheme, revealed that though the funds were to be released to the project implementing agencies (PIAs) and the Village Panchayats within 15 days of receipt of funds from the GoI and GoM, there were delays ranging from three to 47 months in release of funds to the tune of Rs 9.30 crore in six²⁵ out of the eight test-checked DRDAs during the period 2004-09. Delays in release of funds by the DRDAs adversely affected implementation of the scheme.

2.3.6.6 Lack of control in disbursement of financial assistance

In five Blocks²⁶, cheques²⁷ in respect of 78 beneficiaries amounting to Rs 8.20 lakh issued between November 2005 and December 2008, were not delivered to the beneficiaries as of March 2009 and were kept in cash chest. Further, in five blocks²⁸ and in DRDA Raigad, cheques in respect of 115 beneficiaries amounting to Rs 8.87 lakh issued and delivered up to December 2008, were not encashed by the beneficiaries as of March 2009. These cheques were not cancelled and written back by the concerned BDOs. Similarly, in Akkalkua Block, 812 cheques amounting to Rs 87.87 lakh issued during the period September 2000 to March 2008 were also not encashed as on 31 March 2008. The reconciliation of cash book with bank pass book was not done in

Cheques amounting to Rs 8.20 lakh issued between November 2005 and December 2008 were not delivered to the beneficiaries in five blocks

²³ The State Scheme 'Employment Guarantee Scheme' and the Central Scheme 'NREGS' have been merged (April 2006) and named as 'MREGS'

²⁴ Ahmednagar (Rs 7.84Lakh), Bhandara (Rs 3.94 lakh), Nandurbar (Rs 28.36 lakh), Hingoli (Rs 3.63 lakh), Raigad (Rs 84.80 lakh) and Thane (Rs 401.43 lakh)

²⁵ Bhandara(5-24 months), Hingoli (5-16 months), Nanded(8-18months), Nandurbar (7-47months), Thane (3-32 months) and Yavatmal (7 -34 months)

²⁶ Bhivandi (Rs 0.57 lakh) , Lakhni (Rs 0.70 lakh), Pen (Rs 2.37 lakh), Shrigonda (Rs 0.78 lakh) and Wada(Rs 3.78 lakh)

²⁷ Valid for three months from the month of issue

²⁸ Tumsar (Rs 0.62 lakh), Hingoli (Rs 0.50 lakh), Umri (Rs 2.98 lakh), Shahada (Rs 1.96 lakh), Yavatmal (Rs 1.56 lakh) and DRDA Raigad (Rs 1.25 lakh)

Akkalkuwa Block of Nundarbar District after March 2008. However, no reasons for the same were given by the BDOs concerned.

The non-delivery of cheques not only resulted in inflating the expenditure but also indicates lack of control in disbursement and utilisation of funds.

2.3.7 Planning

2.3.7.1 Preparation of annual plan

Sound planning is essential for effective implementation of the schemes for self employment, wage employment, rural housing and infrastructure development in rural areas. As per the guidelines of SGSY, IAY and the DRDA Administration, annual plans are to be prepared and got approved by the Governing Body of the DRDA. Further, according to the SGSY guidelines, the annual plans should also contain block-wise proposals for infrastructure drawn in consultation with the banks. It was, however, noticed that none of the eight selected DRDAs had prepared annual plans during the period covered by Audit. However, on receipt of sanction of the first installment of Central funds, an action plan indicating financial and physical targets for each block was prepared by the DRDAs. It was informed by the DRDAs that detailed instructions regarding the annual plan were not issued either by the GoI or by the GoM. Non-preparation of the requisite annual plans had resulted in non-observance of scheme guidelines besides unsatisfactory implementation of the schemes.

The DRDAs agreed (January to May 2009) to prepare annual plans from the year 2009-10.

2.3.7.2 Maintenance of database

According to SGSY guidelines, the DRDAs were to act as the nodal agency for developing the database of self help groups (SHGs) formed under all the schemes such as Development of Women and Children in Rural Areas, Rashtriya Mahila Kosh, National Bank for Agriculture Research and Development (NABARD) assisted schemes, Swa-Shakti, Swayamsidha *etc.*, so as to ensure convergence of these schemes and ensure better planning for training and other requirements of SHGs.

Scrutiny of records revealed that none of the test-checked DRDAs had prepared a database in respect of SHGs formed under different schemes or taken effective measures to strengthen and consolidate these groups before forming new groups under SGSY. As a result, SHGs formed under old schemes were left unattended and convergence of various schemes as well as better planning for training and other requirements of SHGs were not ensured as envisaged in the guidelines.

2.3.8 Selection of beneficiaries

2.3.8.1 Selection of below poverty line households

As the BPL households are the beneficiaries of various anti-poverty programmes implemented by the GoI, DRDA conducts a BPL Census at the

beginning of each Five Year Plan. Accordingly, BPL Census, 2002 was conducted during 2003-04, through the DRDAs. A score based ranking of each household indicating the quality of life, based on both economic and social indicators was adopted for the Census. For this purpose, 13 indicators²⁹ with scores zero to four for each indicator were designed. As per the BPL Census guidelines, the households which scored up to the cut off score on the basis of total score secured by them on these indicators were included in the BPL list 2002. The computerised data of BPL list so prepared by DRDAs was sent to the Rural Development and Panchayat Raj Department of GoM for finalisation and approval. The households, whose names were included in the BPL list, were eligible as beneficiaries for schemes implemented by the DRDAs and other agencies. The BPL list of 2002 consisting of 45.02 lakh households was brought into effect from the year 2006-07. Scrutiny of the related records revealed the following lacunae.

The census was to be conducted through the Talathis and Gramsevaks. However, due to their reluctance to do the census work, the actual census work was entrusted to the Muster Roll Assistants, Siksha Sevaks, part-time employees and retired employees who were not conversant with the job given to them. It was noticed that 20.37 lakh households not included in the BPL list appealed to the revenue authorities. Of these, 18.73 lakh appeals were decided and 5.10 lakh households were considered as BPL. However, these households were not included in the BPL list, as the same was already finalised. These households were kept on the waiting list and did not get any benefit from the schemes framed for BPL households. This indicates that the census was not carried out properly.

Further, Audit conducted a joint survey along with DRDA officials of the BPL household beneficiaries in the randomly selected 32 villages for ascertaining their eligibility with reference to the data of BPL Census. Since the BPL list as per BPL Census, 2002 was introduced from 2006-07, in order to have an adequate sample size, all the 779 beneficiaries of the schemes in the selected villages for the period 2006-09 to 2008-09 were considered. Of these, joint survey by Audit and departmental officers could be conducted in respect of 416 beneficiaries (53 per cent), due to non-availability of 363 beneficiaries during the site visits. Since family ID and names of 91 beneficiaries out of these 416 were not found in the data of BPL Census, 2002, the data in respect of the remaining 325 beneficiaries (42 per cent) (**Appendix 2.20**) was analysed in audit.

The data so collected during joint survey was compared with data of BPL Census, 2002 and also data available on the website www.rural.nic.in. Since nine out of 13 indicators used in BPL Census, 2002 were of temporary nature

²⁹(1) Size group of operational holding of lands, (2) Type of house, (3) Average availability of normal wear clothing, (4) Food security, (5) Sanitation, (6) Ownership of consumer durables, (7) Literacy status of the highest literate adult, (8) Status of the household labour force, (9) Means of livelihood, (10) Status of children (5-14 years), (11) Type of indebtedness, (12) Reason for migration from household and (13) Preference of assistance

and could undergo changes at any time, only four indicators such as land holding, literacy, labour force and migration status which are of constant nature and verifiable were considered for comparison and analysis. The result of the analysis was as follows:

- Part A of the format of BPL Census, 2002 contained general information of the household called 'profile of the household'. Part B contained the 13 indicators for scoring purpose for deciding the BPL status. Some data was common for both Part A and Part B. Scrutiny of database in respect of eight selected DRDAs revealed that though in Part A information in respect of indicator 'type of operational holding of land' was shown as owner of land, in Part B 'land status' of the same household was shown as 'nil' in respect of 292 households.
- Joint survey also revealed that 73 out of 325 selected BPL households (22 *per cent*) were holding land, though shown as landless in BPL Census, 2002.
- The literacy status of the highest literate adult was to be considered in the BPL census, 2002. Though 94 out of 325 selected BPL households (29 *per cent*) were having a literate adult at the time of the census the literacy status of these households was shown as illiterate in the BPL Census, 2002.
- The bonded labour was abolished in the year 1977 vide the Bonded Labour System (Abolition) Act, 1976. According to a survey carried out as per the direction of court order and monitored by the National Human Rights Commission (NHRC) there were only 1,618 bonded labourers in Maharashtra in December 2008. However, BPL Census, 2002, showed 11.31 lakh bonded labourers (including 5.97 lakh included in the BPL list). Further, joint survey by Audit indicated that none of the 325 selected households were found to be bonded labourers, whereas 61 selected BPL households (19 *per cent*) were shown as bonded labourers as per BPL Census, 2002.
- Also the status of labour force in respect of 33 households out of 325, was shown as 'female and child labour' in BPL Census, 2002 whereas 19 out of the above 33 BPL households were either having no children in the age group of four to 14 years or the children in that age group were going to school at the time of census.
- The score given for migration status as per the BPL Census, 2002 ranged from zero to two for casual work, seasonal employment and other form of livelihood respectively. It was noticed that none of the 325 selected households were migrant, though BPL Census, 2002 showed 232 households (71 *per cent*) as migrants on account of casual work, seasonal employment and other forms of livelihood.

Considering the above, the scores for deciding the BPL status would be higher than the actual scores given, as per the BPL Census, under various parameters

in 278 cases³⁰. As the actual scores in respect of these households were more than the allotted scores, the households were either not BPL or they found a higher place in the priority list of BPL households. Hence, the eligibility of 278 (86 *per cent*) households who were given benefits under various schemes was doubtful. Further, this also deprived poorer households of availing the benefits under various schemes.

Apart from four indicators discussed above, there was also a discrepancy in the data about house type between BPL Census, 2002 and the National Sample Survey Organisation Report 2003. As per BPL Census, 2002 more than 11 *per cent* households were houseless and 34 *per cent* were having *kutcha* houses. However, the National Sample Survey Organisation Report 2003 showed that only nine *per cent* households were having *kutcha* houses and 90 *per cent* households were having semi *pucca/pucca* houses and none of the households were shown as houseless. Considering the data of the National Sample Survey Organisation, possibility of sanctioning dwelling units to persons having semi *pucca/pucca* houses cannot be ruled out.

2.3.8.2 Updating of BPL list

As per BPL Census, 2002 guidelines, if any BPL household crosses the cut-off score on sustainable basis, that household should be deleted from the BPL list. Such reviews for deletion should be made annually by the Gram Sabha. Further, on the basis of writ petition filed by Peoples Union of Civil Liberty, the Supreme Court had directed that a provision may be made to add new names and delete the ineligible names from the BPL list on a continuous basis during the period to which the list applies.

The monthly progress report (MPR) of SGSY (March 2009 of SGSY) prepared by DRDAs showed that 1,85,377 households (including 52,047 in eight selected districts) had crossed the poverty line in Maharashtra. It was, however, noticed that none of the eight selected DRDAs had collected the result of such annual review of BPL households from the village panchayats for compilation of the same and the Government had also not adopted any mechanism to identify the households crossing poverty line. Therefore, the reliability of above data in the MPR could not be verified in audit.

2.3.9 Monitoring of the implementation of schemes

Since DRDAs are not executing any schemes directly, but only getting them executed through the line departments and Panchayat Raj institutions, it is imperative that they monitor the implementation of various programmes/schemes effectively by holding periodical meetings of various committees formed for the purpose, conduct field visits and obtain periodical progress reports. Scrutiny revealed that the monitoring of the implementation of various schemes by DRDAs was inadequate as explained in the following paragraphs.

³⁰ The scores were higher in respect of five households in four parameters, 51 households in three parameters, 97 households in two parameters and 125 households in one parameter

2.3.9.1 Meetings of the Governing Body/Executive Committee of DRDA

There were shortfalls in holding the meetings of Governing Bodies and Executive Committees of the DRDAs

The Governing Body of DRDA provides policy directions, approves the annual plan and also reviews and monitors the implementation of the planned programmes. All executive and financial powers of the DRDA are exercised by an Executive Committee, with the Chief Executive Officer of the Zilla Parishad as Chairperson and Project Director, DRDA as Member Secretary.

As per DRDA Administration guidelines, the Governing Body of the DRDAs should meet quarterly and the Executive Committee monthly.

It was noticed that the shortfalls in holding meetings of the Governing Bodies and Executive Committees of DRDAs in the eight test-checked DRDAs during 2004-09 ranged between 35 per cent and 100 per cent and 18 per cent and 100 per cent respectively (**Appendix 2.24**). This indicates inadequate control on planning and implementation of schemes at these levels.

2.3.9.2 Shortfall in holding meetings of various Committees

There were shortfalls in holding meetings of the various Committees

It was observed that there were huge shortfalls in holding the meetings of the various committees constituted for monitoring of the implementation of the programmes/schemes as indicated in **Table 1**.

Table 1 : Table indicating shortfall in holding meetings

Name of the committees and their formation	Main functions of the committees	Percentages of shortfall in conducting meetings during 2004-09 ³¹ in the selected DRDAs	
		Minimum	Maximum
(1)	(2)	(3)	(4)
District Level Vigilance and Monitoring Committee with the MP of the concerned district as Chairperson, other MPs of the district and Member of Rajya Sabha member as Joint Chairpersons, Collector of the district as Member Secretary and MLAs/MLCs, Chairperson of the ZP, Government nominees, Chairpersons of all the Panchyat Samitis as Members, was to meet quarterly.	<ul style="list-style-type: none"> Monitor proper utilisation of Government funds received under various Centrally sponsored schemes, Take remedial action to prevent financial irregularities and Ensure that the selection of beneficiaries was made as per scheme guidelines. 	45	85
District level SGSY Committee [#] , with Chief Executive Officer of the Zilla Parishad as Chairperson, Lead Bank Officer as Convener, and Project Director, DDM of NABARD, heads of district level line departments, General Manager DIC, District Khadi and Village Industries Officer as members, was to meet quarterly.	<ul style="list-style-type: none"> Review SGSY Plan, Monitor the overall physical and financial progress, Sort out inter-agency differences, Prepare items for consideration of the State Level Committee, Assess training needs of swarozgaris and arrange training including identification of appropriate institutions Monitor bank-wise and block-wise recovery of loans and Initiate corrective measures. 	22	100

[#] Information in respect of Ahmednagar and Thane DRDAs is awaited.

³¹ Year-wise break up is given in **Appendix 2.24**

(1)	(2)	(3)	(4)
Block Level SGSY Committee [@] in each block with Project Director, DRDA as the Chairman, BDO, as convener and Project Officer (Self Employment), Branch Managers of implementing banks, Block/Sub-Division Level Officers of line departments and representative of NGO as members, was to meet monthly.	<ul style="list-style-type: none"> • Select key activities at the beginning, • Select villages and number of Swarozgaris to be covered in each year, • Distribute work among bank branches, • Monitor the performance by different agencies, • Review of income earned by Swarozgaris, • Conduct sample checks for verification of assets and • Review of recovery performance/ monthly progress <i>etc.</i> 	78	98

[@] While the committee in Kopergaon block was formed only in August 2008, the committees in Karjat and Umri blocks were still not formed.

As seen from the table above DRDAs failed to ensure the timely holding of the meetings of the various committees indicating lack of adequate monitoring of various schemes thereby adversely affecting the proper implementation of schemes.

2.3.9.3 Monthly progress reports of the schemes

According to IAY and SGSY guidelines, the monthly progress reports (MPRs) of physical and financial progress of the schemes were to be submitted to the GoI and GoM by the DRDA on prescribed dates. The reports were to be compiled on the basis of information received from the BDOs who were to receive the same from the village panchayats, line departments and NGOs.

Scrutiny of records of the selected 16 blocks of all the eight test-checked districts revealed that there was no documentary evidence in any of the blocks to show that the MPRs submitted to the DRDAs were based on information received from village panchayat, NGOs, line departments. As a result, the correctness of the achievement shown in the MPRs could not be verified. The BDOs had accepted the fact.

In this regard it was noticed that though five SHGs were defunct in Kopergaon block, the fact was not disclosed in the MPR of the SGSY scheme. In seven blocks³², though 271 IAY dwelling units sanctioned during 2004-05 to 2006-07 were incomplete (March 2009) the MPRs of DRDAs³³ submitted to GoM and GoI showed these units as complete. The DRDAs had not ascertained the correctness of the information furnished by the blocks and failed in monitoring the implementation of the schemes.

2.3.9.4 Quarterly reports on expenditure on infrastructure

As per SGSY guidelines, expenditure incurred on infrastructure under SGSY, was required to be submitted by DRDAs to the GoM. The Rural Development and Panchayat Raj Department was to consolidate the same and send it to GoI every quarter.

³² Akkalkuva, Hingoli, Kalamb, Kalamnuri, Shahada, Shrigonda and Yavatmal

³³ Ahmednagar, Hingoli, Nandurbar and Yavatmal

There was no documentary evidence to show MPRs submitted by the BDOs were based on information received from village panchayats and line departments

Scrutiny revealed that none of the selected DRDAs except DRDA Ahmednagar had submitted the required information to the GoM for onward submission to GoI. Thus, monitoring of expenditure incurred on creation of infrastructure was not done effectively.

DRDAs accepted (January to May 2009) the facts.

2.3.9.5 Quarterly reports of water shed projects

Similarly, in Hariyali scheme, Gram Panchayats were to submit a quarterly progress report to the PIA, *i.e.*, BDOs, line departments and NGOs after it was scrutinised and approved by the Watershed Development Team³⁴ (WDT). The PIA was to submit the quarterly progress reports to the DRDA for further submission to the Department of Land Resources, GoI through the State Government. At the district level, DRDA was to monitor the implementation of the projects.

Scrutiny of the records in seven³⁵ blocks where Hariyali schemes were implemented and joint survey by Audit of all the 11 village panchayats which constructed watershed projects revealed that none of the panchayats were sending quarterly progress reports to the PIAs. Hence PIAs themselves were preparing and sending the reports without any inputs from the village panchayats. Similarly, records of the PIAs also revealed that there was abnormal delay in submitting the quarterly progress reports to the DRDA.

In the absence of any input from the village panchayats, the authenticity of reports submitted by PIAs to DRDAs could not be ascertained. DRDAs also failed to ensure that the reports submitted to them were factual and correct.

2.3.9.6 Inspection of assets created under SGSY

The SGSY guidelines laid down annual targets of field visits for various officials³⁶ to monitor the implementation of SGSY and progress of the swarozgaris in income generation as well as to carry out physical survey of assets. Scrutiny revealed that in none of the eight test-checked districts, inspection reports of the concerned officials were prepared and kept on record. DRDAs also did not monitor and ensure that prescribed field visits were conducted by various officials. In the absence any recorded evidence of inspection of assets the possibility of irregularities in creation of assets cannot be ruled out.

Inspection reports of the officials were not prepared and kept on records in any of the test-checked eight DRDAs

³⁴ WDT should have at least four members one each from the disciplines of forestry/plant sciences, animal sciences, civil/agricultural engineering and social sciences. One member of the WDT should be a woman. Preferable qualification for a WDT member should be a professional degree

³⁵ Akkalkva, Bhokar, Kalamnuri, Karjat, Shrigonda, Tumsar and Yavatmal

³⁶ 120 visits by the Chairperson, DRDA, 240 visits by the Project Directors, DRDA, Block Development Officers and Assistant Development Officers and 480 visits by the Project Officers in one year

Implementation of schemes

The inadequate supervision and monitoring of the implementation of various schemes by the DRDAs as mentioned above affected their satisfactory implementation as detailed in the following paragraphs.

2.3.10 Implementation of Swarnjayanti Gram Swarojgar Yojana

The Swarnjayanti Gram Swarojgar Yojana (SGSY) was launched in April 1999 in order to bring the assisted poor families in rural areas above the poverty line, by organising the rural poor into self help groups (SHGs) through the process of social mobilisation, training and capacity building and provision of income generating assets through a mix of bank credit and Government subsidy.

A SHG consists of 10 to 20 members of which at least 80 *per cent* were to belong to BPL households. Further, 50 *per cent* SHGs in a block were to be exclusively for women. The SHGs, who were in existence for about six months and who demonstrated the potential of a viable group, were eligible for getting revolving fund of Rs 10,000 (Stage I). Further, at the end of six months from the date of receipt of revolving fund, the SHGs, if functioning effectively, were eligible for getting loan-cum-subsidy of Rs 1.25 lakh to start economic activity (Stage II). Hence, SHGs were expected to start economic activity within one year of their formation.

It was noticed that out of 1,77,450 SHGs in the State (formed till 31 March 2008) and who had completed a year of their formation, 1,55,923 SHGs (88 *per cent*) (**Appendix 2.25**) had not started economic activities, defeating the very objective of the scheme.

2.3.10.1 Implementation of SGSY in the selected districts

The position of SHGs in the test-checked districts as of March 2009 is as follows:

Table 2 : Position of SHGs in the test-checked districts

Year	Number of SHGs formed	Number of SHGs		Number of SHGs started economic activities	Number of SHGs not yet started economic activities
		Reached Stage I	Reached Stage II		
Upto 2003-04	20225	9062	5320	3086	17139
2004-05	4125	3539	2521	1340	2785
2005-06	4204	4125	1739	1487	2717
2006-07	5635	4569	1371	1977	3658
2007-08	7288	6072	3460	2804	4484
Total	41477	27367	14411	10694	30783
2008-09	8795	7509	4280	3278	5517
Total	50272	34876	18691	13972	36300

Out of 41,477 SHGs (formed till March 2008) which had completed a year of their formation, 36,300 SHGs (88 *per cent*) had not started economic activities.

Under SGSY 88 *per cent* of SHGs had not started economic activity even after completion of one year of their formation

The DRDAs attributed the non-commencement of economic activities by the SHGs to the internal disputes among the members, lack of involvement of banks and inadequate progress made by SHGs after coming to Stage I. The replies indicate that besides improper selection of SHGs, the DRDAs did not adequately motivate and monitor their functioning and co-ordinate with the banks as required. This resulted in non-achievement of the objective of supplementing the income of the beneficiaries.

2.3.10.2 Selection of NGOs

Non-Government organisations (NGOs) were to assist in the formation and development of SHGs and train the members to enable them to take up economic activities for which the NGOs were paid honorarium of Rs 10,000 in four installments³⁷ in respect of each SHG.

As per SGSY guidelines, NGOs/facilitators were to be selected through wide publicity and on the basis of written test, group discussions and panel interview *etc.* Further, the District Level SGSY Committee had to select suitable organisations/societies as facilitators based on their past experience in SHG formation, community organisation or any other similar work involving participatory approach, communication skill and ability to stay for a period of two to three years with the group to ensure continuity as well as enable the groups to mature into a self managed peoples organisation.

Scrutiny revealed that during the period 2004-05 to 2008-09 three DRDAs *viz.* Hingoli, Raigad and Yavatmal appointed 62 NGOs, which directly approached them without following the prescribed procedure. Further, though DRDA Nandurbar invited tenders for selection of the NGOs, selection criteria laid down in the tender such as experience in the respective field, availability of sufficient staff and equipments *etc.*, were not observed during selection. This resulted in unsatisfactory performance in development of SHGs as discussed in the preceding paragraph.

2.3.10.3 Training to the Swarozgaris

As per SGSY guidelines, training in basic orientation programme (BOP) to familiarise the swarozgaris with SGSY and its objective was to be given after loan was sanctioned but before it was disbursed. For the identified swarozgaris, training programme for additional skill development/up gradation of skills was also to be arranged to ensure that they possess minimum skill requirement (MSR). Swarozgaris were eligible for financial assistance only after they possessed MSR and loans would be disbursed only after satisfactory completion of the skilled development programme.

³⁷ Rs 2,000 after formation of SHG, Rs 3,000 after release of revolving fund, Rs 4,000 after release of loan-cum-subsidy and Rs 1,000 after repayment of the loan by the SHG

Scrutiny of monthly progress reports (MPRs) revealed that there was no shortfall in providing training to the targeted beneficiaries in six out of the eight selected DRDAs. However, skill development training was not provided to 16,788 swarozgaris (88 *per cent*) in Ahmednagar DRDA and 5,033 swarozgaris (34 *per cent*) in Nandurbar DRDA during the period 2004-09. Further, DRDA Ahmednagar had not provided training in BOP to any of the swarozgaris during the years 2006-07 and 2007-08. Joint site visit to 71 SHGs in eight test-checked districts revealed that 41 SHGs (58 *per cent*) were not provided with training in BOP. Further, though 41 SHGs were provided with loan-cum-subsidy, only 26 SHGs (63 *per cent*) of them were not provided skill development training.

Thus, non-observation of the guidelines by the DRDA resulted in the swarozgaris remaining unskilled in running their selected key activity.

2.3.10.4 Maintenance of records/accounts by the SHGs

According to the guidelines of SGSY, the SHGs were required to maintain cash books, ledgers, minutes of the meeting *etc.* Scrutiny revealed that none of the DRDAs had maintained any records to show that they had ensured proper maintenance of records by the SHGs. Joint survey in the eight test-checked districts, however, revealed that 44 out of 71 SHGs visited (62 *per cent*) had not maintained any such records. In the absence of the records it could not be ascertained whether the SHGs were functioning properly and the status of members had improved.

2.3.10.5 Creation of infrastructure under SGSY

According to the SGSY guidelines, proposals for infrastructure³⁸ development should be drawn by the DRDAs in consultation with banks, giving priority to marketing linkages, so as to enable swarozgaris to make optimum utilisation of the assets created under the scheme and derive better return from their activities.

Scrutiny of register of SHGs formed in the test-checked DRDAs (except Thane) revealed that in seven DRDAs 80 to 90 *per cent* SHGs had selected dairy/animal rearing activity. Hence, the DRDAs were required to create infrastructure best suited to that activity so that swarozgaris could derive the maximum return from their activities. The selected DRDAs, had, however, not created and developed any infrastructure for development of animal related activities, but created infrastructure like shopping centres, bazaar ottas³⁹, sales-cum-exhibition centers *etc.*, at a cost of Rs 9.78 crore (**Appendix 2.26**), which largely remained idle as mentioned in the following paragraphs.

Further, DRDAs had not monitored the proper utilisation of the infrastructure created under SGSY. None of the DRDAs had kept records showing details of allotment of shops by BDOs. The report received from Bhandara and Deglur BDOs showed that shopping centres created (2005-2008) in their blocks were

³⁸ Infrastructure means basic structure foundation of permanent nature

³⁹ Platform constructed in markets for selling goods

Infrastructure created without considering the needs of the SHGs remained idle

not utilised. In Thane, 'Jijao sales centre' constructed (2004-05) on the first floor of the office building of Zilla Parishad at a cost of Rs 13.41 lakh, was lying idle as the NGO who had been allotted the centre, returned (July 2006) the same stating that the running of the centre was not feasible in the absence of a proper access to the centre.

Joint survey in Sanghvi-Bhusar, Vasai and Wada blocks revealed that out of 13 shops⁴⁰ created, seven were allotted to ineligible persons and five were lying vacant since 2005-06. Further, exhibition-cum-sales centre constructed at Tumsar in 2004-05 was also lying idle.

In Nandurbar DRDA, the non-utilisation of the shopping centres was raised by the District Vigilance and Monitoring Committee in its meeting held in August 2008 and the Governing Body in its meeting held in February 2009.

It was also noticed that purchase of veterinary equipment costing Rs 1.34 crore and construction of 24 veterinary hospitals at the cost of Rs 1.04 crore were made for the Animal Husbandry Departments of Yavatmal and Nanded Zilla Parishads respectively by the respective DRDAs. Since the construction of veterinary hospitals was the primary responsibility of the Zilla Parishad, construction of the same by the DRDAs with SGSY funds was not justified.

2.3.11 Implementation of Indira Awas Yojana

The Indira Awas Yojana (IAY) a Centrally Sponsored Scheme, with a cost sharing ratio of 75:25 between Centre and the State, was introduced as an independent scheme in January, 1996. The objective of the IAY is primarily to help construction of dwelling units for members of Scheduled Castes (SCs), Scheduled Tribes (STs), freed bonded labourers and other non-SC/ST BPL rural households by providing them with financial assistance. The financial assistance admissible was Rs 28,500⁴¹ up to the year 2007-08 and Rs 43,500⁴² thereafter, excluding Rs 1,500 to be contributed by the beneficiary by way of self labour.

The achievement in construction of dwelling units under IAY in the State and in the selected districts during 2004-09 was 97 per cent and 98 per cent respectively (**Appendix 2.25**).

2.3.11.1 Incomplete IAY dwelling units

As per IAY guidelines, the construction of a dwelling unit should in no case take more than two years.

Out of 16 selected blocks, in six blocks⁴³, 271 (9 per cent) out of 3,002 dwelling units sanctioned during the period 2004-05 to 2006-07 were not completed though more than two years had passed since their sanction. Of these, the financial assistance released in respect of 99 incomplete dwelling

In six blocks 271 out of 3,002 dwelling units sanctioned under IAY during 2004-05 to 2006-07 were not completed

⁴⁰ Vasai: five shops, Wada: four shops and Sanghvi-Bhusar: four shops

⁴¹ Central share : Rs 18,750, State share : Rs 6,250, Additional State funds : Rs 3,500

⁴² Central share : Rs 26,250, State share : Rs 8,750, Additional State funds : Rs 8,500

⁴³ Akkalkuva, Hingoli, Kalamb, Shahada. Shrigonda and Yavatmal

units was Rs 15.74 lakh. Construction of 20 houses in Shahada block had not yet started (July 2009) and information on the financial assistance released in respect of the remaining 152 beneficiaries of Akkalkuwa block was not made available (July 2009).

The DRDAs attributed the non-completion of the dwelling units to non-availability of land, inability of the beneficiaries to construct the dwelling units within the sanctioned amount and temporary migration of the beneficiaries. The replies cast a doubt as to whether the beneficiaries were selected judiciously. Further, the DRDAs as the agency overseeing the implementation of the scheme failed to ensure timely completion of the dwelling units by the beneficiaries.

2.3.11.2 Inventory of houses under IAY

As per IAY guidelines, the BDOs being the implementing agency should have a complete inventory of houses constructed under the IAY giving details of the date of commencement, the date of completion of construction of dwelling unit, name of the village and block in which the house is located, occupation and category of beneficiaries and other relevant particulars.

In sixteen test-checked blocks, inventory of the IAY dwelling units had not been maintained. In the absence of maintenance of inventory of dwelling units constructed under IAY by the implementing agencies the actual position of the dwelling units sanctioned and completed could not be ascertained in audit. On this being pointed out in audit the BDOs accepted the facts.

The DRDAs as the overseeing and monitoring agency of the scheme also failed to ensure that proper asset registers were maintained by the BDOs.

2.3.11.3 Valuation of IAY houses

As per IAY guidelines, valuation of all the completed dwelling units was required to be done by the DRDA to ensure proper utilisation of funds. Scrutiny revealed that the valuation of the dwelling units completed during the period 2004-09 was not carried out by the Deputy Engineer/Junior Engineer in 12 blocks in six DRDAs (except Nanded and Nandurbar) out of the eight selected districts. Due to non-valuation of the IAY dwelling units, it could not be ascertained if the beneficiaries had properly utilised the funds allotted to them.

As stated by the beneficiaries during the joint survey, the cost of construction of 57 out of 123 dwelling units sanctioned during 2004-08 (46 completed and 11 incomplete) ranged from Rs 50,000 to Rs 1,25,000, when the financial assistance was Rs 28,500 and eight out of 51 dwelling units (3 completed and 5 incomplete) sanctioned during 2008-09 ranged from Rs 70,000 to Rs 2 lakh, when the financial assistance was enhanced to Rs 43,500. This casts a doubt on their BPL status as mentioned in Paragraph 2.3.8.1.

Inventory of houses under IAY was not maintained in any of the 16 blocks test-checked in the eight DRDAs

Valuation of IAY dwelling units was not carried out in 12 blocks of six DRDAs

2.3.12 Implementation of Hariyali Scheme

The Hariyali Project was introduced in April 2003 to involve village communities in the implementation of watershed projects, under all the area development programmes. The main objective of the projects under Hariyali is rain water harvesting for irrigation, fisheries *etc.*, to create sustainable sources of income for the village community as well as drinking water supply.

The implementation of watershed projects under all the area development programmes namely, Integrated Wastelands Development Programme (IWDP), Drought Prone Area Programme (DPAP) and Hariyali were to be carried out through the project implementing agencies (PIAs) involving village communities. Under the schemes the funds were provided to the village panchayats for carrying out the works of water shed project consisting of loose boulders bandhara, nalla bund, cement nalla bund, plantation *etc.*, as per detailed action plan. The works were to be completed within five years from the date of sanction of the project.

It was, however, noticed that while only 163 projects out of 3,853 projects taken up since inception of the scheme were completed in the State, none of the 788 projects taken up in the eight selected DRDAs during the same period were completed (**Appendix 2.25**).

2.3.12.1 Delay in completion of works under Hariyali scheme including NDPAP and IWDP

As per the guidelines of the Hariyali Scheme, the project sanctioned under the scheme should be completed within a period of five years from the date of its sanction. A detailed action plan was to be prepared and the project was to be implemented according to the detailed action plan.

In the eight test-checked DRDAs, it was noticed that though the detailed action plan for each watershed project had been prepared, the DRDAs had not adhered to the time schedule of the plan. Against the total project cost of Rs 245 crore in respect of 788 watershed projects targeted, only Rs 119.19 crore was released as of March 2009 due to delay in preparation of action plan, lack of technical staff and lack of response from PIAs and NGOs as stated by the Project Directors. Further, only Rs 97.87 crore was released by the DRDAs leaving unspent balance of Rs 21.32 crore as of 31 March 2009.

This indicates that the implementing agencies did not carry out the works as per detailed action plan and schedule. Non-observance of time schedule in implementation of project could result in cost overrun of the project and despite this if the PIA completes the work within the sanctioned project cost, the quality of work could be affected. Besides, the beneficiaries were deprived of the benefit of the scheme.

DRDAs being the overseeing agency for implementation of the projects, thus, failed to ensure timely and satisfactory completion of the works by the implementing agencies.

None of the 788 projects taken up under Hariyali in the selected DRDAs was completed

2.3.13 Other points of interest

2.3.13.1 Shortage of manpower

As per DRDA Administration guidelines, posts were to be sanctioned according to the category of DRDAs. DRDAs were classified under four categories⁴⁴ viz., A, B, C and D based on the number of blocks falling under their jurisdiction.

Test-checked DRDAs had a total shortage of 64 staff (21 per cent)

Scrutiny revealed that in the test-checked DRDAs there was a shortage of 64 personnel (21 per cent) against the sanctioned strength of 306. The shortages included key posts of the Project Director, Assistant Project Officers and other technical staff as detailed in **Appendix 2.27**.

The non-deployment of adequate staff resulted in non-monitoring of the programmes by DRDAs besides non-utilisation of funds under DRDA Administration scheme.

2.3.13.2 Training to DRDA staff

As per DRDA Administration guidelines, the officials of DRDAs should be constantly trained in the general field of rural management and poverty. The personnel posted to the DRDA should be given a pre-service training to orient them suitably and an annual in-service training to up-date them in the relevant fields and share their experiences. No such training was provided to the staff in any of the eight test-checked DRDAs.

DRDAs accepted the facts and agreed (January to May 2009) to arrange training to their staff, in the specialised fields.

2.3.13.3 Delay in submission of accounts

There were delays in submission of Accounts in four DRDAs

The DRDA Administration guidelines require submission of annual accounts of all the schemes to GoI by 30 September every year, duly certified by the Chartered Accountant and approved by the Governing Body. Records revealed that in four⁴⁵ out of the eight test-checked DRDAs, annual accounts for the years 2004-05 to 2007-08 were finalised between October and December with delays of one to three months. Further, in Nanded district, the annual accounts for the year 2005-06 were finalised in July 2007 with a delay of 10 months. DRDAs accepted the facts and agreed (January to May 2009) to finalise the annual accounts in time from the year 2008-09 onwards.

2.3.13.4 Creation of Internal Audit Cell

Internal audit cell was not functioning in the test-checked DRDAs

According to the guidelines of DRDA Administration, an internal audit cell with one Accounts Officer, was required to be constituted. However, in the revised staff pattern (March 2004) the GoM had sanctioned only one post of Account Officer and one post of Assistant Account Officer in each DRDA. Scrutiny of records revealed that the internal audit cell was not functioning in

⁴⁴ A- with less than six blocks, B- with six to ten blocks, C- with 11to15 blocks and D- with more than 15 blocks

⁴⁵ Ahmednagar, Nanded, Nandurbar and Raigad

any of the eight test-checked DRDAs during the period 2004-09 though the sanctioned posts were filled up in five⁴⁶ DRDAs. Resultantly, the expenditure incurred by DRDAs was not subjected to internal audit as required.

DRDAs accepted the facts and stated (January to May 2009) that there was no manpower to constitute the internal audit cell. This resulted in non-adherence to financial disciplines envisaged in the guidelines of various schemes.

2.3.14 Conclusion

Working of DRDAs in Maharashtra was less than the desired level of satisfaction. There were deficiencies in fund management, planning and selection of beneficiaries. The supervision and monitoring of the schemes implementation was inadequate, which affected their successful implementation. Short release of State's matching share, underutilisation of funds and incurring of inadmissible expenditure contributed to short release of Central funds. Unspent balances of closed schemes were not transferred to new schemes and there were delays in release of funds under Hariyali scheme. The annual plans were not prepared in respect of SGSY and IAY. Beneficiary identification through BPL Census was unreliable. There were shortfalls in conducting meetings by the various committees monitoring the implementation of the schemes at various levels. Majority of the self help groups formed under SGSY were yet to start economic activities. Infrastructure created without proper planning resulted in idle investment. There were delays in construction of dwelling units under Indira Awas Yojana. Ninety six *per cent* projects under Hariyali scheme remained incomplete. There were delays in submission of accounts. The functioning of internal audit cell was suboptimal.

2.3.15 Recommendations

Government should ensure that:

- there is timely utilisation of funds by DRDAs.
- the DRDAs prepare the annual plans as per the guidelines.
- the BPL survey is conducted with due care and attention to make it more reliable.
- the DRDAs oversee and monitor the implementation of schemes more effectively so as to achieve the desired objectives of the schemes.

⁴⁶ Ahmednagar, Bhandara, Hingoli, Nanded and Raigad

Rural Development and Water Conservation Department

2.4 Minor Irrigation (Local Sector) Projects

Highlights

The objective of Minor Irrigation (Local Sector) is to take up small irrigation works in order to get the benefits quickly from a small patch of land by increasing the agriculture production. These projects are in operation in the State since 1992 and are executed by the Water Conservation Department and the Zilla Parishads. A review of the projects revealed deficiencies in financial management, planning, execution as well as management of the projects.

Budget estimates for the years 2004-05 to 2007-08 were not realistic, as 44 per cent of total grants were provided through supplementary grant in the last quarter of the year.

(Paragraph 2.4.6)

Priority for completion of old works was ignored. Rupees 7.20 crore was spent on 36 new works though old projects remained incomplete.

(Paragraph 2.4.6.1)

Expenditure incurred on 10 projects in excess of the approved cost per TCM which ranged between 41 per cent and 138 per cent affecting the economic viability of the projects.

(Paragraph 2.4.7.1)

Location of irrigation projects at unsuitable sites based on inadequate investigation of strata resulted in unfruitful/ infructuous expenditure of Rs 10.11 crore. Besides, expenditure of Rs 7.69 crore incurred in 11 projects remained unfruitful for long periods due to commencement of work before acquisition of land.

(Paragraphs 2.4.7.2 and 2.4.7.3)

Non-execution of distribution system resulted in unfruitful expenditure of Rs 89.83 crore on MILS projects for periods ranging from 3 to 16 years.

(Paragraph 2.4.8.2)

Projects completed at a cost of Rs 6.30 crore could not retain water due to leakages resulting in non-utilisation of irrigation potential envisaged.

(Paragraph 2.4.8.3)

Non-adherence to government instructions resulted in extra expenditure of Rs 85.89 lakh on execution of extra items of works.

(Paragraph 2.4.8.4)

Formation of Water Users' Associations was very slow and as a result the upkeep of projects remained under doubt.

(Paragraph 2.4.9.1)

2.4.1 Introduction

Projects having irrigation potential above 250 hectares are implemented and controlled by Water Resources Department and those with IP below 250 hectares (ha) known as 'Minor Irrigation (Local Sector) (MILS) projects' are

implemented and controlled by Rural Development and Water Conservation Department (RDWCD) of the Government of Maharashtra (GoM). The State has a total irrigation potential (IP) of 54.30 lakh ha created from 54 major⁴⁷, 222 medium⁴⁸ and 2,726 minor⁴⁹ irrigation projects, out of which 13.18 lakh ha was from 53,771 MILS projects as of March 2008⁵⁰.

The objectives of the MILS projects are to provide permanent solution to the frequent drought like situation in the State by deriving benefits from the projects quickly by irrigating a small patch of land, thereby increasing the agriculture production.

MILS projects are of different types *viz.*, Minor Irrigation Tanks (MIT), Kolhapur Type Weirs (KTW), Diversion Type Bandharas (Weirs) (DB), Storage Tanks (ST), Percolation Tanks (PT) and Lift Irrigation Schemes (LIS) *etc.* Projects having IP up to 100 hectares (ha) are under the control of Zilla Parishad (ZP) of each district and projects having IP from 101 to 250 ha are with the State Sector.

2.4.2 Organisational set-up

Secretary, Water Conservation and Employment Guarantee Scheme (WCEGS) is the administrative head of the Department. The Chief Engineer (CE), MILS, Pune is the technical head who is aided by six Superintending Engineers (SEs) operating through their Circle offices in Amravati, Aurangabad, Nashik, Nagpur, Pune and Thane. The execution and maintenance of the projects are controlled by Executive Engineers (EEs) at district level; one under the administrative control of Chief Executive Officer (CEO) of ZP called as MI(ZP) Division and another under State sector called as MILS Division. The SEs of MILS render technical support to the EEs of ZP Divisions. The EEs are aided by Sub-Divisional Engineers.

2.4.3 Audit objectives

The performance audit was conducted with a view to assess:

- efficiency in financial management;
- adequacy and efficiency in planning of the projects;
- economic, efficient and effective execution of projects and its management;
- whether the completed projects achieved their objectives;
- whether completed projects are well maintained, protected and continue to provide benefits as envisaged; and
- efficacy of the mechanism for assessment, demand and collection of water charges.

⁴⁷ Major Irrigation Projects : Projects with IP more than 10,000 ha

⁴⁸ Medium Irrigation Projects: Projects with IP below 10,000 ha but more than 2,000 ha

⁴⁹ Minor irrigation Project (under Water Resources Department): Projects with IP below 2,000 ha but more than 250 ha

⁵⁰ Source: District Information Booklet (status as of 01-04-2008) published by Chief Engineer, MILS, Pune

2.4.4 Audit criteria

The following were the audit criteria:

- Maharashtra Minor Irrigation Manual, 1983.
- Project Reports.
- Maharashtra Public Works Manual.
- Resolutions/Circulars issued by GoM.
- Forest Conservation Act, 1980.
- Maharashtra State Water Policy.

2.4.5 Audit coverage and methodology

Audit reviewed (February to May 2009) the minor irrigation projects executed by the State Sector Divisions under Water Conservation Department and the Zilla Parishads covering the period from 2003-04 to 2007-08. A sample of 10 (30 *per cent*) out of 33 districts was selected for performance audit. Of these, six districts⁵¹ were selected by ‘Stratified Random Sampling’ method. Four⁵² districts were selected on judgmental basis to cover adequate number of irrigation tanks, tribal areas, backward areas in terms of irrigation potentialities and the sub-surface drainage works. Out of 636 completed and ongoing projects implemented by State Sector Divisions up to 2007-08 in the selected districts, 160 (25 *per cent*) were selected for audit. In the Zilla Parishad Divisions, only the projects completed during 2003-08 were covered in audit. Out of 4,635 completed ZP projects in the selected districts 381 were selected for detailed audit scrutiny. The audit objectives, criteria, *etc.*, were discussed at the entry conference held in February 2009 with the Secretary, Water Conservation Department. Government’s response to the draft performance audit report sought in July 2009 from GoM was not received (October 2009).

2.4.6 Financial Management

The total budget allotment for the MI projects during the period 2003-04 to 2007-08 was Rs 744.08 crore (State Sector: Rs 270.41 crore and ZP: Rs 473.67 crore). Against this, expenditure incurred was Rs 692.18 crore (State Sector: Rs 253.66 crore and ZP: Rs 438.52 crore). Year-wise details of budget and expenditure are given in **Appendix 2.28**.

It was noticed that the original budget provision (Rs 417.65 crore) was only 56 *per cent* of total provision (Rs 744.07 crore). As a result, 44 *per cent* (Rs 326.42 crore) of the total funds were provided in the last quarter of the year through supplementary grants and re-appropriation, affecting the smooth execution of the MI projects. Apart from the above, State Sector Divisions executed 32 projects which are partially financed by Government of Germany by way of loans (Rs 44.24 crore) through German Financial Corporation (KfW) and State Government contribution (Rs 19.11 crore) during the same period.

Budget estimates were unrealistic; 44 per cent of total grants was provided through supplementary grant in the last quarter of the year

⁵¹ Aurangabad, Beed, Nashik, Osmanabad, Ratnagiri and Solapur

⁵² Ahmednagar, Buldhana, Chandrapur/Gadchiroli and Sangli

Rs 7.20 crore was spent on 36 new works though old projects remained incomplete

2.4.6.1 Diversion of funds

Under the Marathwada Development Programme aimed at completion of pending minor works, Government sanctioned (January 2008) Rs 24.24 crore for completion of 330 incomplete projects in eight districts. Scrutiny revealed that SE, Aurangabad released Rs 1.20 crore to Executive Engineer, Aurangabad (State Sector) for the same purpose, but with a list of 12 new projects. The Executive Engineer utilised the amount on construction of 12 new works. Thus, funds for completion of incomplete works were diverted for new works which was in contravention of the provisions of the scheme.

Further, it was noticed (March 2009) that in ZP Division, Aurangabad 164 works were pending for completion as of March 2008 for which an amount of Rs 32.90 crore was required. Budget allotment of Rs 15.55 crore was made during 2008-09 for the Division. Scrutiny revealed that the EE had taken up 24 new works and spent Rs 6 crore on these works though there were 93 pending projects with the Division.

2.4.7 Planning

Para 4.1.3 of MI Manual deals with preliminary investigation, survey and preparation of detailed project report. The preliminary investigations include estimation and identification of land required for the project, its availability, the topography of the site, the type of project to be set up, *etc.* After preliminary investigations, a preliminary survey to determine quantities of earth work, masonry work required for the execution of the project and storage capacity is carried out to prepare the estimates for the works.

Audit observed deficiencies in planning and survey before taking up of the MI projects, as discussed in the subsequent paragraphs.

2.4.7.1 Uneconomic projects

To evaluate the financial viability of projects to be executed, GoM from time to time prescribe economic yardstick which is measured in terms of cost per Thousand Cubic Meter (TCM) of water storage. The estimates in respect of the projects should be within the financial yardstick to ensure financial viability of the projects.

It was observed (May 2009) that out of 100 State sector ongoing projects test checked in 10 projects (in four districts⁵³) the cost of the project was estimated to be within the prescribed economic yardstick. Due to inadequate survey and investigation, the actual cost of the projects increased abnormally during execution due to increase in quantities of work, identification of inappropriate quarries leading to increase in lead and change in design after commencement of work as shown in **Appendices 2.29** and **2.30**. This also caused delay in the execution of work leading to escalation in cost of the projects.

Economic viability of the projects was affected as the expenditure exceeded the prescribed economic yardstick by 41 per cent to 138 per cent

It was noticed that the expenditure incurred on these projects in excess of the approved cost per TCM ranged between 41 per cent and 138 per cent affecting the economic viability of the projects. Due to inadequate survey and investigation the projects were incorrectly shown as financially viable.

⁵³ Three in Ratnagiri, Five in Solapur and one each in Osmanabad and Sangli districts

Department stated (January to March 2009) that the above increase was due to actual site conditions found during execution.

The reply was not acceptable as the reasons attributable to increase in cost could be foreseen had the necessary survey and investigation of the projects conducted as required under the MI manual.

2.4.7.2 Selection of unsuitable sites

Due to selection of unsuitable sites expenditure of Rs 10.11 crore incurred on eight projects was blocked/ unfruitful

Para 4.3.8 of MI Manual provides that detailed investigation of site to be made for classification of soil/strata so that the scope for failure of the project is minimal. Para 7.6 of the manual also stipulates that for preventing the danger of outflanking⁵⁴ of the weir ample protective works should be taken up on both the banks of the weir. Further, as per para 3.11 of MI manual, the 'Benefit-Cost (BC) Ratio' for irrigation projects should be more than one. Scrutiny revealed the following instances of selection of unsuitable sites due to lack of investigation.

(i) Moda-2 KTW in Sillod Taluka of Aurangabad was sanctioned (October 1995) for Rs 46.18 lakh, to be undertaken by the ZP Division, Aurangabad.

In the estimates the resting of foundation for the KTW was planned to be kept from 4.5 M to 6 M ignoring the suggestion of the SDO to re-investigate the strata based on the experience of Moda-1 KTW. However, during execution the depth of foundation had to be increased to 12 M to 14 M. Provision for guide wall, retention wall and wing wall required for the KTW was also not made in the estimate. This was included as part of the work after the outflanking of the KTW during the monsoon of 2006. These along with other reasons like change in specification of construction of piers, installation of two self operated gates and increase in rates of steel increased the cost of the KTW to Rs 4.46 crore (April 2007) reducing the BC ratio below 1. Approval of the Government for the revised estimates was not received as of March 2009.

Thus, location of the project at an unfavourable site based on inadequate investigation of strata and not providing adequate protective works has made the project unviable. Consequently, the farmers were unable to derive the benefits from this KTW and expenditure of Rs 2.60 crore incurred upto January 2009 remained blocked.

(ii) Bolegaon KTW in Aurangabad District financed by KfW was completed (October 2005) at a cost of Rs 2.02 crore with a view to provide irrigation to 159 ha. As the KTW was unable to store water in it, an expert representing the KfW was consulted. The expert visited (November 2005) the project and observed that no storage of water in the upstream of the KTW was possible due to unfavourable soil conditions in the river bed with seemingly high permeability. As per his suggestion, two Lift Irrigation Scheme (LIS) envisaged in the project were also deleted. Thus, no irrigation was carried out from this KTW.

On being pointed out, the Executive Engineer replied (March 2009) that the wells in the farms adjacent to the KTW were being charged, thus providing indirect irrigation benefits.

⁵⁴ Erosion of the banks of the KTW due to which retention of water in the weir is not possible

The reply of the Executive Engineer was not tenable as the objective of the project was to provide direct irrigation benefit to 159 ha of land. Thus, the expenditure of Rs 2.02 crore incurred on the unviable project became infructuous.

(iii) As per the MI Manual, the Kolhapur-Type-Weir (KTWs) should be located where the stream has perennial flow or sufficient post-monsoon flow so that irrigation is possible in dry season. The needles⁵⁵ (gates) of the KTWs should be fixed by 15th October of every year which is the beginning of 'Rabi' season.

Scrutiny of records (January 2009 to June 2009) of EE, MILS Aurangabad revealed that in respect of six KTWs out of 17 projects test-checked, the average percentage of storage of water ranged from 0.83 *per cent* to 38.05 *per cent* during the period from 2003-04 to 2007-08 due to non-availability of required quantity of post-monsoon water in the streams/ivers.

This indicated inadequate planning and survey as the KTWs were located at places where there was no water flow after monsoon. These KTWs did not attain full capacity from the beginning after incurring expenditure of Rs 5.49 crore.

The EE, MILS, Aurangabad accepted (March 2009) that storage of water in these KTWs was inadequate due to non-availability of post-monsoon flow in the river/*nalla*.

2.4.7.3 Projects affected for want of land

Expenditure of Rs 7.69 crore was wasteful/ unfruitful due to commencement of work before acquisition of land

As per Para 251 of Maharashtra Public Works Manual, no work should be started before acquiring the entire land required for the project. The Forest Conservation Act, 1980 also stipulates that clearance from Forest Department is required before taking up a project in the Forest land.

Out of the 160 projects scrutinised in the 10 districts selected, 11 projects⁵⁶ were found to be affected due to want of land for the projects and are discussed as under:

⁵⁵ Needles: Steel shutters inserted in grooves of structure of KTW to impound water in the upstream side

⁵⁶ one DB out of four DBs, six STs out of fifty-four STs, two MIT out of forty-four MIT and one PT out of two PTs test-checked

Nature of audit observation	Audit findings
(1)	(2)
<i>Non-obtaining of clearance from Forest Department</i>	Scrutiny of records of EE MILS, Chandrapur (February 2009) revealed that the Divisional office had started (May 1991) execution of the project Diversion Bandhara at Kemtukum on Forest land without obtaining clearance from Forest Department. The work was stopped (September 1996) for want of forest clearance, after incurring an expenditure of Rs 15.81 lakh. EE accepted (February 2009) that the forest land was wrongly assumed to be revenue land and clearance from Forest Department sought in June 2006 was still awaited. (February 2009).
<i>Taking up of projects without involving the beneficiaries</i>	In respect of nine projects taken up between February 1997 and April 2008 (Appendix 2.31), it was seen that either the projects or the canals remained incomplete as of February/March 2009 due to opposition from the land-holders who were not willing to part with their land required for the projects. Completion of these projects remains doubtful. Thus, the expenditure of Rs 7.42 crore incurred remains unfruitful for a period ranging from one to ten years.
<i>Defective estimates due to inclusion of an unnecessary component</i>	The work of Junona ST in Buldhana District was technically sanctioned by Chief Engineer and commenced (July 2004) with an envisaged IP of 138 ha. Head-regulator ⁵⁷ was included for release of water in downstream. But there was no scope of release of water downstream in this project due to presence of forest land within 100 M. A proposal for deletion of the head-regulator from the work submitted in September 2004 was finally approved only in February 2008. In the meantime, construction of civil works and manufacture of gates required for the head regulator were already executed at a cost of Rs 10.62 lakh. This has led to wasteful expenditure of Rs 10.62 lakh.

2.4.8 Execution of Projects

2.4.8.1 Shortfall in creation of irrigation potential

The CE, MILS fixed yearly targets for creation of irrigation potential (IP). The creation of IP *vis-à-vis* the targets set during the years 2003-04 to 2007-08 is as given in **Table-1**:

Table 1 : Targets and achievement in creation of IP

Year	IP Targeted (in ha)	IP created (in ha)	Percentage of shortfall
2003-04	6097	1479	76
2004-05	7851	1699	78
2005-06	6382	0	100
2006-07	6470	2348	64
2007-08	33396	27137	19

Source: CE, MILS letter dated 05-08-2009.

It could be seen from the above table that IP created in 2005-06 was 'Nil' and IP targeted and created during 2007-08 was abnormally high compared to earlier years. The reasons for this abnormal variation called for in audit have not been furnished (October 2009).

⁵⁷ A head regulator is a structure having gates installed for regulating the flow of water in the canal of the tank

CE stated (January 2009) that the shortfall in achievement of yearly targets was due to opposition from land owners, non-receipt of funds as per requirement, delay in according approval to revised administrative approval.

The reply was not tenable as the Department should have ensured completion of projects with a view to achieve the targeted IP.

2.4.8.2 Non-execution of distribution system

Non-execution of distribution system resulted in unfruitful expenditure of Rs 89.83 crore

According to Minor Irrigation Manual the 'gorge filling' of irrigation projects should be undertaken only after the distribution system to cover 33 *per cent* of the command area is completed in all respects. The remaining distribution system should be completed in subsequent two years of the 'gorge' filling work. In the following cases distribution system was not completed resulting in non-achievement of irrigation potential.

(i) With a view to utilise the surplus water from the westerly flowing rivers, GoM accorded (October 1999) sanction for diversion of 253.62 Million Cubic Feet (Mcf) of water from the westerly flowing rivers towards the deficient river basin of Nashik District. For this purpose, a Storage Tank-cum-DB at Welunje in Nashik District was sanctioned (May 2005) by CE (MILS) at an estimated cost of Rs 52.79 lakh. The work of the ST-cum-DB including the diversion canal was completed in the year 2006 at a cost of Rs 47.07 lakh. The execution of the tail channel for letting water into the catchment of Amboli MIT could not be completed as it involved crossing of a road for which permission from the Public Works Department was required. The permission was not sought as of April 2009.

Thus, due to non-completion of the tail channel, the expenditure of Rs 47.07 lakh remained unfruitful for more than three years.

(ii) The head works of the Rajewadi MIT in Ratnagiri District was completed (June 1999) by MILS division Sangli at a cost of Rs 9.01 crore with envisaged IP of 183 ha. The irrigation was to be carried out through two canals from both the flanks of the tank. For releasing the impounded water, the canal system started with a common canal starting from the outlet (0 M) to 60 M from where it was to break into Right Bank Canal (RBC) and Left Bank Canal (LBC) with an envisaged length of 4.15 kms and 3.00 kms respectively. The LBC from chainages 60 M onward and up to 1985 M was completed, but water could not be let out as the canal in initial reach from 0 M to 60 M was not excavated due to non-acquisition of land. Work for RBC was not taken up as of May 2009. Irrigation could not be carried out from the tank even when the tank attained full tank level in all the years since its completion in 1999. Thus, canal work beyond 60 M was started without ensuring the availability of the portion of land from 0 M to 60 M.

The EE replied (July 2009) that the owners of the land where the canal from 0 M to 60 M was to be constructed had obtained a Court order preventing construction.

Alternate methods for providing irrigation from the tank was also not contemplated defeating the very purpose of construction of the MIT. Thus, no irrigation could be provided, despite full impounding of water in the dam. This resulted in unfruitful expenditure of Rs 9.01 crore.

(iii) The head work of the Babuwadi MIT was completed (May 2006) by MI ZP, Aurangabad at a cost of Rs 1.73 crore with envisaged IP of 86 ha. Irrigation was to be carried out through a canal of 1.5 kms the construction of which was obstructed by farmers in the vicinity of the dam as their wells were charged with water. Similarly, head works of two MI tank at Karbada and Ashta No.2 (Warora) were completed by EE, MI ZP Chandrapur in 2005 at a cost of Rs 69.67 lakh. However, no irrigation could be carried out due to non-construction of canal.

The EE, ZP, Aurangabad stated (June 2009) that indirect irrigation benefits were being derived by the farmers due to which the canals were not constructed. The EE, ZP, Chandrapur stated (July 2009) that due to delay in land acquisition for canal and non-receipt of the required fund, the execution of canal work could not be taken up.

The replies of the EEs were not acceptable as the MITs were constructed with a view to provide direct irrigation through canal and without its construction the irrigation benefits would be limited. Thus, non-completion of distribution system has resulted in unfruitful expenditure of Rs 2.43 crore for three years.

(iv) Out of 25 MIT projects in the selected 10 districts, gorge filling in three MITs in Beed District, two MITs in Nashik District, nine MITs in Ratnagiri District and one MIT in Sangli District was completed during 1993-2006. However, irrigation was not carried out due to non-completion of canal system. The reason for non-completion of canal and distributaries was mainly attributed to non-acquisition of land due to delay in payment of compensation to farmers. The expenditure of Rs 65.57 crore as of March 2008 on these 15 projects as shown in **Appendix 2.32** remained unfruitful for periods ranging between three and sixteen years.

The EEs in reply stated (March to May 2009) that farmers were reluctant to hand over their land for canal construction which delayed the acquisition procedure.

(v) Similarly, out of fourteen projects in the ten selected districts financed by KfW, Germany, in five projects the head works were completed during the period from June 2003 to June 2008. Except for one project, Bibkhed ST in Buldhana District, the targeted IP of 996 ha could not be achieved as of February/ March 2009. The reasons for non-achievement of the targeted irrigation potential by the projects were attributed to non-commissioning of lift irrigation systems and non-provision of transformer as detailed in **Appendix 2.33**. The expenditure of Rs 12.35 crore incurred on these five projects has, thus, remained largely unfruitful.

2.4.8.3 Defective execution of projects

Due to defective execution, the following projects could not be utilised for providing irrigation benefits, as discussed below:

(i) **Umrani-II ST:** The head work of this project was completed (March 2004) at a cost of Rs 1.44 crore. During execution, Cut-Off Trench (COT)⁵⁸ was rested at 0.6 M below the soft rock instead of keying it in hard

⁵⁸ COT - A trench dug in the bottom of the dam line and filled with impervious material (Black Cotton Soil) to enable retention of water in the dam

Leakages from four completed projects (cost : Rs 6.30 crore) resulted in non-utilisation of IP envisaged

rock as prescribed in paragraph 3.8 of MI manual. Heavy leakage from the Head Works⁵⁹ Regulator and from various places of the earthen dam was noticed in the same year itself.

Rectification work carried out in 2005 by incurring an expenditure of Rs 12.59 lakh could not provide solution to the problem. No irrigation could be carried out since the completion of the dam owing to this problem. The EE, MILS, Sangli stated (May 2009) that storage of water was upto or above sill level and agreed that impounding of water was not being achieved. A proposal for rectification by providing another bund as well as COT in the upstream side of the dam at an estimated cost of Rs 1.05 crore was prepared (May 2009) for submission to the CE. Thus, the expenditure of Rs 1.57 crore has remained unfruitful for more than six years.

(ii) **Udanwadi KTW:** This project in Solapur District was constructed (December 2005) with an IP of 249 ha at a cost of Rs 1.25 crore. Leakages from the weir were noticed in January 2006. The rectification work to arrest the leakage was pending (May 2009). Thus, only a meagre irrigation of 34 ha was achieved since the weir was constructed.

(iii) **Malegaon KTW:** This KTW in Nashik District with an envisaged IP of 249 ha was completed in the year 2003 at a cost of Rs 1.44 crore. Water in weir could not be stored since its completion due to defective needles and sub-standard construction of weir. In the first year of storage itself the needles of lower weight got bent owing to the pressure of water. Leakages were also noticed in the structure of the weir. The SE, MILS, Nashik while answering a question of the Legislature confirmed (December 2002) that the needles provided were of less weight and got damaged due to pressure of water. The matter was under investigation since the year 2004 and the KTW remained without rectification as of May 2009. Thus, the expenditure of Rs 1.44 crore was unfruitful due to substandard works.

(iv) **Aljapur MIT:** This MIT in Solapur District was completed (March 2005) at a cost of Rs 2.04 crore with IP of 170 ha against which IP of only 30 ha and 41 ha was utilised from the tank in the years 2004-05 and 2005-06 respectively due to leakage. The SE, MILS, Pune visited (April 2006) the site and observed that for arresting leakage from the 'gorge'⁶⁰ portion of the dam, 'grouting'⁶¹ work should be carried out. A proposal for revised administrative approval including the grouting work was submitted (June 2007) to RDWCD for approval which was awaited (May 2009). Records relating to year-wise storage in the tank could not be furnished by the division. Thus, the project could not achieve the intended benefit.

⁵⁹ Head Work : The dam line of a tank after completion of which water can be impounded

⁶⁰ Gorge filling - In the construction of dams, bunds in both the sides of the river/stream are first constructed. Thereafter, the river portion is plugged which is called 'Gorge Filling'. The storage in the dam starts after this work is completed

⁶¹ Grouting - A method by which the crevices in the rock of foundation is sealed by way of injecting a cement slurry under high pressure in pits which are dug at regular intervals

2.4.8.4 Extra expenditure due to non-adherence to Government instructions

Extra expenditure of Rs 1.96 crore was incurred on construction of 10 KTWs and 39 PTs, due to non-adherence to Government instructions.

GoM directed (September 2000, September 2001 and November 2003) the EEs to take special care in preparing the estimates of projects which should be based on accurate strata classification, correct lead for transportation of materials from quarries and ensure adequacy of its availability and after obtaining approval of designs from CDO, Nashik wherever necessary so as to avoid revision in estimates during execution. GoM also directed (July 2002) to take up all head works of irrigation projects in ‘Cement Concrete’ instead of Uncoursed Rubble Masonry (UCR).

Out of 54 KTWs in the ten selected districts, in 10 KTWs (in three⁶² districts), it was noticed that the aforementioned Government instructions in preparing correct estimates were not adhered to by the Department resulting in avoidable extra expenditure of Rs 85.89 lakh for execution of additional work at current rates and payment under clause 38 of the contract as shown in **Appendix 2.34**.

Further, percolation tanks are constructed to augment the underground water supply for increasing well irrigation. GoM prohibited (November 2003) taking up of PT with IP less than 20 hectares as number of beneficiaries for such projects are not enough to form WUA which is required to carry out management and maintenance of the projects.

Scrutiny of records in Solapur District revealed (May 2009) that divisions (MILS and ZP) constructed 39 percolation tanks at a cost of Rs 1.10 crore with IP between 6 ha and 18 ha in violation of norms.

The EE replied (May 2009) that construction of PTs was taken up with a view to generate employment under the Employment Guarantee Scheme (EGS).

The reply of the EE was not acceptable as the work should be executed as per government norms.

2.4.9 Asset management and control

The management and control of the assets created are the responsibility of the beneficiaries who are to form associations for the purpose. The maintenance and recovery of water charges were also the responsibility of these associations. GoM did not provide separate funds for the maintenance of these projects.

2.4.9.1 Delay in formation of Water Users’ Association

The number of WUAs formed was too less compared to required number of WUAs

Out of 845 projects with State Sector, Water Users’ Association (WUA) was to be formed in respect of 523 projects. Till January 2009, only 87 WUAs were formed, of which only 19 projects were handed over. The Chief Engineer attributed the shortfall to lack of interest among farmers to form WUA.

ZP Divisions could not furnish details regarding formation of WUAs and handing over of the projects to WUA or Gram Panchayats.

2.4.9.2 Insufficient manpower

Till the projects are handed over to WUAs, the respective Divisions have to oversee the regular management of the projects and collect water charges.

⁶² Aurangabad, Buldhana and Solapur

Separate Divisional office of MILS was not established in seven districts⁶³ resulting in shortfall of seven divisions and 71 sub-divisions. Additional manpower to manage these divisions is required to be sanctioned. Scrutiny further revealed that the men-in-position in the key posts was less than the sanctioned strength as shown in **Table-2**.

Table 2 : Shortage of man-power

Post	Sanctioned strength	Men in Position	Shortage
FOR MILS			
Executive Engineer	27	24	3
Assistant Engineer /SDO	160	111	49
Junior Engineer / AE – II	872	730	142
ZP DIVISIONS			
Executive Engineer	30	23	7
Deputy Engineer	132	90	42

Insufficient manpower had an adverse effect on the overall maintenance and management of the assets created and achievement of the envisaged irrigation benefits.

2.4.9.3 Maintenance and repair of assets

As GoM could not provide funds for the maintenance and repair of the assets created, the MI projects remained unutilised discussed as under:

Nature of observation	Audit findings
<i>Projects remaining unutilised for want of repairs</i>	<p>During floods in the year 2006, 188 PTs of MILS Division and 182 projects of ZP division in Aurangabad District were damaged. An amount of Rs 11.98 crore was demanded (January 2007) for their repair. However, the funds were not provided (March 2009). As a result, these projects could not provide the envisaged irrigation benefits.</p> <p>The head works of Bamni DB with IP of 230 ha was completed (June 2006) at a cost of Rs 14.86 lakh. The weir was damaged in the flood of 2006 monsoon. The damages were not rectified till date (June 2009). No impounding of water was thus possible. Thus, the expenditure of Rs 14.86 lakh remained unfruitful for more than three years due to non-repairing of the damages.</p>
<i>Non-operation of KTWs</i>	<p>Out of 988 KTWs with ZP Division in Osmanabad District, needles in respect of 100 KTWs were only being fixed / removed every year. The remaining KTWs were not under operation. The CE stated that non-provision of funds was also one of the reasons for non-achievement of targeted IP from these KTWs. He further stated that the farmers were not keen to fix / remove needles. Thus, benefits from the KTWs remained largely unutilised.</p>

2.4.9.4 Recovery of water charges

According to Maharashtra Water Policy, water rates recovered from the beneficiaries should be sufficient to pay all administration, operation and maintenance cost of the delivery and use of water.

In respect of PTs and STs without LIS, the benefits of irrigation are derived indirectly by augmenting the ground water resources. Hence, no assessment was made in respect of these projects. The assessment and recovery position of water charges from other MI projects for the period from 2003-04 to 2007-08 is shown in **Table 3**. The average recovery was 63 per cent during the

⁶³ Bhandara, Gadchiroli, Hingoli, Nandurbar, Raigad, Sindhudurg and Wardha

years 2003-04 to 2007-08. It was also noticed that only 32 per cent of IP created were utilised in respect of KTWs and MITs as shown in **Table 4**.

Table : 3 Water charges assessed and recovered (Rs in lakh)

Year	Assessed	Recovered	Percentage
2003-04	36.96	17.33	47
2004-05	26.22	15.80	60
2005-06	48.96	24.74	51
2006-07	58.90	26.59	45
2007-08	56.08	59.42	106
Total	227.12	143.88	63

Table 4: Percentage of IP utilised in respect of MI Tank and KTW (IP in lakh ha)

Year	IP Created	IP utilised	Percentage of IP utilised
2003-04	4.53	1.48	33
2004-05	4.61	1.50	33
2005-06	4.49	1.45	32
2006-07	4.58	1.47	32
2007-08	4.62	1.51	33
Total	22.83	7.41	32

Had the Irrigation potential been fully utilised, the revenue recovery would have been much higher.

The underutilisation was due to (i) unassured supply of water (ii) shortage of WUAs (iii) non-maintenance and non-fixing the needles of KTWs and (iv) low demand from the beneficiaries.

The water charges were neither demanded nor recovered from 2003-04 to 2007-08 in respect of 1510 projects in six test-checked MI ZP Divisions⁶⁴ involving IP of 27848 ha.

CE stated (January 2009) that the recovery of water charges was very meagre due to non-use of irrigation potential and non-availability of management staff.

2.4.9.5 Non-assessment of effectiveness of PTs

As per Para 5.20.4 of MI manual, in order to assess the precise benefit derived from PTs, tests were to be conducted by Maharashtra Engineering Research Institute (MERI), Nashik to assess the extent of ground water recharge. Scrutiny of records of the MILS and ZP Divisions in the selected districts relating to construction of PTs revealed that no assessment of the effectiveness of PTs in augmenting the water level has been done.

When MERI, Nashik was asked to furnish a report of such study, they communicated (April 2009) that no directive for conducting such a study was received.

Thus, the effectiveness of 18964 PTs in the State was not assessed by the Department.

2.4.9.6 Inadequate maintenance of records

The following records could not be scrutinized at Divisional level as they were not being maintained:

Effectiveness of PTs was not assessed by the Department

⁶⁴ Ahmednagar, Buldhana, Nashik, Ratnagiri, Sangli and Solapur

- Tank Level Register required for monitoring the daily levels of water in the reservoir
- Records of measurement of irrigated area
- Records of crop-wise area assessment
- Project-wise water account

As a result, Audit could not verify (i) actual storage of water (ii) water use efficiency of the projects, (iii) loss of water owing to reasons other than providing of irrigation and (iv) correctness of water cess assessment, demand and collection in respect of individual projects.

2.4.10 Conclusion

Minor Irrigation projects were formulated without adequate survey and investigation of the ground realities. Projects taken up remained incomplete for a long period without accrual of any benefits. Unviable projects were taken up and the irrigation potential envisaged was not created even after spending huge amounts. Land acquisition problems led to delay in completion of projects and non-completion of distribution network. Instances of extra, wasteful and infructuous expenditures due to non-adherence to norms were noticed. Formation of WUA was very slow in respect of most of the completed projects and as a result the upkeep of projects continued to remain with the Department. Completed projects could not be managed and maintained for want of manpower and funds. The irrigation potential created was underutilised.

2.4.11 Recommendations

- Department should have a separate Survey Division so that all project proposals could be investigated to ensure technical viability.
- Funds should be made available for ongoing projects on priority basis before taking up new projects.
- Estimates of projects should be based on preliminary study and indepth and accurate survey so as to ensure its viability before their commencement.
- Expenditure on construction works should not be incurred before land acquisition and land acquisition process should be speeded up.
- The beneficiary farmers should be involved at pre-project planning and implementation stage and educated to create awareness about the need to form WUAs for maintenance of the projects.
- Adequate resources should be provided for maintenance of assets till they are handed over to the WUAs/Gram Panchayats.

Home Department

2.5 Computerisation in Police Department

Highlights

The objective of computerisation in Police Department was to store Crime and Criminal related data and retrieve the information quickly when need arises. No tangible benefits have accrued so far from the computerisation.

Lack of co-ordination between State Government and Ministry of Home Affairs has resulted in purchase of hardware for Common Integrated Police Application (CIPA) valuing Rs 2.97 crore which were lying unutilised for about one year.

(Paragraph 2.5.6.1)

The CIPA data was lying on the stand alone server of the respective Police Stations due to non-working of Bridge Software which resulted in non-availability of data either through Crime and Criminal Information System (CCIS) or CIPA on National server defeating very purpose of making available data online.

(Paragraph 2.5.7)

Lacunae in system design of CIPA software led to generation of incorrect data.

(Paragraph 2.5.8.1)

The CIPA work was managed by Police Constables only and higher ranking officers were not trained and the expenditure of Rs 38.02 lakh incurred on training remained largely unfruitful.

(Paragraph 2.5.8.3)

The data entry in CCIS for the years from 1998 to 2007 was not completed though 10 years had elapsed.

(Paragraph 2.5.9.1)

The data of CCIS and CIPA were not authenticated leading to entering same FIRs twice in the same police station, misclassification of FIRs, storage of FIRs without Act and Section etc.

(Paragraph 2.5.9.6)

Even after 21 months and spending Rs 74.87 lakh on “9 Application Software” the same was not rolled out till June 2009.

(Paragraph 2.5.10)

2.5.1 Introduction

A National project namely “Crime and Criminal Information System” (CCIS) was approved (May 1994) by the Union Cabinet for implementation across the country which was to be financed by the Government of India (GoI). The objective of the scheme was storage of Crime and Criminal related data and

easy retrieval of information for crime detection. Data were to be collected in seven forms called “Integrated Investigation Forms” (IIFs) by police stations (PSs) and sent to District Crime Records Bureaus (DCRB) for capture in the computer system. The application was made (December 2004) web enabled for easy access by National and State level officers for detection of inter district crimes and inter State crimes. CCIS database was declared (September 2005) as “National database” by Ministry of Home Affairs (MHA), GoI, which made it obligatory for the States to contribute crime/criminal data to National database.

All the 45⁶⁵ DCRBs in the State of Maharashtra were provided with computers for capturing of data which were then consolidated at the State Crime Records Bureau (SCRB) at Pune and transmitted to the National Crime Records Bureau (NCRB) for final consolidation.

With a view to build the infrastructure and mechanism to provide the basis for evolution of Crime and Criminal Information System based on Criminal Procedure Code which is uniform across the country, in a planned manner from Police Station (PS) level, the GoI introduced a Project called “Common Integrated Police Application” (CIPA). CIPA Software was designed and developed by National Informatics Centre (NIC), New Delhi in JAVA under LINUX Operating System (OS), PostgreSQL RDBMS in English language with multilingual interfaces developed for Indian languages. Main objectives of CIPA were to automate the processes at PS relating to Crime and Criminal, to provide information as and when required and to generate various statutory outputs.

In phase-1, CIPA was started (September 2007) in Maharashtra in 127 PSs of nine⁶⁶ Police Commissionerates (nine DCRBs) and in the rest of the 36 DCRBs, CCIS was in operation.

2.5.2 Organisational set-up

The Police Department of the State is headed by the Director General of Police (DGP) who functions under the administrative control of Additional Chief Secretary, Home Department. The computerisation work implemented through PSs and DCRBs was monitored by the Additional Director General/Special Inspector General of Police, SCR, Pune.

⁶⁵ Ahemadnagar, Akola, Amravati City, Amravati Rural, Aurangabad City, Aurangabad Rural, Beed, Bhandara, Buldhana, Chandrapur, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Jalna, Kolhapur, Latur, Mumbai City, Mumbai Railway, Nagpur City, Nagpur Railway, Nagpur Rural, Nanded, Nandurbar, Nashik City, Nashik Rural, Navi Mumbai, Osmanbad, Parbhani, Pune City, Pune Railway, Pune Rural, Raigad, Ratnagiri, Sangli, Satara, Sindhudurg, Solapur City, Solapur Rural, Thane City, Thane Rural, Wardha, Washim and Yavatmal

⁶⁶ Amravati, Aurangabad, Mumbai Railway, Nagpur, Nashik, Navi Mumbai, Pune, Solapur and Thane

2.5.3 Audit objectives

The objectives were to evaluate whether:

- the procurement of hardware was done on need basis;
- the hardware and software was used judicially and economically;
- the controls including IT security built in the IT system were adequate and to bring out the areas of risks, if any;
- the data available in the system and the information generated through the IT system was complete, accurate and reliable;
- the flow of information from Police Stations to District and State Crime Records Bureau was seamless;
- the information was made available to end users in time for decision making and monitoring and
- adequate business continuity plan and disaster recovery plan was in existence.

2.5.4 Audit criteria

The audit criteria adopted were:

- Instructions of NCRB/GoI,
- Criminal Procedure Code (Cr. PC), Indian Penal Code (IPC), Police Manuals, Bombay Police Act, rules and regulations of the Government and
- Generally accepted IT best practices.

2.5.5 Scope and methodology of audit

Implementation of Computerisation activities and policies were scrutinised in DGP office, Mumbai, SCRB Pune, 13⁶⁷ out of 45 DCRBs for CCIS and 33⁶⁸ out of 127 PSs where CIPA first phase was implemented between December 2008 and April 2009. The selection of DCRBs and PSs was done through statistical random sampling. Methodology adopted was assessment of controls by issue of questionnaires, comparing electronic data with manual records besides analysis of various modules of CIPA system. Integration of various application softwares with each other and databases created were scrutinised to check the quality and reliability of data. Entry conference was held in May 2008 with Principal Secretary (Special), Home Department at Mumbai.

⁶⁷ Nagpur City, Nagpur Railway, Nagpur Rural, Nashik City, Nashik Rural, Navi Mumbai, Mumbai City, Mumbai Railway, Pune City, Pune Railway, Pune Rural, Thane City and Thane Rural

⁶⁸ Ajni, Ambad, Badlapur, Bhosari, Borivali, Chatrapati Shivaji Terminus, Deccan Gymkhana, Deolali, Hill Lane, Jaripatka, Kalamna, Kolshewadi, Kopri, Kurla, Lakadganj, Manpada, Mumbai Central, MFC Kalyan, Navin Panvel, Nhavasheva, Nizampura, Pachpaoli, Panchavati, Pimpri, Ranapratap Nagar, Swargate, Taloja, Ulhas Nagar, Uran, Vashi, Vitthalwadi, Wanwadi and Yerwada

Exit conference could not be held and replies to the observations were also still awaited from the Government.

Audit findings

2.5.6 Procurement of hardware for CIPA

2.5.6.1 Duplication and excess procurement of hardware

Hardware is an important and costly IT asset and therefore, excess procurement should be avoided. Scrutiny of the records revealed that the department purchased hardware (servers, clients, printers, scanners, switches and modems) costing Rs 2.97 crore (February-March 2005) from the funds of Modernisation of Police Force for pilot launch of CIPA in 126 PSs of nine Police Commissionerates. Subsequently, MHA through NIC directly supplied hardware (January, February 2006) pre-loaded with CIPA software to these PSs. Meanwhile, the hardware earlier supplied to these PSs by the department which were lying idle due to non-installation of CIPA software, were withdrawn and redistributed to other offices/units of the department for office automation and CCIS. Thus, the aforesaid hardware valuing Rs 2.97 crore were lying unused for about one year.

Department accepted (April 2009) the duplication of purchase of hardware.

Central Processing Units numbering 254 with attachment of modem and fax cards having a speed of 56 Kilobytes per second (Kbps) were supplied by MHA for CIPA. It was, however, noticed that broadband connection having special modem with the high speed was also made available by the department to every PS. As such modem/fax cards became unnecessary and the expenditure of Rs 1.16 lakh incurred by MHA on their procurement became wasteful.

Every PS was equipped with two servers and three clients loaded with CIPA software and to connect all these in Local Area Network (LAN), 127 number of 16 port switches were supplied. As the Action Plan for CIPA (July 2005) envisaged eight port switches only, the expenditure incurred on account of difference in cost of 16 and eight port switches could have been avoided.

These excess and unavoidable procurement of hardware indicated lack of co-ordination between the State Police Department and the MHA of GoI.

2.5.6.2 Idling and underutilisation of CIPA computers

The CIPA project was implemented as a total package including supply of hardware, software, training and handholding support by appointing a single agency for all the PSs in a State. Accordingly, M/s. HCL Infosys Ltd., Puducherry was designated to supply hardware (January 2006) and manpower for training and handholding support (September 2006) by appointing Senior Technical Assistants (STA) and Technical Assistants (TA).

It was noticed in the test checked PSs that the hardware were received from January to July 2006 and were installed from February to August 2006. The

appointed STAs/TAs joined respective PSs between June and August 2007 and the operation of CIPA project was started from September 2007. Thus, the hardware was lying idle for more than 20 months from January 2006 to August 2007.

It was also noticed that out of five computers supplied to each PS for CIPA on an average, only three computers were used for CIPA. Of the balance, one computer was utilised for other office works and for availing broadband facility. This resulted in underutilisation of two computers per PS for the purpose of CIPA.

All the PSs accepted the above facts.

2.5.7 Non-working of ‘Bridge’ software

CCIS software was developed on Window based OS with MS-SQL as backend whereas the CIPA database was developed on Linux OS with PostgreSQL. In order to bring compatibility and to port the CIPA data to CCIS and vice versa, NIC later developed ‘Bridge’ software. However, the ‘Bridge’ software could not be successfully installed at SCRB, Pune, DCRBs Nagpur and Pune (April 2008) and NCRB and NIC, New Delhi were intimated accordingly in December 2008.

Meanwhile, SCRB, Pune directed (November 2008) nine DCRBs consisting of 127 PSs implementing CIPA to complete the backlog data entry in CCIS up to September 2007 and stop further data entry in CCIS from October 2007 onwards. However, it was noticed that 26 PSs continued the data entry in CCIS till December 2008 (7,362 records) apart from entry of the same data in CIPA leading to wastage of man and machine hours.

Further, due to non-functioning of ‘Bridge’ software, the data from October 2007 in respect of the PSs implementing CIPA were lying on the stand alone server of CIPA in the respective PSs and could not be transferred to National server after getting ported to CCIS database. This resulted in non-availability of complete and combined data for the period from October 2007 on National server, defeating the very purpose of making available online data for investigation.

2.5.8 General controls

General controls regulate the environment in which the IT application is operated and includes disaster recovery and business continuity planning, access controls both physical and logical access and organisational issues such as segregation of duties and providing adequate training. Audit observed that disaster recovery and business continuity arrangements were inadequate and IT security practices comprising physical and logical access and environment controls, and training of staff was inadequate as brought out subsequently:

2.5.8.1 Lacunae in designing CIPA software

Analysis of the CIPA software revealed that there were many flaws/lacunae in the software as detailed below:

- There was no provision in the software to (i) rotate the scanned photos of the criminals and missing persons, (ii) accept list of all the local head of crimes;
- Due to non-inclusion of certain sections of PIT Act, Prohibition Act, Indian Arms Act *etc.*, in the list of options to classify the crime under various acts, such FIRs were shown to have been registered under different Sections or without entering such details;
- In the Investigation module under ‘Finger prints sent to Finger Print Bureau (FPB)’ option, the names of FPB offices in Mumbai and in the State of Maharashtra were not included in the list provided in drop down menu;
- The title of ‘Zero’ FIR was incorrectly mentioned as FIR transferred from other PSs instead of FIR transferred to other PSs resulting in non-feeding of such cases in the system;
- Entries made in the station diary regarding arrest of criminals, seizure of property, registration were also required in “Registrations”, “Arrest”, “Investigation”, “Prosecution” modules of CIPA. However, in CIPA, these data was entered in the Station Diary in text format and hence could not be captured in all the modules separately. This had resulted in duplication of work which consumed time;
- Data entry in the “Registration” module was required to be done as per the chronological order of the Station Diary and the operator had to enter Station Diary number and date. However, the system allowed data entry of subsequent numbers without the data entry of earlier ones and did not prompt to the user the missing diary number, if any, at the time of recording subsequent event. Hence, if the user had missed the sequence, only option available to the user was to reload the earlier backup and re-enter the entire data from the date of last backup as there was no facility to insert the missing data;
- There was no provision in the software to auto freeze the FIR after a defined period of time as in CCIS software where FIRs were automatically frozen after 24 hours. This increases the possibility of manipulation in FIRs in CIPA system.

2.5.8.2 Inadequate IT Security practices

Considering the vulnerability of IT systems to various threats, it was necessary to (i) identify the risk involved in the system; (ii) identify critical data which would need enhanced security; (iii) define a security policy which would ensure confidentiality, integrity and availability of data and (iv) documentation of the security policy.

Audit noticed that the Police Department did not formulate any security policy. The following points were also observed:

- Change of passwords at periodical intervals was not made mandatory and there was no restriction on the length of the passwords used.
- Though the security levels required for handling the sensitive/critical modules of CIPA were identified, it was not followed as the persons other than Investigating Officers (IO) were entering the data which was supposed to be entered by the IO by logging in with IO's username and password. Also, all the data entry level users in a PS were logging in with the same username and password.
- Backups of the data were not taken on regular intervals as guidelines in this regard were not issued by SCRB. Registers to record and monitor the backups were also not maintained and there was no system of storing the backup off-site as the users were not trained to take backups on other storage devices and the backups were stored in the same server where the data was stored.
- No anti-virus software was loaded on any of the computers of the PSs.
- Due to load shedding, the system could not be operated for about four to five hours in a day in Nagpur, Nashik and Navi Mumbai Commissionerates.

All the test checked PSs accepted (March 2009) the aforesaid facts.

There was no provision in the CIPA software to delete the FIRs once generated through the system. Audit analysis of the database, however, revealed that in 11⁶⁹ PSs, 229 FIRs were missing. Since all users were logging in with the same username and password and in the absence of adequate audit trail, the users who had deleted the FIRs and the reasons thereof could not be ascertained.

On this being pointed out, all the PSs stated that this was done due to oversight and the matter would be taken up with the higher authorities.

The reply was not acceptable as FIR being sensitive and important record, more care should have been taken by the department in the absence of sufficient audit trails.

2.5.8.3 Inadequacy of trained manpower and ineffective training

It was observed that the availability of trained persons in PSs was very low, the CIPA work was done by Police Constables (PCs) only and higher ranking officers were not involved. The trained PCs were also assigned other policing duties. Consequently, the data entry work got delayed and back log data entry could not be completed as commented in paragraph 2.5.9.7.

Though, one STA per commissionerate at Rs 18,700 per month per person for a period of one year and one TA for every PS at Rs 13,200 per month per person, for a period of six months were deployed by HCL to impart on-job

⁶⁹ Bhosari, Hill Lane, Kalamna, Kolsewadi, Lakadganj, Manpada, MFC Kalyan, Pachpaoli, Ranapratap Nagar, Uran and Wanwadi

training on standard Office Automation Software and the CIPA software, it was observed that the officials of PS were not able to handle CIPA without the technical support because either no training or incomplete training was given by the STAs/TAs.

Thus, the department failed to utilise the services of STA/TA and the expenditure of Rs 38.02 lakh incurred on hiring of STA/TA in test checked six⁷⁰ Commissionerates and 31 PSs largely remained unfruitful.

2.5.8.4 Inadequate documentation policy

Though CIPA user manual and guide were available on web site but any of the test-checked PSs did not have the same. In the absence of these documents, the users were unable to solve the difficulties faced by them.

2.5.9 Application Controls

Application controls ensure that the transactions are carried out according to the business rules of the organisation. These controls include input controls and validation checks to make the data complete, accurate and reliable.

2.5.9.1 Incomplete data entry in CCIS

Form-1 of IIFs namely First Information Report (FIR) provides preliminary information about the crime, Form-2 Crime Details Form (CDF) provides information regarding type of crime, type of property stolen and motive of crime, Form-5 Final Report Form (FR) provides details of chargesheet filed against the accused. Data entered in these forms was critical and all other forms such as property seizure, arrested person details, court case details *etc.*, were subsidiary to these forms.

Analysis of the database of the selected 12 DCRBs (except Mumbai city where data was stored in three different servers and not consolidated) revealed that the average percentage of data entry of FIR, CDF and FR were 83.37, 66.79 and 45.88 respectively. This indicated that the data entry for the years from 1998 to 2007 was yet to be completed. As capture of the critical data remained incomplete, the very objective of making CCIS data available for easy retrieval of information in support for crime detection was defeated.

The DCRBs stated that shortage of manpower and assignment of policing duties to the users of CCIS hampered the data entry work.

2.5.9.2 Non-use of web enabled CCIS database

SCRB, Pune intimated (January 2006) all DCRBs to make use of Nation-wide database of CCIS on NCRB website as and when required for investigation and other related purposes and each DCRB was allotted user ID and password. PSs could approach the respective DCRBs for information from the Nation-wide data.

⁷⁰ Mumbai Railway, Nagpur, Nashik, Navi Mumbai, Pune and Thane

It was noticed that the number of hits recorded during January 2006-December 2008 in respect of test checked DCRBs on website of the NCRB ranged between 546 and 606 only indicating meagre usage of the data base. It was also observed that no registers were maintained in selected DCRBs to monitor the requests from the IO, other law enforcement agencies and related organisations and supply of information thereon. Moreover, completeness and quality of information available on NCRB server was not good as commented in paragraph 2.5.9.6.

DCRBs replied that the CCIS database would be effectively utilised in future.

It was, thus, clear that CCIS database was not effectively used defeating the very purpose for which the database was created since 1998.

2.5.9.3 Non-installation of latest version of CIPA

The latest version (1.16 b) of CIPA was released (December 2008). However, it was noticed that test checked PSs were using version 1.11/1.14 of CIPA software (January-March 2009) owing to various problems in the latest version. This indicated deficient testing and acceptance procedures adopted by NIC/Department while updating the version of the CIPA software.

2.5.9.4 Duplication of work

The objectives of CIPA software were significant reduction in manual records/registers maintenance, elimination of duplicate and inconsistent record keeping and generation of various reports required from time to time.

Scrutiny of the records in all the selected PSs revealed that though provision was available in the system, no MIS reports were generated through CIPA software and manual written copies of FIR were continued to be issued instead of system generated FIRs to the complainants (March 2009).

The reasons for the above were attributed to non-receipt of directions from higher authorities regarding online issue of FIR, shortages of printing stationery, cartridges and shortage of trained manpower.

The objectives of CIPA to automate the processes at PSs were not achieved. On the contrary, there was wastage of more manpower besides duplication of work.

2.5.9.5 Vital information on criminals missing

CCIS had provision to store identity of criminal but no provision was made for storage of photographs or fingerprints which were more precise and unique identities. Though CIPA software was developed with such provisions to store photographs/finger prints, the same was not captured in the database by all PSs implementing CIPA except Mumbai Railway PSs.

2.5.9.6 Inadequate input control and non-reliability of CCIS/CIPA data

The data related to crime and criminal being crucial and of utmost importance should be accurate, reliable and authentic. SCRB directed (April 2006) all DCRBs to check the data in respect of IIFs to avoid incorrect feeding. Audit analysis of the database revealed that the data was not authenticated leading to storage of incorrect data as can be seen from the following observations:

Same FIRs entered in the database of two Police Stations

In CCIS, data entry in respect of IIFs of each Police Station is done at DCRB. Out of test checked DCRBs in five⁷¹ DCRBs, it was noticed that in 48 cases, though the content of FIRs were same, these FIRs were entered in two PSs as the operators failed to set the location of Police Station (name of Police Station).

Same FIRs entered twice in the same Police Station

No facility for auto generation of FIR numbers was available in the CCIS software. Hence the users were required to manually enter the FIR numbers. However, it was noticed that 66 FIRs were entered twice with two different numbers in the same PS under eight⁷² DCRBs.

In CIPA, though there was facility to auto generate FIR numbers, in 12 cases (five⁷³ PSs), same FIRs were entered with two different numbers.

These indicated user level mistakes and absence of supervisory check.

Misclassification of FIRs in database

The FIRs were given running serial numbers as per the category to which crime pertains *i.e.*, (i) Class I to V (Major crimes) FIR numbers from 1 to 3000, (ii) Class VI (other crimes) from 3001 to 6000 and (iii) Prohibition cases from 6001 to 9999. Analysis, in five⁷⁴ DCRBs revealed that 35 FIRs were misclassified in the CCIS database and saved under wrong category as the software lacked auto generation of FIR numbers and validation checks as regards display of Acts and Sections relevant to the respective category of crimes were found inadequate.

FIR Numbers generated more than the last FIR registered

FIR registered in the PS in each year, was given number in sequential and chronological order under each category and later on entered in the database. In absence of facility in CCIS software to generate FIR numbers in sequential order and lack of supervisory check, FIR numbers allotted by the users in an

⁷¹ Nagpur City, Nagpur Railway, Nagpur Rural, Nashik City and Nashik Rural

⁷² Nagpur City, Nagpur Railway, Nagpur Rural, Nashik City, Nashik Rural, Pune Rural, Thane City and Thane Rural

⁷³ Jaripatka, Kalamna, Manpada, Pachpaoli and Taloja

⁷⁴ Nagpur City, Nagpur Rural, Nashik City, Nashik Rural and Thane Rural

ad hoc manner in 60 cases of five⁷⁵ DCRBs, which was more than the last FIR number registered as per the manual registers.

In the CIPA software, since FIR numbers were generated automatically in a running serial number, alteration in this number was not possible. However, analysis of CIPA data revealed that in 144 cases of 14⁷⁶ PSs, FIR numbers were not allotted in a sequential order and numbers allotted were more than the last FIR number registered as per manual records in the respective PSs.

FIRs stored without Acts and Sections

There was provision in the CCIS software to save the FIRs with reference to the relevant Act and Sections. However, analysis of the database maintained at SCRB, Pune revealed that 3,956 FIRs from 1998 to 2008 were entered without indicating relevant Acts and Sections.

In CIPA software also, 22 FIRs of four⁷⁷ PSs for the years 2007 and 2008 were entered without Acts and Sections and in 10 FIRs of two⁷⁸ PSs, no details other than FIR numbers were entered.

This showed that the inadequate input controls employed in the software which allowed saving of FIRs without critical information like Acts and Sections.

Incorrect classification of Acts and Sections

The master data should not contain dummy and irrelevant data, as it forms the basis for creation of authentic and reliable database. It was seen that the master data relating to Acts and sections contained sections which were not relevant to their corresponding Acts. For example, data base contained the following irrelevant sections 00FA, 00MA, 00MP, 00PF, 00UD, A-B and 00WB under Indian Penal Code, 1860. This resulted in creation of incorrect records of 102 FIRs on the SCRB server with the aforesaid sections.

Data entry in excess of Crimes actually registered

Analysis of the CCIS database maintained in six⁷⁹ DCRBs revealed that the data entry of FIRs, CDFs and FR forms were done in excess of actual FIRs registered during a particular year due to non-reconciliation with the manual records and absence of control totals combined with supervisory checks.

On this being pointed out, DCRBs stated that due to oversight of the operators data entry mistakes were committed. Further, DCRB, Thane Rural reported to SCRB (May 2008) data entry mistakes in 1,560 records for the period 1998 to 2008 which confirmed non-authentication of data.

⁷⁵ Nagpur Railway, Nashik City, Nashik Rural, Pune Rural and Thane Rural

⁷⁶ Bhosari, Jaripatka, Kalamna, Kopari, Manpada, Mahatma Phule Chowk Kalyan, Navin Panvel, Nhava sheva, Pachpaoli, Panchvati, Taloja, Uran, Wanwadi and Yerwada

⁷⁷ Ajani, Bhosari, Hill Lane and Pachpaoli

⁷⁸ Nhavasheva and Uran

⁷⁹ Mumbai Railway, Nagpur City, Nagpur Railway, Pune Railway, Thane City and Thane Rural

Misclassification and incorrect value of property in CIPA

There was provision in the software to capture the details of property such as type of property, its value in the FIR. Analysis of the database revealed that in six⁸⁰ PSs, the total value of property entered in database was Rs 1.55 crore as against the actual value of Rs 19.86 lakh as recorded in the manual FIR.

The options in the drop down menu regarding details of 'Property' type in FIR form were displayed in English and Hindi instead of Marathi, the local language. This has resulted in selecting wrong option under 'Property' category in 58 records of 13⁸¹ PSs.

The PSs accepted the data entry mistakes. This showed that the data was not authenticated by any responsible supervisory officer.

2.5.9.7 Output control

CCIS software

The quantity of FIRs entered in the database of CCIS could be viewed in 'Data Quantity Report' and completeness thereof in 'Data Quality Report' generated from report menu. There should be no difference in the figures of FIRs in these two reports generated from the same database. It was, however, noticed in six DCRBs, number of FIRs as per Data Quantity Report and Data Quality Report was 4,08,902 and 4,09,413 respectively. The total number of FIRs as per manual registers agreed with the Data Quantity Report. This indicated incorrect generation of MIS in respect of Data Quality Report.

CIPA software

It was noticed that in five⁸² PSs under Mumbai Railway DCRB, data entry was made in all the Integrated Investigation Forms and other modules of CIPA, but in rest of the test checked 28 PSs, data relating to IIF-1 was only being entered and details were not entered in any other IIFs and modules since September 2007.

Analysis of the CIPA software revealed that in the following reports, expected output was not generated.

- In the report of 'Arrest Accused Register', information of all the accused arrested under various Sections of Indian Penal Code, Criminal Procedure Code –Section 109 and 110, Bombay Police Act, 1951 and Juvenile Justice Act were shown together. There was no separate report for the accused arrested for major crimes/local crimes for which FIRs were registered under category I to V and VI. These reports were generated manually;

⁸⁰ Deccan Gymkhana, Hill Lane, Kopri, Lakadganj, Pachpaoli and Panchavati

⁸¹ Ajani, Ambad, Borivali, CST Rly., Jaripatka, Kalamna, Kurla, Lakadganj, Mumbai Central Railway, Pachpaoli, Panchavati, Ranapratap Nagar and Ulhasnagar

⁸² Borivali, CST, Kurla, Mumbai Central and Vashi

- In the report of ‘Bail Register’, details of bail amount received were not reflected;
- In the Conviction Report, the information of the punished accused were not shown though the same was fed;
- In the Register of ‘Missing Persons’, if the missing person was found and details thereof were fed, details of person to whom the missing person was handed over were not reflected in the report though the same were fed;
- The report generated in the ‘Accidental Death Register (ADR)’ module showed no details of ‘Brief description of occurrence’ though the information in this regard was fed;
- In the ‘Post Mortem Register’ report, the name of the hospital was not exhibited and other details like post mortem number, date *etc.*, was shown incorrect.

2.5.10 Development of 9 Application Software

The Government of Maharashtra (GoM) decided to computerise police functions other than crime and criminals like housekeeping and maintenance activities, personal information and accounts. The work of development and implementation of software called ‘9 Application Software’ (9AS) was entrusted to M/s. Computer Maintenance Corporation of India (CMC) Limited for Rs 1.69 crore in March 2007 with the stipulation to implement it at Pilot sites in Phase I at nine⁸³ Commissionerates within six months of contract signing and rolling out of application software in the remaining sites within 18 months.

Though an amount of Rs 74.87 lakh was spent and 21 months gone, the application package was yet to be rolled out (June 2009) even at Pilot sites due to non-availability of connectivity at central server Mumbai, disaster recovery site at Pune and all other offices.

2.5.11 Conclusion

The objectives of introduction of CCIS and CIPA were not achieved. The critical data required for investigation purposes and generating reports from CCIS is still largely incomplete. Better co-ordination between the State Government and Ministry of Home Affairs, Government of India would have resulted in avoiding duplication of purchase of hardware. The deficiencies in input controls and supervisory checks have resulted in incomplete and incorrect database, making it unreliable and thus not useful. Due to non-working of ‘Bridge Software’, the CIPA data was lying on stand alone servers of the respective PSs without being ported to CCIS and hence not available on the national web server since October 2007. The 9 Application package envisaged to computerise other office functions was not rolled out even at

⁸³ Amravati, Aurangabad, Mumbai Railway, Nagpur, Nashik, Navi Mumbai, Pune, Solapur and Thane

Pilot sites after incurring an expenditure of Rs 74.87 lakh so far. No tangible benefits have thus accrued so far from the computerisation.

2.5.12 Recommendations

In order to make computerisation effective in Police Department, following recommendations are made:

- Capturing of data in CCIS and CIPA system should be speeded up for ensuring complete information.
- The correctness of data has to be ensured through suitable input controls and supervisory checks.
- Bridge Software should be made operational to enable porting the CIPA data to CCIS and vice versa for making information available for investigation.
- The input controls and validation checks should be strengthened to make data complete, accurate and reliable.
- The users at various levels needed to be trained to ensure the utility of the database.
- Department should initiate a time-bound action to implement the 9 Application Software.

CHAPTER III

AUDIT OF TRANSACTIONS

Audit of transactions of departments of the Government, their field functionaries as well as that of autonomous bodies brought out several instances of ineffective management of resources and failures in the observance of the norms of regularity, propriety and economy. These have been presented in the succeeding paragraphs under broad objective heads.

3.1 Fraudulent drawal/misappropriation/embezzlement/losses

Public Health Department

3.1.1 Fraudulent payment of medical reimbursement claims

Medical reimbursement bills were passed without exercising proper checks by the Medical Superintendent of a rural hospital at Parli Vaijnath (Beed). This resulted in fraudulent payment of Rs 12.60 lakh.

As per provisions of the Bombay Financial Rules, 1959, Drawing Officer is required to ensure that no overcharge would occur due to any reasons. Further, as per guidelines issued (December 2000) by the Finance Department (FD) to the treasuries/sub-treasuries, the Treasury Officers should also scrutinise the claims before making payment.

Scrutiny (June 2007) of the records of the Medical Superintendent (MS), Rural Hospital (RH), Parli Vaijnath, District Beed, revealed that 101 medical reimbursement claims (MRC) were passed by the MS without exercising adequate checks during June 2002 to May 2007. It was noticed in audit that proper papers *i.e.*, sanction orders of the competent authority, doctor's prescriptions, cash memos in support of purchase of medicines *etc.*, were not enclosed with the bills though it was specified in the guidelines issued (March 2000) by the FD. Even blank sanction orders signed by MS were enclosed with the medical reimbursement bills. Thus, 101 medical bills involving amount of Rs 16.84 lakh were passed by the MS were suspected to be bogus bills.

On this being pointed out (June 2007), the Civil Surgeon (CS), Beed carried out a detailed investigation of the medical bills passed during June 2002 to May 2007 and intimated (October 2008) Audit that out of 132 bills investigated, 76 medical reimbursement claims amounting to Rs 12.60 lakh were found bogus and were liable to be recovered. Details of action taken and recovery made are awaited (March 2009). The matter required detailed investigation by the Government in all the districts.

The matter was referred to the Principal Secretary to the Government in March 2009. Reply had not been received (October 2009).

3.2 Excess payment/overpayment/wasteful/ infructuous expenditure

General Administration Department

3.2.1 Overpayment of incentive allowance

Irregular consideration of dearness pay for calculation of incentive allowance for the employees working in naxalite affected areas resulted in overpayment of Rs 4.58 crore in 16 offices in four districts.

In order to encourage the employees to work in naxalite affected areas, General Administration Department (GAD) of the Government of Maharashtra (GoM) decided (August 2002) to pay incentive allowance at the rate of 15 *per cent* of basic pay. In July 2004, Finance Department (FD) of GoM decided to merge 50 *per cent* of dearness allowance as dearness pay (DP) with the basic pay with effect from 1 August 2004 for calculation of certain allowances. However, no mention was made whether the DP would count for incentive allowance. In July 2006, FD clarified to Tribal Development Department that dearness pay should not be considered for calculation of incentive allowance. However, it was not circulated by FD to the Government departments/treasuries. It was only in September 2007, the clarification was circulated by the FD to all concerned.

Scrutiny of records of the Superintendent of Police, Gadchiroli and 15 other offices¹ in four² naxalite affected districts revealed (September 2007 to July 2008) that incentive allowance was paid at the rate of 15 *per cent* on basic pay plus dearness pay in spite of issue of the clarification by FD. This resulted in overpayment of incentive allowance. Audit noticed that before issue of clarification by FD in July 2006, during August 2004 to July 2006, 16 other offices had included dearness pay component to the basic pay for the calculation of incentive allowance resulting in overpayment of Rs 2.94 crore (Approximately). Although FD endorsed (July 2006) that dearness pay would not count for computation of incentive allowance, due to delay in circulating the clarification, the overpayment continued till August 2007 in 16 offices amounting to Rs 1.64 crore (Approximately). Total overpayment was thus aggregated to Rs 4.58 crore (**Appendix 3.1**).

¹ District Bhandara (Principal District & Session Judge, Industrial Training Institute (ITI),Lakhandur), District Gadchiroli (Filaria Hospital, NFC Unit, Principal District & Session Judge, Government Pleader & Public Prosecutor, Taluka Agricultural Officer, Mulchera, Superintendent, Pay & Provident Fund Unit, Collector, ITI, Mulchera), District Gondia (ITI, Arjuni Morgaon, Executive Engineer, EGS (PW) Division, Superintendent of Police, Assistant Surgeon, Government TB Hospital), District Yavatmal (ITI, Zari Jamni, District Judge-1 & Additional Session Judge)

² Bhandara 2 offices, Gadchiroli 8 offices, Gondia 4 offices, Yavatmal 2 offices

On this being pointed out, 11 offices stated (September 2007 to July 2008) that the matter would be referred to the GoM and higher authorities for clarification, reply from two offices³ are awaited, one office⁴ accepted the fact whereas two offices⁵ did not accept on the ground that dearness pay count even for the purpose of calculation of incentive allowance and that instruction was received only in September 2007.

Reply was not acceptable in view of the clarification already given by the FD.

The matter was reported to the Principal Secretary to the Government in March 2009. Reply had not been received (October 2009).

Planning Department

3.2.2 Inadmissible expenditure

MPLAD scheme funds were released for construction of a college building at Parli Vaijnath, Beed District run by a society and one of the members of the society was a relative of the recommending Member of Parliament. This resulted in inadmissible expenditure of Rs 50 lakh.

According to paragraph 3.21 of the guidelines (November 2005) on implementation of Member of Parliament Local Area Development Scheme (MPLADS), the funding is not permissible to a Society/Trust, if the recommending Member of Parliament (MP) or any of his/her family members⁶ is the President/ Chairman or Member of the Managing Committee or Trustee of the registered Society/Trust in question.

Scrutiny (May 2008) of records in the office of the Collector, Beed revealed that a late MP had recommended (January 2006) to the Collector, Beed an amount of Rs 50 lakh for construction of building of Nagnath Appa Halge Engineering College (College), Parli Vaijnath, District Beed from his MPLAD fund for the financial year 2005-06. Accordingly, Collector Beed, released (April 2007) Rs 50 lakh for the work. The work was executed by the Executive Engineer, Public Works Department, Ambajogai, which was completed in March 2008 at a cost of Rs 50 lakh. It was, however, noticed in audit (May 2008) that the College was run by Vaidyanath Sarvangin Vikas Sanstha (Society), Parli Vaijnath, District Beed and one of the members of the society was close relative (sister) of the late MP. As a member of the society was within family relation of the recommending MP, the release of funds from MPLADS for construction of college building of the society was irregular. This resulted in an inadmissible expenditure of Rs 50 lakh.

³ Principal District and Session Judge Bhandara, District Judge and Session Judge Yavatmal

⁴ Principal ITI Jarri Zamni, District- Yavatmal

⁵ Collector Gadchiroli, Executive Engineer EGS (PW) Division, Gondia

⁶ Family members would include the MP and MP's spouse and also their parents, brothers and sisters, children, grandchildren and their spouses and their in-laws

The Collector, Beed stated (May 2008) that as there was no mention of name of the recommending MP or his heirs in the society's records or agreement executed for execution of work under the scheme, the district authority could not verify the relationship.

The reply was not acceptable as it was the responsibility of the district authority to ensure compliance of the guidelines of MPLAD scheme.

The matter was reported to the Principal Secretary to the Government in March 2009. Reply has not been received (October 2009).

Urban Development Department

3.2.3 Excess payment of grant to Municipal Councils

Excess payment of dearness allowance grant of Rs 60.51 lakh made to three Municipal Councils during 2003-04 was not recovered or adjusted by the Collector, Amravati as of March 2009.

Government of Maharashtra in the Urban Development Department issued an order on 27 March 2000 which stipulated that the Municipal Councils (MCs) classified as A, B and C would be eligible to receive dearness allowance (DA) grants at 80 *per cent*, 85 *per cent* and 90 *per cent* respectively of expenditure incurred on payment of DA to officials of MCs.

Scrutiny of records of Collector, Amravati revealed (October 2007) that during 2003-04 and 2004-05 DA grants had been released by Collector, Amravati to three⁷ MCs in excess⁸ of the percentage prescribed by the Government in this regard. This has resulted in payment of excess grant of Rs 60.51 lakh to these MCs (**Appendix 3.2**). The amount was not recovered/adjusted as of March 2009 as the assessment of actual utilisation of grants was not done.

On this being pointed out (October 2007 and November 2008), the Commissioner and Director of Municipal Administration (Commissioner) stated (January 2009) that re-assessment of DA grant has been undertaken and excess grant paid, if any, would be adjusted from the grant payable during 2009-10.

The matter was referred to the Principal Secretary to the Government in March 2009. Reply had not been received (October 2009).

⁷ Achalpur (A Class), Anjangaon Surji (B Class) & Chikhaldara (C Class)

⁸ 90 *per cent* for 'A' class MCs and 100 *per cent* for 'B' & 'C' class MCs

Water Resources Department

Vidarbha Irrigation Development Corporation

3.2.4 Undue financial aid to the contractor

Payment of work advance of Rs 33.72 crore to two contractors though not provided for in contract, resulted in undue financial benefit.

Government directed (March 2000) that no clause regarding payment of mobilisation advance/ machinery advance should be incorporated in the contract. Two instances of irregular payment of advances to contractors in Jigaon Irrigation Project, Nandura were noticed in audit, as discussed below:

(A) The construction work of earthen dam, spillway, divide wall, approach and tail channel was awarded (November 2006) by the Executive Engineer, Mun Project Division,(EE) Vidarbha Irrigation Development Corporation (VIDC) to a contractor at 30.40 *per cent* above the estimated cost of Rs 216.45 crore for completion in 60 months. The work was awarded before forest clearance for the required land (16,557 hectares) was obtained. The contract terms stated that no claim on account of non-clearance of forest land would be entertained.

Scrutiny of the records (March and November 2008) of the Division revealed that the contractor was paid (November 2006) an advance of Rs 28.22 crore for mobilisation of men and machinery even though there was no provision in the contract for payment of any kind of advance and the request of the contractor for payment of advance was earlier rejected (June 2006) in the pre-bid meeting. The advance was to be recovered in forty equal installments with interest at 11.95 *per cent*. The contractor submitted bank guarantee for Rs 34.09 crore and forty post dated cheques covering the installments of principal and interest to the EE with the date of first installment effective on 30 December 2006.

It was observed that the cheques submitted to bank (January–April 2007) were dishonored due to non-availability of sufficient funds in contractor's account. However, the VIDC accepted (June 2007) the request of the contractor (February 2007) for re-scheduling of the installments due to non-availability of forest clearance. The repayment of advance and interest was re-scheduled from December 2007. The contractor again requested (January 2008) for re-scheduling of recovery from running account bill. The VIDC approved (August 2008) the contractor's request considering non-clearance of forest land by re-scheduling the recovery of advance from the first running account bill. In case of non-recovery of the proposed repayment from the running account bill, two *per cent* penal interest was to be charged on balance amount.

The forest clearance was received in November 2008. It was seen that principal and interest amounting to Rs 9.75 crore has been recovered from the

contractor and balance amount of Rs 27.28 crore including interest remained un-recovered as of March 2009.

(B) The work of fabrication and erection of radial gates, stop log gate, hoisting arrangement for the same project estimated to cost Rs 74.11 crore was awarded (1 November 2007) to another contractor for Rs 77.79 crore.

The contractor requested (12 November 2007) for payment of advance for mobilising men and machinery in work site though the contract did not provide for the same. The EE had earlier refused (November 2007) to entertain contractor's request as there was no provision in the contract. However, on the proposal (November 2007) of the Superintending Engineer and Chief Engineer Amravati, the VIDC sanctioned (December 2007) Rs 7.78 crore to the contractor as advance which was to be recovered from running account bill at prevailing prime lending rate and two *per cent* penal interest on the amount overdue. An advance of Rs 5.50 crore was paid in March 2008. The work was in progress and an amount of Rs 3.18 crore was recovered as of February 2009.

Thus, entertaining the contractors' request in violation of Government directives and contractual condition resulted in undue financial aid of Rs 33.72 crore to the contractors.

The EE stated (October 2008) that advances were paid as per request of the contractor after approval of VIDC. Reply from VIDC was awaited (August 2009).

The matter was referred to the Principal Secretary to the Government in March 2009. Reply had not been received (October 2009).

3.2.5 Extra contractual benefit

Sanction of extra item rate list for excess quantities of embankment work instead of regulating them under Clause 38 of contract resulted in extra contractual benefit of Rs 8.25 crore to the contractor.

Construction of earthen dam in RD 110 metre to 165 metre and 240 metre to 1,110 metre including gated spillway with approach and tail channel and head regulator for Sapan River Project, Taluka Achalpur, Amravati District, was awarded (October 2000) to a contractor at 21 *per cent* below the estimated cost of Rs 46.52 crore for completion by October 2006. As per clause 38 of the agreement the contractor was bound to carry out additional works if ordered in writing by the Engineer-in-charge and was entitled to revision of rates in respect of quantities executed beyond 125 *per cent* of tendered quantities. Accordingly, quantities in excess of 125 *per cent* were to be paid at current schedule of rates (CSR), increased or decreased by the percentage of tender premium or rebate.

Scrutiny of the records (January 2008) of Executive Engineer, Amravati Irrigation Division, Amravati revealed that the Sapan River Project was

originally planned (November 1995) for 28.94 MCM⁹ of storage capacity to irrigate 6,380 hectares of land. As the height of the dam was proposed to be increased by 4.5 metre, which would result in increase in quantities of work tendered, it was proposed (January 2005) to get the additional work done from the same contractor as he had quoted 21 *per cent* below the estimates. The contractor accepted (January 2005) to execute the additional work as per terms and conditions of the contract in force. Government approved (May 2005) the proposal in view of contractor's acceptance. During execution, quantity of material executed in the hearting zone increased marginally by 3.37 *per cent* and the quantity of casing material increased beyond 125 *per cent* till June 2008. However, Superintending Engineer, Akola Irrigation Circle, Akola sanctioned extra item rate list (EIRL) at CSR for the additional works. Accordingly, Rs 26.87 crore was paid to the contractor for additional quantities of material in hearting zone (Rs 4.35 crore) and in casting zone (Rs 22.52 crore). As per Clause 38, the rate was to be derived at CSR but reduced by 21 *per cent*. It was seen from 108th running account bill paid in June 2008 that out of 5.80 lakh cubic metre of quantities executed (against tendered quantity of 5.61 lakh cum) in hearting zone, quantity of 0.24 lakh cubic metre was paid at EIRL rate. Similarly, out of 46.68 lakh cubic metre of quantity executed¹⁰ in casing zone (against tendered quantity of 27.25 lakh cum), 13.62 cubic metre of quantity was paid at EIRL rate.

Thus, payment of EIRL for the quantities within and in excess of 125 *per cent* of the tendered quantity instead of paying them under Clause 38 has resulted in extra benefit of Rs 8.25 crore to contractor (**Appendix 3.3**).

The Government replied (November 2009) that due to change in drawing and design of earthen dam, quantities increased and the contractor was facing difficulty in getting hearting and casing material for which EIRL was paid. The Government further stated that had the work been executed at current price index, the cost would have gone upto Rs 94.83 crore as against the cost of Rs 59.49 crore incurred, resulting in savings of Rs 35.34 crore. Considering the benefit derived by Government there was no harm in adequately compensating the contractor.

The reply was not acceptable as sanction of EIRL without invoking Clause 38 was beyond the contractual condition. Further, the savings of Rs 35.34 crore is only notional and not a valid ground for payment under EIRL. Hence, payment for additional work done was to be regulated and paid as per Clause 38 of the contract instead of under EIRL.

⁹ Million Cubic Metre

¹⁰ Quantity in excess of 125 *per cent* was 12.62 lakh cum

3.2.6 Payment to contractor beyond contractual obligation

Irregular sanction and payment of extra item rate list on masonry works resulted in inadmissible payment of Rs 2.29 crore.

Construction work of central spillway, tail channels, irrigation-cum-power outlets and balance earth work of right and left flank of the Purna Medium Project (Achalpur Taluka) was awarded (February 2000) to a contractor at 14.20 *per cent* above the estimated cost of Rs 56.91 crore with stipulated period of completion of 72 months. As per conditions 8.3.1 and 11.12.3 (V) of specification applicable for the Schedule B¹¹ items of uncoursed rubble (UCR) masonry and colgrout masonry respectively, the items include cleaning the surface with air and water jets before laying next layer.

Scrutiny of the records (October 2008) of the Executive Engineer, Purna Medium Project Division, Achalpur revealed that the contractor had executed (February 2007) quantity for 2,48,092.115 cum of UCR masonry at the rate of Rs 836.75 per cum and 94,428.916 cum of colgrout masonry at the rate of Rs 1384.75 per cum and payment of Rs 30.98 crore was made (February 2007) to contractor for these items. The contractor requested (December 2007) the Superintending Engineer, Upper Wardha Project Circle, Amravati to make additional payment for cleaning by air and water jets for masonry preparation. Accordingly, extra item rate list (EIRL) for cleaning by air and water jets for UCR masonry and colgrout masonry amounting Rs 1.86 crore and Rs 0.43 crore respectively was sanctioned (March 2008) by Executive Director, Vidarbha Irrigation Development Corporation and payment of Rs 2.29 crore was made to the contractor.

Since the specification for masonry item in the tender was inclusive of cleaning by air and water jets, the sanction and payment of EIRL for this work was beyond the contractual obligation, resulting in inadmissible payment of Rs 2.29 crore to the contractor.

The Government stated (October 2009) that cost of treatment of cleaning UCR and colgrout masonry was not included while calculating the unit rate for the masonry as specified in the Schedule B and that there is a separate item in Schedule B in this work.

The reply was not acceptable as the item in Schedule B pertains to the foundation of the dam and the tender for UCR and colgrout masonry included all items of work 'complete as per specifications'. Thus, sanction of EIRL and payment thereof was beyond contractual provisions.

¹¹ It exhibits all the items with quantity, rate, unit and description of items to be executed with applicable specifications for the work awarded

3.2.7 Excess payment

Due to adoption of basic price index of an old period for calculation of price escalation there was an excess payment of Rs 1.13 crore to contractor.

Tender for work of providing and laying 1200 mm rising main and delivery chamber of Rajegaon Kati Lift Irrigation Scheme (LIS) estimated to cost Rs 7.49 crore was invited (January 2004) with the date of submission by 24 March 2004. The lowest offer of Rs 11.54 crore (54 *per cent* above) was recommended (May 2004) by the Chief Engineer, Irrigation Department, Nagpur for acceptance by Government. The tender originally contained price variation clause with all material clubbed together. Government directed (August 2004) to call for revised offer from the contractors, considering the new price variation clause which provided for separate formula for steel and cement.

Scrutiny of records (September 2008) of the Executive Engineer, Medium Project Division, Gondia (EE) revealed that the EE asked (August 2004) all the bidders to submit their revised offers considering the inclusion of revised price escalation clause before 13 September 2004. The revised offers of the bidders were opened on 13 September 2004 and the lowest offer (of same contractor who was also the lowest in original offer) of Rs 11.47 crore (53 *per cent* above) was accepted. The work order was given on 19 March 2005 for completion in 36 months. As per new price variation clause the price adjustment on account of labour, material, cement, steel and petrol oil lubricant shall be calculated considering the basic price index for the quarter preceding the month prescribed for receipt of tender.

Since bidders were directed to submit their revised offers by September 2004, the price indices for the quarter June 2004 to August 2004 only were to be considered and accordingly price escalation of Rs 89.27 lakh was payable. Scrutiny revealed that in respect of all the components, the Division considered basic indices of December 2003 to February 2004 and paid price escalation of Rs 2.02 crore till August 2008, resulting in excess payment of Rs 1.13 crore. This excess payment on escalation will continue as the project is still in progress.

The EE stated (September 2008) that base indices were taken as per the original date of submission of tender and accordingly price escalation was paid. Hence, there was no excess payment.

The reply was not acceptable as the bidders had submitted the revised offers after considering the revised price variation clause in September 2004, price indices for the quarter June 2004 to August 2004 should have been considered. Thus, payment of price escalation considering the indices of December 2003 to February 2004 was irregular and has resulted in excess payment of Rs 1.13 crore to the contractor.

The matter was referred to the Principal Secretary to the Government in March 2009. Reply had not been received (October 2009).

3.2.8 Extra expenditure

Failure of the department to include component of water cushion in the tender despite having technical sanction, resulted in extra expenditure of Rs 35.23 lakh.

As per manual of Minor Irrigation Works (Manual), in case the vertical drop of waterfall was more than 1.50 metre, water cushion is necessary as a protective work to minimise or avoid the possibility of scouring in the foundation bed to safeguard the waste weir. Administrative approval and financial sanction for Banegaon Minor Irrigation Tank (MI Tank) for Rs 8.06 crore was accorded by Government of Maharashtra in May 2001. Technical sanction to detailed plan and estimate of main work of earthen dam waste weir and appurtenant works for Rs 4.40 crore based on district schedule of rates (DSR) for the year 2000-01 was accorded (December 2002) by the Chief Engineer, Irrigation Department Aurangabad (CE). The sanctioned estimate *interalia* included a lump sum provision of Rs 24.56 lakh (against estimated cost of Rs 80.06 lakh as per DSR 2000-01) for execution of water cushion in the waste weir as the vertical drop of water fall was estimated to range from 1.20 meters to 3.80 meters.

Scrutiny of records (November 2008) of the Executive Engineer Minor Irrigation Division Jalna (EE) revealed that the work of MI tank was awarded (December 2003) to a contractor at 11.84 *per cent* above the estimated cost of Rs 4.39 crore on lump sum contract without including the work of water cushion in the tender though it was technically sanctioned. But Central Design Organisation (CDO) Nasik while according the approval to the drawing and designs of the project (February 2004) asked to provide for water cushion to the project as the vertical drop of water fall ranged between 2.45 metre and 6.25 metre. Accordingly, CE sanctioned (March 2006) additional work of water cushion at an estimated cost of Rs 99.84 lakh based on DSR for the year 2005-06. As per agreement, additional work was to be paid at current DSR with yearly revision of cost. A total payment of Rs 1.25 crore was made to the contractor upto December 2007 for construction of water cushion of the project.

Thus, failure of the Department to include the component of water cushion in the tender despite having technical sanction, resulted in extra expenditure of Rs 35.23 lakh¹² as compared to the estimated cost based on DSR 2000-01.

On this being pointed out the EE stated (November 2008 and March 2009) that execution of water cushion work was not included initially but while approving the detailed project estimate, CDO, Nasik suggested execution of

¹² Rs 124.77 lakh – Rs 89.54 lakh (Rs 80.06 lakh + Rs 9.48 lakh *i.e.*, 11.84 % above)=
Rs 35.23 lakh

water cushion work and then it was proposed as additional work and was sanctioned by the CE. The reply of the EE was not acceptable as the water cushion being a technical necessity as per provisions of MI Manual to safeguard waste weir from scouring was already in the original estimate sanctioned by CE in December 2002. The exclusion of this item in the tender for the work was not prudent and resulted in extra expenditure of Rs 35.23 lakh.

The matter was referred to Principal Secretary to the Government in April 2009. Reply had not been received (August 2009).

3.2.9 Payment beyond contractual obligation

Excess payment of Rs 32 lakh was made to contractor due to irregular sanction of extra lead charges for hearting material.

The construction work of earthen dam, waste weir, falls in tail channel, head regulator and allied works of Dastapur Minor Irrigation Tank in Washim District was awarded (March 2007) to a contractor at 21.44 *per cent* above the estimated cost of Rs 5.41 crore for completion in three years. As per the special condition of contract, the contractor was required to satisfy himself as to the nature and location of work. Further, contractor had given a declaration that he was thoroughly conversant with the local conditions regarding all construction material and the rates quoted were inclusive of all leads and lifts and that he would not put forth any claims in this regard.

Scrutiny of the records (November 2008) of the Executive Engineer, Minor Irrigation Division, Washim (EE) revealed that the contract provided an item for constructing embankment for hearting zone with material from excavation, from borrow area for 91,965 cubic meter (cum) at the weighted rate of Rs 76.85 per cum. During execution, desired quantity and quality of hearting material from the designated quarry could not be obtained as sample taken in river bed to decide the quality of hearting material was rejected (June 2008) by Soil Testing Sub Division Akola. Hence, the contractor brought material from other quarry at a longer distance and completed 1,03,149 cum (110.83 *per cent* of tendered quantity) hearting item up to 13th RA Bill which was paid (September 2008) at tendered rate of Rs 76.85 per cum. The contractor demanded (May 2007) payment at new rate for bringing material from longer lead. The EE proposed extra item in July 2008 for payment of extra lead charges and the SE sanctioned the same in August 2008 for 73,448 cum of material at the rate of Rs 146.25 per cum¹³.

The Division made the payment for EIRL in October 2008 for 73,523 cum of material amounting to Rs 1.07 crore. Since the contractor had given a

¹³ Based on the current schedule of rate (2005-06) plus 10 *per cent* for quarry development

declaration and also the quantity executed was within limit of Clause 38,¹⁴ the quantity was payable at tendered rate. Thus, the sanction and payment of EIRL for extra lead charges was irregular and resulted in excess payment of Rs 32 lakh¹⁵ to the contractor which is beyond the contractual obligations.

The EE stated (November 2008) that the EIRL was made applicable for the quantity which was brought beyond the anticipated area. The EE further stated (January 2009) that there are no norms for testing of material at source from where the material is to be brought.

The reply was not acceptable as the provisions of Public Works Department hand book (Chapter VI) lay down the norms for investigation of material at the time of preparation of project. Further, the rate derived in the tender was a weighted rate after considering all the sources and respective leads and the contractor had himself given a declaration which forms part of the agreement that he was conversant with site conditions and that the rates quoted by him were inclusive of all lead and lifts and that he would not claim any extra lead charges.

The matter was referred to the Secretary to Government in April 2009. Reply had not been received (October 2009).

3.3 Violation of contractual obligations/undue favour to contractors and avoidable expenditure

Housing Department

Maharashtra Housing and Area Development Authority

3.3.1 Undue benefit to a trust

Charging land premium for land actually allotted in December 2007 as per a defunct pricing policy, instead of the existing revised pricing policy resulted in undue benefit to a Trust and loss of Rs 9.66 crore to the Maharashtra Housing & Area Development Authority.

As per pricing policy laid down by Maharashtra Housing and Area Development Authority (MHADA) in 1992, premium for the land allotted to public charitable trusts should be 50 per cent to 75 per cent of current market value as decided by the MHADA on the merit of each case. This was

¹⁴ Clause 38 of agreement provided for execution of item beyond 125 per cent of tendered quantities at current schedule of rate or prevailing market rate increased or decreased by the percentage which the total tendered amount bears to estimated cost of work put to tender. Thus, 91,965 cum + 25% additional = 1,14,956 cum was payable at tendered rate

¹⁵ 73,448 cum x Rs 84.53 (Rs 76.85 per cum + 10% quarry development) =Rs 62,08,559 + 21.44% tender premium = Rs 75,49,674. Excess expenditure = Rs 1.07 crore – Rs 0.75 crore = 0.32 crore (Rs 32 lakh)

subsequently amended vide resolution of June 2003, which envisaged that premium for land meant for educational and hospital purposes should be 75 *per cent* of the market value. Rate of the land as per the Government ready reckoner at the time of issue of allotment letter should be deemed to be the market value of land. This resolution was made applicable to all such cases in respect of which allotment letters were to be issued subsequent to the date of resolution (21 June 2003).

Scrutiny (April 2009) of the records of the land branch, Mumbai Board, revealed that a plot of land admeasuring 10,000 sq mts reserved for hospital, was allotted by the Government (October 2000) to Nargis Dutt Memorial Trust (Trust) for establishing a hospital under the terms and conditions of the allotment and pricing policy of the MHADA.

In pursuance of the Government decision, a letter was issued to the Trust (November 2000) to furnish necessary information and documents. Instead, the Trust after a period of one year, requested MHADA (November 2001) to allot the land on lease at a nominal lease rent of one rupee *per annum* for 99 years on renewal basis. MHADA, accordingly, resolved (July 2002) to allot the land on lease for 30 years at the nominal lease rent of one rupee *per annum*, without charging any premium¹⁶ subject to the condition that the hospital provided free medical facilities to the staff of MHADA and their dependents. Since the resolution was not in accordance with the pricing policy and there was loss to MHADA, the matter was referred (July 2002) to the Government for approval which was never received.

In July 2006, on the request of the Trust, the land was handed over to them on caretaker basis, in order to protect it from encroachment on obtaining a specific undertaking from the trustee that the rate fixed by the Government should be binding on the Trust and actual construction would be taken up after formal allotment of the land.

It was also noticed that a formal allotment letter, duly approved by Chief Officer, Mumbai Board, was issued to the Trust, for the first time (December 2007) intimating land premium of Rs 21.37 crore, (75 *per cent* of the ready reckoner rate of 2007) calculated as per the existing pricing policy, for payment within 30 days. However, after lapse of one year (December 2008), the Trust requested the MHADA to allot the land for Rs 11.71 crore at the premium prevailing in 2002 when the resolution for allotment was passed. This request was accepted by the MHADA in its meeting held in January 2009. Accordingly, a revised allotment letter and demand for Rs 11.71 crore was issued (February 2009) to the Trust. As of February 2009, the Trust paid Rs 2.93 crore.

¹⁶ Rs 11.71 crore recoverable at 50 *per cent* of land cost as per prevailing pricing policy, at ready reckoner rate of 2002

Thus, charging land premium for land actually allotted in December 2007 as per a defunct pricing policy, instead of the existing revised pricing policy resulted in undue benefit to the Trust and a resultant loss of Rs 9.66 crore (Rs 21.37 crore – Rs 11.71 crore) to MHADA.

The Vice President, MHADA stated (May 2009) that the land was allotted by the Government and there was no loss or undue benefit to the Trust, as the MHADA was empowered to allot certain reserved plots at concessional rates to hospitals. The reply was not tenable as the concessional rate as per the prevailing pricing policy (2003) of MHADA was 75 *per cent* of the ready reckoner rate of 2007, when the final allotment was made.

The matter was referred to the Secretary to the Government in May 2009. Reply had not been received (October 2009).

Public Health Department

3.3.2 Avoidable expenditure

Failure to install capacitor to maintain the power factor above optimum level has resulted in avoidable expenditure of Rs 36.29 lakh.

According to power tariffs of Maharashtra State Electricity Distribution Company Limited (MSEDCL) for a High Tension Consumer (HTC), whenever the average power factor (PF)¹⁷ over a billing cycle or a month, whichever is lower, is below 90 *per cent* of power used against total supply, penal charges shall be levied by the MSEDCL to the consumer at the rate of two *per cent* of the amount of monthly energy bill. Installation of capacitor¹⁸ helps in improving / maintaining the PF above 90 *per cent*. Public Works Department (Electrical wing) which maintains the electrical installations should be well aware of this requirement.

Scrutiny of records (March 2008 and February 2009) of the Swami Ramanand Teerth Rural Medical College and Hospital (MCH) Ambajogai, District Beed revealed that MCH was a HTC but did not install capacitors until June 2008. Due to this, the average power factor could not be maintained above 90 *per cent* and ranged between 79 to 89 *per cent* during April 2000 to June 2008. As a result MCH paid a penalty ranging from Rs 9,374 to Rs 11,0308 every month which aggregated to Rs 36.29 lakh for the period. Thus, non-installation of capacitors¹⁹ to maintain power factor resulted in avoidable expenditure of Rs 36.29 lakh in the form of payment of penalty.

¹⁷ Power factor is the ratio between the voltage and current. If the PF is less than one, the supply of current will be more with accompanying transmission losses

¹⁸ Capacitor is a device used to store electric charge, consisting of one or more pairs of conductors separated by an insulator

¹⁹ Installation of two capacitors valued Rs 1.43 lakh is prudent for user of HT line

The Dean, MCH stated (February 2009) that as the requirement of capacitors for maintaining PF above 90 *per cent* was not brought to notice by the Public Works Department (Electrical) before May 2006, the same could not be installed. The capacitors were eventually installed in July and October 2008, after Audit pointed out the lapses, which helped in maintaining the PF above 90 *per cent*.

The contention of the Dean, MCH was not tenable as he did not take any action till May 2006 though monthly electricity bill from April 2000 clearly exhibited penal charges on account of low power factor. Thus, failure of MCH in taking prompt action to avoid penal charges and further delay in installation of capacitor has resulted in avoidable expenditure of Rs 36.29 lakh.

The matter was referred to the Secretary to the Government in March 2009. Reply had not been received (October 2009).

Public Works Department

3.3.3 Loss to the Government and undue benefit to a developer

Allotment of the work of commercial exploitation of land owned by Regional Transport Officer, Andheri without tendering and incorrect valuation of the property in calculating the developer's income and profit, resulted in undue benefit of Rs 73.45 crore to the developer.

As per the instructions (March 2002) of the Government in Public Works Department (PWD), commercial exploitation of Government land through private developer should be done by call of tenders. The profit to the developer should not be more than 20 *per cent* of the total investment on the project. The sale price of the property to be developed for commercial exploitation should be considered as the highest of three rates, *viz.*, ready reckoner rate, prevailing market rate to be assessed by survey and cost of construction. Further, the saleable built up area (BUA) was to be increased by 25 *per cent* as per practice²⁰. The proposal is to be approved by the Cabinet Infrastructure Committee (CIC).

Regional Transport Officer (RTO), Andheri, Mumbai accepted the proposal of a private developer²¹ to develop a plot of land owned by RTO on public private partnership and forwarded the proposal to the designated PWD. As per the proposal the developer was to construct property valued Rs 100 crore²² for Government. In return, BUA of 43,769.51 sq mts was allowed to be commercially exploited by the developer. This was approved (August 2006) by the CIC and an agreement was entered into by the Government (November 2006).

²⁰ As per the directions issued by the Chief Architect, PWD in other case

²¹ Who was allotted the work of development of an adjacent slum area

²² BUA of 7,013 sq mts for RTO building at a cost of Rs 10.52 crore and some other buildings worth Rs 89.48 crore

Scrutiny (March 2009) of the related records in the PWD revealed that the project was allotted to the developer without tendering on the plea that it would not fetch attractive market value due to the existence of adjacent slums. It was, however, noticed that market survey was not conducted by the Department to come to this conclusion. Further, the profit margin to the developer was worked out to Rs 2.39 crore (**Appendix 3.4**) considering the expenditure required to be incurred by the developer (Rs 205.51 crore) and income that would accrue from property to be developed by him for commercial exploitation. However, while calculating the sale value of property to be developed, the Department considered the ready reckoner rate of Rs 47,500 per sq mt for 2005, instead of the ready reckoner rate of Rs 58,500 per sq mt prevailing in 2006, when the agreement was made. Besides, the saleable BUA was not increased by 25 *per cent*. As result the income of the developer was understated.

Considering the above, the profit works out to Rs 114.45 crore *i.e.*, 55.74 *per cent* of the investment as against the ceiling of 20 *per cent* (Rs 41.10 crore). Thus, there was an undue benefit of Rs 73.45 crore to the developer (**Appendix 3.4**).

The matter was referred to the Secretary to the Government in May 2009. Reply had not been received (October 2009).

3.3.4 Undue benefit to the private developer

Disregard to the Government instructions to consider market rate in feasibility report as well as recommendations of a Committee of Secretaries to collect enhanced upfront value resulted in undue benefit of Rs 8.77 crore to a developer.

As per the instructions (March 2002) of the Government in Public Works Department (PWD), commercial exploitation of Government land through private developer should be done by call of tenders. The profit to the developer should not be more than 20 *per cent* of the total investment on the project. The sale price of the property to be developed for commercial exploitation should be considered as the highest of three rates *viz.*, ready reckoner rate²³, prevailing market rate to be assessed by survey and cost of construction. Further, the saleable built up area (BUA) was to be increased by 25 *per cent* as per practice. The proposal is to be approved by the Cabinet Infrastructure Committee (CIC).

Scrutiny (February 2009) of records at Mantralaya (PWD), revealed that CIC approved (November 2005) a feasibility report for development of Government property in Mumbai at Fort and Andheri areas involving development of 17,364.19 square meters constructed area with parking area of 5,344.70 square meters for Government. In turn the developer would be allowed to commercially exploit a BUA of 13,600 square meters at Andheri.

²³ The rate of land and buildings fixed by the Government for stamp duty purpose

The CIC while approving the project observed that the rate considered while preparing the feasibility report was the ready reckoner rate. Hence, it directed (November 2005) the Department to consider the market rate while inviting tenders to attract realistic and viable bids. There were no records to show that this was done by the Department.

The tenders were called in May 2006, to be submitted by 28 September 2006. In August 2006, the Secretary, PWD introduced in the tender an additional clause 'the developer who offers highest upfront payment would be entrusted the property for development'. The minimum amount of the same was, however, not fixed. In response, eight bids were received in September 2006 of which six were rejected by the Evaluation Committee headed by the Superintending Engineer, Mumbai. Of the two eligible tenderers, the offer with upfront payment of Rs 12.96 crore from M/s Vilayati Ram Mittal, Mumbai was the highest. The Secretary, Finance, to whom the proposal was referred for concurrence, observed (April 2007) that considering the market rates the profit to the developer would be almost 40 *per cent* and recommended negotiation with the developer for enhancing the amount of upfront payment or failing which re-tendering should be done. However, on the directions (April 2007) of the CIC, negotiations were held (May 2007) with the developer by a Committee comprising Secretaries of Public Works, Finance and Planning Departments. The developer accepted that the value of the BUA to be commercially exploited and sold by him would be Rs 130 crore, as against Rs 95 crore shown in the bid. He also stated that extra expenditure of Rs 43.50 crore was required to be incurred on various components and offered upfront payment of Rs 13.23 crore as there was uncertainty in the market. The Committee assessed the additional expenditure by contractor as Rs 32.30 crore and recommended upfront payment of about Rs 22 to Rs 24 crore.

The CIC of Ministers, however, concurred (May 2007) with the developer's views regarding higher cost of construction and accepted his offer ignoring the views of the Committee of Secretaries. Accordingly, an agreement for the project was made (July 2007) between the Government and the developer.

Thus, the disregard of the Government instructions to consider the market rates while preparing the feasibility report and recommendations of the Committee of Secretaries resulted in undue benefit of Rs 8.77 crore (Rs 22 crore - Rs 13.23 crore) to the private developer.

The matter was referred to the Secretary to the Government in May 2009. Reply had not been received (October 2009).

Water Resources Department

3.3.5 Irregular payment of mobilisation advance

Mobilisation advance of Rs 15 crore was given to contractor in contravention of the contract conditions.

The work of construction of earthen dam, spillway tail channel, water supply and power outlay on Shahi river at Shahpur (Thane District), was awarded (September 2008) to a contractor for Rs 367.94 crore (41.18 *per cent* above the estimated cost of Rs 260.61 crore), with stipulated period of completion as 60 months. However, the tender did not contain the clause regarding payment of MA. In the pre-bid meeting held on 2 July 2008 it was again clarified that there was no provision for machinery and mobilisation advance.

Scrutiny (January 2009) of the records of the Executive Engineer, Minor Irrigation Division, Thane, however, revealed that on the request of the contractor, the Executive Director, Konkan Irrigation Development Corporation (KIDC), sanctioned and paid (December 2008) MA of Rs 15 crore to the contractor at an interest rate of 12 *per cent* to speed up the work by mobilising machinery and material required for the work, levelling of site and creating on site infrastructure for the workers.

However, as of July 2009, the work has not been started and the proposal for acquisition of private land and forest land was in progress.

Thus, payment of mobilisation advance in contravention of the tender conditions was irregular. Further, the main objective to speed up the work was not achieved as the land acquisition process has not been completed. Besides, the tendering procedure was vitiated as the other tenderers were not aware of the benefit of receiving such an advance while quoting their offers.

The matter was referred to the Secretary to the Government in May 2009. Reply had not been received (October 2009).

3.3.6 Avoidable extra expenditure

Inadequate survey and non-consideration of Government directives while preparing the estimate resulted in avoidable extra expenditure of Rs 32.10 lakh.

Under the project "Modernisation of Godavari Canal" the work of strengthening of arch culvert at chainage 2080 meter on Godavari Left Bank Canal (Work-I) and strengthening of aqueduct at chainage 25920 meter on Godavari Left Bank Canal (Work-II) estimated to cost Rs 1.23 crore and Rs 2.10 crore respectively, were awarded in August 2003 and July 2006 to contractors A and B with stipulated periods of completion of six months and 24 months respectively.

As per clause 38 of the agreement, the contractor was liable to execute up to 25 per cent over the tender quantities of each item at the tendered rate. The quantities in excess of the above limit were to be paid at the rates based on the schedule of rates of the year in which the item was executed.

Scrutiny (September 2008) of the records of the Executive Engineer (EE), Nasik Irrigation Division, Nasik revealed that while Work-I was completed in December 2006, Work-II was in progress for which extension was granted up to March 2010. As of July 2009, an expenditure of Rs 6.45 crore was incurred on the works. The above included an amount of Rs 1.82 crore paid for execution of excess quantities by 25 per cent over the tendered quantities in case of certain items. The increase in quantities in respect of Work-I was due to increase in the width of the canal service road and inspection road and strengthening of 28 meter length of arch culvert, as the wing walls were very weak. The increase in quantities in respect of Work II was due to additional work of strengthening of wing walls and trough which were found to be weak and distorted during actual execution.

The guidelines regarding increase in the width of service road were issued by the Government in December 1995. Since the estimate was prepared in January 2003, these provisions should have been considered. Further, the existing structure of the Godavari Left Canal was 90 years old and its life had almost completed. Had a detailed survey been conducted before preparation of the estimates these aspects could have come to notice. Action as above would have avoided the extra expenditure of Rs 45.66 lakh incurred on these items due to payment of the same at current district schedule of rates as shown in the **Appendix 3.5**. The avoidable excess expenditure works out to Rs 32.10 lakh considering an escalation of 10 per cent, as per normal practice.

The EE stated (September 2008) that at the time of preparation of the estimate, the wing wall above the existing ground level seemed repairable. During execution of work some stones of the foundation and masonry of wing wall was found distorted. The lime mortar used for this masonry had been deteriorated. Since there was a possibility of collapse of wing walls and disturbance in rotation of the canal, the works were carried out with the approval of the competent authority. The extra liability on this account was Rs 19.86 lakh only.

The reply was an admission of the fact that proper survey and investigation were not carried out while preparing the estimates. Further, the extra liability of Rs 19.86 calculated by the EE was considering 20 per cent price escalation against the 10 per cent as per normal practice.

The matter was referred to the Secretary to Government in May 2009. Reply had not been received (October 2009).

3.4 Idle investments/idle establishments/blocking of funds, delays in commissioning of equipments and diversion/misutilisation of funds

Higher and Technical Education Department

3.4.1 Blockage of funds

Sanction and release of grant to Shivaji University by the Government for laying of synthetic track without specifying any time schedule for its utilisation as well as improper survey of site and delay in finalisation of the site by the University resulted in blockage of Rs 1.17 crore for over five years.

The Higher and Technical Education Department, Government of Maharashtra, sanctioned (March 2004) a grant of Rs 1.80 crore to the Shivaji University, Kolhapur (University) for construction of an international standard 400 meter synthetic running track in its campus for developing international level sportsmen. Accordingly, the Director of Higher and Technical Education, Pune paid (May 2004) the first instalment of Rs 1.17 crore (65 per cent of Rs 1.80 crore) to the University. The sanction order, however, did not stipulate any time schedule for utilisation of the amount as required under the Bombay Financial Rules, 1959.

Scrutiny (July 2008) of the records of the University revealed that the University deposited (August 2006) Rs 47.96 lakh with the Executive Engineer, National Highway Division VII, Kolhapur (EE) for execution of the work as a deposit work only after receipt of the detailed estimate, as decided by the University in its meeting held in October 2004. Since the site selected by the University for the work was prone to water logging, the University authorities in consultation with various sports experts and the public decided (January 2008) to construct a new sports complex on a site in the University campus which was free from water logging and easily accessible to the public. Accordingly, an estimate for the work for Rs 5.51 crore was submitted by the EE in April 2008. Since the estimated cost was much higher than the sanctioned cost, the University Building and Works Committee resolved in April 2008 to revise the same. Subsequently, a revised estimate for Rs 2.55 crore submitted (July 2008) by the EE was administratively approved by the Committee in its meeting held in August 2008. The tendering process of the work was in progress as of May 2009.

Thus, sanction and release of grant to the University by the Government without specifying any time schedule for its utilisation as well as inadequate survey of site and delay in finalising the site by the University resulted in blockage of Government funds of Rs 1.17 crore for over five years. Besides,

the objective of developing international level sportsmen through the envisaged sports infrastructure got defeated.

The matter was referred to the Secretary to Government in April 2009. Reply had not been received (October 2009).

Home Department

3.4.2 Idling of kitchen equipment

Procurement of kitchen equipment for Police Training Schools (PTSS) before construction of kitchen and providing the required infrastructure such as gas pipeline etc., resulted in idling of equipment worth Rs 97.74 lakh in four PTSS.

The Director General of Police (DGP), Maharashtra decided (March 2006) to purchase seven sets of kitchen equipment²⁴ for seven²⁵ Police Training Schools (PTSS).

Scrutiny of records (April 2007) of DGP and information obtained (December 2008 to January 2009) from seven PTSS revealed that the contract for supply of kitchen equipment was awarded (March 2006) to lowest tenderer M/s. Amini Industries, Mumbai (supplier) at Rs 24.95 lakh per set, to be delivered in 90 days. As per the supply order, 90 *per cent* payment was to be made within 15 days from the date of receipt of equipment by the consignee and the remaining 10 *per cent* within 30 days of inspection of the equipment. For this purpose, Rs 1.75 crore was drawn (March 2006) on an abstract contingent bill to avoid lapse of budget grant.

Since the approved plans and drawings of the kitchens²⁶ were not received by the supplier, he was unable to manufacture and supply the equipment to the PTSS and requested (April 2006) for an extension of the delivery period by 90 days from the date of approval of the final plan schedule. The payment was, however, made (May 2006) to M/s. Amini Industries before the receipt of equipment, contrary to the provisions of supply order.

Further scrutiny revealed that the kitchen equipment was supplied to the seven PTSS between August 2006 and March 2007. Out of this, equipment costing Rs 97.74 lakh supplied to four²⁷ PTSS were lying unutilised as of March 2009 due to incomplete works of gas pipeline, water and electric supply and non-completion of construction of the new mess buildings *etc.* Further, the guarantee period of one year from the date of supply of the equipment also expired in March 2008.

²⁴ 66 items in one set; some are dish washing machine (Rs 2.80 lakh), chapati rolling machine (Rs 1.75 lakh), vertical deep freezer (Rs 58 lakh), vertical refrigerator (Rs 0.53 lakh)

²⁵ Akola, Jalna, Khandala, Marol-Mumbai, Nagpur, Nanveej, Solapur

²⁶ Four were under construction and three were being modified.

²⁷ Khandala, Marol, Nanveej, Solapur

The Additional Director General of Police, Training and Special Units confirmed (March 2009) that the kitchen equipment could not be put to use for the reasons stated above.

Hence the award of contract without assessing the availability of infrastructure and failure to provide the required infrastructure on time in these PTSs resulted in idling of kitchen equipment costing Rs 97.74 lakh for two to three years.

The matter was reported to the Principal Secretary to the Government in April 2009. Reply had not been received (October 2009).

3.4.3 Unfruitful expenditure on patrolling boats

Lack of timely and appropriate action to carry out repairs resulted in idling of speed boats costing Rs 1.34 crore and rendering their cost unfruitful.

Under the Modernisation of Police Force scheme, the Government of Maharashtra, Home Department approved (March 2002) purchase of six high speed boats for Rs 2.68 crore (at Rs 44.61 lakh per boat) from M/s. Craftway Engineers Ltd. (supplier), Mumbai for patrolling the coastal areas of the State. In March 2002, the Director General of Police had placed a purchase order with the supplier, who supplied²⁸ the boats between October 2002 and November 2004.

Scrutiny of the records (September and December 2008) of Superintendent of Police (SP), Raigad and SP, Navi Mumbai revealed that the speed boats named 'Vashishthi', 'Indrayani' and 'Pranhita' were lying idle from April 2006, March 2006 and April 2006 respectively for want of major repairs to engines and gear boxes.

It was also observed that the Department consulted the Custom Marine Department and two firms (boat builder and repairer) regarding frequent failures of the boats. They opined (July and August 2007) that it would be nearly impossible to operate Duo Prop (DP) driven vessels with an outboard gear system in and around Mumbai harbour, due to presence of floating/semi-submerged debris consisting of plastic, wood, nylon rope *etc.* They suggested (July 2007) the following :

- (i) To interchange usable parts from old DP drive gear boxes and assemble into workable gear boxes and install on vessels which operate in relatively unpolluted water.

²⁸ Name of Boat	Supplied to	Date of supply
Vashishthi and Krishna	SP, Raigad	26/03/2004 24/11/2004
Tapi	SP, Ratnagiri	04/04/2004
Pranhita and Indrayani	SP, Navi Mumbai	08/04/2004 09/10/2002
Savitri	SP, Sindhudurg	24/11/2004

(ii) To convert the remaining vessels which were to operate in Mumbai, into conventional gear/propeller shaft/propeller driven mechanism (in board engine), using the existing Volvo Penta engines and replacing the DP drive with appropriate gear ratio and making necessary modification in the vessel and hull.

Accordingly, a proposal for repair of the boats was submitted by the Director General of Police to the Government in November 2007, which was approved in September 2008. The work order was issued in February 2009 and the work is in progress (July 2009)

Thus, the Department failed to take timely action to get the boats repaired. This resulted in idling of the boats for over a period of three years rendering their cost Rs 1.34 crore unfruitful. Besides, this could also adversely affect coastal security due to lack of the patrolling of the coastal area which may lead to events like terrorist attack through sea route.

The matter was referred to the Principal Secretary the Government in May 2009. Reply had not been received (October 2009).

Housing Department

Maharashtra Housing and Area Development Authority

3.4.4 Idle investment on construction of office units

Construction of office units without firm demand, contrary to the stipulation made in the administrative approval, by the Pune Housing and Area Development Board resulted in idling of office units costing Rs 1.57 crore for over a period of seven years.

Maharashtra Housing and Area Development Authority (MHADA) administratively approved (June 1997) construction of a commercial complex consisting of 11 shops and 10 office units on first and second floors respectively in Phulenagar, Yeravada, Pune at an estimated cost of Rs 1.66 crore. It was stipulated that before tendering the work, it should be ensured that there was 100 *per cent* demand for the shops/office units by conducting local enquiry and survey.

Scrutiny (February 2009) of the records of the Pune Housing and Area Development Board, Pune (PHADB), an office unit of MHADA revealed that tenders for the work were called for in December 1998 and work order was issued in June 1999 for Rs 64.70 lakh. Contrary to the stipulation made in the administrative approval, the first enquiry made in October 1999 could fetch demand for only 10 shops. Despite poor demand the PHADB went ahead with the construction of all the office units instead of restricting it to the shops on the ground floor and completed the same in November 2001 at a cost of Rs 2.38 crore.

Despite efforts made in February 2001, January 2002, November 2004 and October 2006 by the PHADB for selling the shops/office units, eight office units costing Rs 1.57 crore remained unsold as of May 2009.

Thus, non-assessment of firm demand for the office units before taking up their construction and not taking any action, other than inviting offers, such as the feasibility of allotment of the same to Government departments/organisations or semi-Government organisations resulted in eight office units costing Rs 1.57 crore lying idle for more than seven years.

The matter was referred to the Secretary to the Government in May 2009. Reply had not been received (October 2009).

Law and Judiciary Department

3.4.5 Unfruitful expenditure on franking machines

Forty five franking machines costing Rs 38.06 lakh remained unutilised with 45 Courts for three to five years due to failure to repair the faulty/damaged machines, obtain licence and arrange training to staff.

Printing of the service postage stamp was discontinued and substituted with the public postage stamps since 1 January 2002. Considering the advantage of franking machine in terms of security and accounting, Law and Judiciary Department of the Government purchased (September 2004 to September 2006) 433 franking machines²⁹ from M/s. Kilburn Office Automation Ltd. Bishnupur, West Bengal (a rate contract firm) at a total cost of Rs 3.58 crore for supplying the machines to all district courts, sessions courts and their subordinate courts.

Scrutiny of records (October 2007) of the Chief Metropolitan Magistrate, Esplanade Court, Mumbai and information obtained (January to December 2008) from other Courts in the State revealed that out of 45 machines costing Rs 38.06 lakh supplied to 45 courts between September 2004 and September 2006, 29 machines (cost: Rs 25.22 lakh) were not used at all since procurement (September 2004 and September 2006). Remaining 16 machines (cost: Rs 12.84 lakh) were used for varying periods from 25 days (total franking done for Rs 200 at Civil Court Junior Division, Pen, Raigad) to 27 months (total franking done for Rs 10,278 at Civil Court, Junior Division, Vasai). The machines could not be used due to non-repair of the faulty/damaged machines, lack of trained operator and failure to obtain license from post office. It was also observed that though the purchase was made centrally by the Department, no arrangement was made with the supplier for training of the operator of the machines and for future repairs. The courts also failed in getting the faulty/damaged franking machines repaired, arranging training to staff and obtaining licence. This resulted in non-utilisation/ underutilisation of

²⁹ To pay postage through franked impression instead of service postage stamps

45 franking machines rendering the expenditure of Rs 38.06 lakh unfruitful. The courts were functioning without the franking machines (service postage stamp is substituted by public postage stamps) for a period of three to five years. The Department failed to correctly assess the requirement for purchase of the costly machines for these courts as also plan for their utilisation thereafter.

The matter was reported to the Principal Secretary to the Government in March 2009. Reply had not been received (October 2009).

Rural Development and Water Conservation Department

3.4.6 Idle investment on construction of Minor Irrigation tanks

Failure of the Executive Engineer, Minor Irrigation (LS) Division, Ratnagiri to acquire land for the canals of a Minor Irrigation tank resulted in idle investment of Rs 6.64 crore.

As per para 251 of the Maharashtra Public Works Manual (MPWM), work should not be commenced without acquiring the entire land required for it. Scrutiny (January 2008) of the records of the Executive Engineer, Minor Irrigation (LS) Division, Ratnagiri (EE) revealed that the technical sanction for the work of construction of dam, spillway and head regulator of MI scheme³⁰ at Juwathi in Ratnagiri District was accorded by the Chief Engineer, Minor Irrigation (Local Sector), Pune in February 1999, stipulating that the status of land acquisition should be considered before commencement of the work. The work was started in March 1999 and completed in December 2004. The work of right bank canal (RBC) awarded to a contractor (April 2001) was completed (March 2003) only up to 2.260 km out of the total length of 3.505 km at a cost of Rs 27.07 lakh. The balance work of RBC work and the work of LBC remained incomplete as the required land was not acquired.

The land acquisition proposals for RBC and LBC were submitted to the Revenue Department in May 2001 and October 2002 respectively. Amount of Rs 33 lakh demanded (November 2003) by the Special Land Acquisition Officer for acquisition of land for LBC (Rs 15 lakh) and RBC (Rs 18 lakh) was deposited only in May 2008 and May 2009 respectively. Further, approval to the revised estimate of the work for Rs 7.83 crore submitted to the Government in March 2003 was still awaited (March 2009). As of March 2009, an expenditure of Rs 6.64 crore was incurred on dam proper and part of canal and land acquisition.

Thus, delays in submission of proposal for acquisition of the land required for the canals, in payment of the requisite amounts to the revenue authorities and

³⁰ Construction of MI scheme at Juwathi in Ratnagiri District, with an irrigation potential of 168 hectares was administratively approved by the Rural Development and Water Conservation Department of the Government in June 1999 for Rs 4.15 crore

in sanction of the revised estimate resulted in non-construction of the canals and consequent non-utilisation of the MI Tank.

EE stated (January 2008) that the work was not completed due to non-completion of land acquisition procedure, which was in progress. He further stated (January 2009) the work would be started after obtaining revised administrative approval to the scheme.

The replies of EE were not tenable as the commencement of work without acquiring the land was contrary to the provisions of MPWM and stipulations made in the technical sanctions. This resulted in idle investment of Rs 6.64 crore besides depriving the beneficiaries of the proposed irrigation facilities.

The above points were referred to the Secretary to the Government in April 2009. Reply had not been received (August 2009).

Public Works Department

3.4.7 Idle investment on incomplete bridge

Commencement of the work without ascertaining the status of land acquisition, delays in execution of work by the contractors, delays in termination of the contracts in case of failure to carry out the work by the contractor resulted in an idle investment of Rs 1.21 crore.

The Public Works Department of the Government of Maharashtra administratively approved (June 1998) the work of a major bridge across Sina river near Malikpeth village in Solapur District for Rs 1.71 crore with the objective of connecting six³¹ villages to the taluka head quarters. The Chief Engineer, Pune Region (CE) accorded technical sanction to the work in January 2000.

Scrutiny (February 2009) of the records of the Executive Engineer, Public Works Division No 2, Solapur (EE) revealed that the work of construction of the bridge was awarded (April 2001) to contractor A for Rs 1.20 crore with stipulated period of completion as 18 months (September 2002). However, during execution, a project affected farmer obtained stay order against execution of the work in July 2002 from the District Court. Though the Mumbai High Court awarded (February 2004) final judgment in favour of the Government, the contractor refused to execute the work on the ground that the construction cost has increased. The work was, therefore, withdrawn under clause 18 (c)³² of the agreement by CE in December 2004. The contractor executed work costing Rs 44.74 lakh which was paid in June 2005.

The balance work was awarded (May 2005) to contractor B at the estimated cost of Rs 1.06 crore with stipulated period of completion of 18 months. The

³¹ Malikpeth, Markhed, Dagaon, Valuj, Mangoshi and Dahitane

³² Clause 18 : No compensation is payable to the contractor for restriction of work to be carried out

contractor executed work costing Rs 48.78 lakh till May 2006. As the contractor did not complete the work despite several notices (October 2005 to October 2006) the work was withdrawn (January 2007) by the EE under clause 34³³ of the agreement *i.e.*, at the risk and cost of the contractor.

The balance work estimated to cost Rs 83.09 lakh work was then split up into eight parts, of which five were awarded (January to February 2007) to unemployed engineers (UEs), as per directives, of the Superintending Engineer, Solapur (SE). This was contrary to the provisions contained in Para 201 of the Maharashtra Public Works Manual which states that in case of reinforced cement concrete bridges, tenders should be invited from firms specialised in such work. The remaining three works were not awarded as of May 2009.

As there was continuous flow of water in the river during the years 2006-07 and 2007-08 the work could not be completed. Subsequently, the UEs were also reluctant to complete the work due to increase in the rates of cement and steel. An expenditure of Rs 27.88 lakh was incurred on these balance works till then. Also, due to non-provision of adequate funds, two of the above contracts were terminated. The total expenditure incurred on these works as of May 2009 was Rs 1.21 crore and the revised estimate of balance work (Rs 0.80 crore) was proposed in June 2008 which was not sanctioned as of May 2009.

Thus, commencement of the work without ascertaining the status of land acquisition, delays in execution of work by the contractors, delays in termination of the contracts in case of failure to carry out the work by the contractor resulted in an idle investment of Rs 1.21 crore. Besides, the villagers were deprived of the benefit of a proper bridge.

In reply, EE stated that there was no budget provision for this work since last two years and the work was hampered as the contractor's bills were pending.

The fact remains that the non-completion of the bridge resulted in idle investment of Rs 1.21 crore.

The matter was referred to the Secretary to the Government in May 2009. Reply had not been received (October 2009).

³³ Clause 34: In case of abandonment of the work by the contractor, the work of the contractor be measured up and to take such unexecuted part thereof out of his hands and give it to another contractor to complete. All expenses incurred on advertisement for fixing a new agency and such other expenses incurred in getting the unexecuted work done by the new contractor and the value of the work done shall be final and conclusive against the contractor

Water Resources Department

3.4.8 Idle investment on minor irrigation tank

Non-provision of funds in time by Maharashtra Krishna Valley Development Corporation resulted in idle investment of Rs 6.24 crore on a minor irrigation tank.

The Maharashtra Krishna Valley Development Corporation (MKVDC) accorded administrative approval (October 1996) for the work of Minor Irrigation (MI) Tank at Pangari, District Satara for Rs 4.11 crore, which was revised to Rs 10.06 crore in July 2003 on account of increase in cost of construction and land acquisition and change in scope of work. The project with 3.5 km irrigation canal envisaged an irrigation facility for 290 hectares of land.

Construction of MI Tank was awarded in January 1997 to a contractor for Rs 3.09 crore with a stipulated period of completion of two years, which was extended from time to time till 31 May 2007. On contractor's assurance (March 2009) to complete the balance work, the Chief Engineer also granted extension of the period of completion till December 2010. An expenditure aggregating Rs 6.24 crore was incurred on the project during the period 1996-2007.

Scrutiny (March 2009) of the records of the Executive Engineer, Dhom Irrigation Division, Satara revealed that the gorge filling was completed in June 2000 without carrying out the pitching work due to inadequacy of funds. The pitching work was required to be completed before gorge filling as the project is located in heavy rainfall area. However, considering the financial position and possible difficulties in raising funds, the MKVDC directed (January 2002) the divisions to stop all the works immediately. Accordingly, the work was stopped.

Due to incomplete pitching work and heavy rainfall during 2005 to 2007, sinking, scouring, washing away of embankment /spillway and leakages in down stream of the dam were observed which posed a risk to the safety of the dam. However, for want of funds the work remained incomplete³⁴ as of May 2009. Further, due to lack of funds the acquisition of private land for the canal was not done (May 2009) even after eight years of impounding water in the tank.

Thus, non-provision of funds in time by MKVDC resulted in languishing of the project for over ten years rendering the investment of Rs 6.24 crore incurred on the project idle. Besides, the intended benefit of irrigation did not accrue to the beneficiary farmers.

³⁴ Construction of main earthen dam, irrigation conduit, irrigation well and spill way have been completed

The EE stated (March 2009) that indirect benefits like increase in water table of the wells in nearby villages and use of water by farmers for lift irrigation were accruing. He further stated (August 2009) that during this year, the project is incorporated for finance through NABARD.

The reply was not tenable as the project had been taken up mainly to facilitate irrigation of 290 hectares through 3.5 km canals which remained to be achieved. The indirect benefits of the project are insignificant considering the original objectives of taking up the project and the investment made on it. Further, considering the huge investment already made in the project, necessary steps for providing funds for completion of the work would have been taken much earlier.

The matter was referred to the Secretary to the Government in May 2009. Reply had not been received (October 2009).

Water Supply and Sanitation Department

3.4.9 Unfruitful expenditure on water supply scheme

Due to change in scope of the work after issue of the work order, lack of funds and delay in sanction of the revised estimate by Maharashtra Jeevan Pradhikaran, a water supply scheme in Kopargaon Taluka remained incomplete for more than 10 years after spending Rs 8.21 crore.

The works³⁵ of the Regional Rural Water Supply Scheme Savali Vihir and five³⁶ other villages in Kopargaon Taluka was administratively approved (August 1998) by the Water Supply and Sanitation Department of the Government for Rs 7.23 crore and technically sanctioned (January 1999) by the Chief Engineer, Maharashtra Jeevan Pradhikaran³⁷ (MJP), Nasik Region. The work was awarded (January 1999) to a contractor for Rs 4.53 crore with stipulated period of completion as 24 months.

Scrutiny (March 2005) of the records of the Superintending Engineer, MJP Circle, Ahmednagar and information collected (December 2008 and May 2009) from the Executive Engineer, MJP Works Division, Sangamner revealed that the Member Secretary, MJP approved (April 1999) one storage tank for two villages (Rui and Shingave) and another tank for four other villages subject to the condition that the work should be completed within the sanctioned cost. It was also stipulated that an undertaking be obtained from the contractor that he would carry out the work at the tendered rates. Accordingly, the work was divided into two groups, Group I pertaining to

³⁵ Water treatment plant, elevated service reservoir/ground service reservoir, gravity main leading main, pumping machinery and distribution system

³⁶ Rui , Nimgaon Nigoj, Nimgaon Korhale, Savali Vihir Khurd and Shingave

³⁷ Government body entrusted with the work of planning and execution of water supply and sewage schemes on behalf of Municipal Corporations, Municipal Councils, Zilla Parishads and Gram Panchayats

four³⁸ villages and Group II pertaining to two villages (Rui and Shingave). The work was stopped in March 2000 after incurring an expenditure of Rs 3.78 crore due to shortage of funds and the work was withdrawn (April 2005) from the contractor.

The works were reawarded (January 2006) to two other agencies for Rs 1.62 crore (Group I) and Rs 1.75 crore (Group II) on the same terms and conditions of the original contract with stipulated period of completion as 14 months. The work was not completed as of June 2009 after incurring expenditure of Rs 8.21 crore up to March 2009 for want of sanction to the revised estimates submitted to the Government in January 2003. The balance works included the works of gravity main, water treatment plant and elevated/ground storage reservoir (20 per cent) and the works of Leading Main and Head works (10 per cent).

Scrutiny (July 2009) of records in Water Supply and Sanitation Department of the Government revealed that the revised estimates were processed only in April 2009 reportedly due to non-availability of relevant records.

Thus, due to change in scope of work after issue of the work order, non-provision of funds and inordinate delay in sanction of the revised estimates, the scheme remained incomplete for over 10 years rendering the expenditure of Rs 8.21 crore unfruitful. Besides, the objective of providing drinking water to the beneficiaries was also not achieved.

The Financial Advisor and Chief Accounts Officer, MJP confirming the facts stated (May 2009) that after approval to the revised estimates and funds are made available, the scheme could be commissioned within three months. The Government concurred (June 2009) with the reply of MJP.

The Government did not clarify the position of sanctioning the revised estimates, arranging funds and completion of the works.

3.5 Regulatory issues and other points of interest

Water Resources Department

3.5.1 Irregular sanction of advance

The award of work before acquisition of land and sanction of an advance of Rs 10 crore to a contractor for setting up of infrastructure even before submitting the proposal for land acquisition was irregular.

As per the Forest Conservation Act (FCA), 1980, prior approval of the Government of India (GoI) for use of forest land for non-forest purpose is mandatory. The FCA also states that if the proposed work involves forest as well as non-forest land, work should not be started in the non-forest land until

³⁸ Nimgaon Nigoj, Nimgaon Korhale, Savali Vihir Bk and Savali Vihir Khurd

the approval of GoI is received for release of forest land. Further, as per para 251 of the Maharashtra Public Works Manual (MPWM), no work should be started without acquiring the entire land required for it.

Scrutiny (August 2008) of the records of the Executive Engineer, Raigad Irrigation Division No.2, Navi Mumbai (EE), a unit of the Konkan Irrigation Development Corporation, Thane (KIDC), revealed that the work of dam proper, its appurtenant works, left bank canal and right bank canal of Deharji Medium Project at Vikramgad in Thane District estimated to cost Rs 84.61 crore was awarded (July 2006) to a contractor for Rs 103.33 crore with a stipulated period of completion of 72 months. As per the agreement, work advance can be paid for speeding up the work if requested by the contractor. The Executive Director, KIDC, on the request of the contractor sanctioned (March 2007) an advance of Rs 10 crore for setting up of infrastructure and speeding up the work. The EE paid (April 2007) the amount after obtaining a bank guarantee for Rs 14 crore from the contractor. As per conditions attached with the sanction, the advance along with interest at 13 *per cent* was to be recovered in installments from the running account (RA) bills in such a way that the entire amount would be recovered by the time 75 *per cent* of the work was completed. Further, till the commencement of the work, the contractor was required to pay quarterly interest.

As per the tender agreement, the Government had to acquire the private land (300 hectares) and obtain clearance for forest land (531 hectares) between October 2006 and September 2008. The proposal for acquiring private land was submitted to the Collector during June and July 2007 and that of forest land to GoI in June 2009. The work has not been started and no site infrastructure set up as of June 2009 due to non-acquisition of land.

It was also observed that as against the amount of Rs 5.60 crore interest amount due from the contractor as of March 2009, only Rs 65 lakh has been recovered since the post-dated cheques issued by the contractor were not honoured by the bank.

In reply the EE stated (August 2008) that the tenders were called for and finalised with the approval of Government. Advance was sanctioned as per tender condition for setting up of infrastructure and speeding up the work. The reply is not tenable as the work was awarded in contravention of the provisions of FCA/MPWA. Further, the advance of Rs 10 crore was sanctioned to the contractor for setting up of infrastructure at site, even before the submission of land acquisition proposal.

Thus, award of work before acquisition of land and sanction of an advance of Rs 10 crore to a contractor for setting up of infrastructure even before submitting the proposal for land acquisition was irregular.

The matter was referred to the Secretary to the Government in April 2009. Reply had not been received (October 2009).

General

Finance Department

3.5.2 Functioning of Treasuries

The major irregularities noticed during inspection of 33 treasuries and the Pay and Accounts Office, Mumbai by the Accountants General (Accounts and Entitlement), Mumbai and Nagpur during 2008-09 are brought out in the following paragraphs:

Overpayment of pension

Overpayment of pensionary benefits of Rs 1.57 crore was made during 2008-09 on account of incorrect calculation of dearness relief, non-adjustment of provisional Death cum Retirement Gratuity, non-reduction of pension due to payment of commuted value of pension, non-reduction of family pension from the specific date mentioned in the pension payment orders *etc.*

Non-closure of inoperative Personnel Ledger Accounts

As per Rule 495 of the Maharashtra Treasury Rules (MTR), 1968 and para 585 (2) of the Maharashtra Treasury Manual (MTM), Personnel Deposits (PDs)/Personnel Ledger Accounts (PLAs) of the various designated officers of the Government (Administrators) which are not operated for more than three continuous accounting years are to be closed and the balances in such PDs and PLAs are to be credited to Government Accounts. It was, however, noticed that 40 PLAs which were not operated for more than three years had not been closed. Further, the balance of Rs 1.79 crore lying in 24 such PLAs was not credited to the Government account.

Non-reconciliation of Personnel Deposits and Personnel Ledger Accounts

As per para 589 of MTM, Treasury Officers are required to obtain certificates of balances at the end of each year from the Administrators of PLAs. After obtaining such certificates, differences, if any, are required to be reconciled with the treasury figures and the balance certificates after reconciliation are to be forwarded to the Accountant General (A&E)-I, Mumbai for confirmation of the balances.

It was, however, noticed that there were differences between the Administrators' balances and treasuries' balances in 90 cases, between the treasuries' balances and sub-treasuries' balances in 340 cases and between the sub-treasuries' balances and the Administrators' balances in 166 cases. Besides, annual certificate of balances as on 31.03.2008 had not been submitted by 327 Administrators.

3.5.3 Outstanding Inspection Reports, Departmental Audit Committee Meetings, Follow-up on Audit Reports and Action Taken Notes

Failure to enforce accountability and protect the interests of Government

Outstanding Inspection Reports

The Accountant General (Audit) arranges to conduct periodical inspections of Government departments to test-check their 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) which are issued to the heads of the offices inspected with copies to the next higher authorities. Half yearly reports of pending IRs are sent to the Secretaries of the concerned departments to facilitate monitoring of action taken on the audit observations included in these IRs.

The IRs issued up to December 2008, pertaining to 28 departments, disclosed that 23,727 paragraphs relating to 8,381 IRs were outstanding at the end of June 2009. Year-wise position of the outstanding IRs and paragraphs are detailed in the **Appendix 3.6**.

Departmental Audit Committee Meeting

In order to settle the outstanding audit observations contained in the IRs, Departmental Audit Committees have been constituted by the Government. During 2008-09, 10³⁹ out of the 28 departments convened 28 Audit Committee meetings. 3,398 paras were discussed in the meetings and 1,602 paras were settled.

For ensuring prompt compliance and early clearance of the outstanding paragraphs, it is recommended that the Government should address this issue seriously and ensure that an effective procedure is put in place for (a) taking action against the officials who fail to send replies to IRs/paragraphs as per the prescribed time schedule, (b) recovering losses/outstanding advances/overpayments in a time bound manner and (c) revamping the system of responding to audit observations.

Follow up on Audit Reports

According to instructions issued by the Finance Department in March 1981, administrative departments were required to furnish Explanatory Memoranda (EMs) duly verified by Audit to the Maharashtra Legislature Secretariat in respect of paragraphs included in the Audit Reports, within one month of presenting the Audit Reports to the State Legislature. The administrative

³⁹ Agriculture, Animal Husbandry, Dairy Development and Fisheries, Higher and Technical Education, Home, Housing, Public Health, Public Works, Revenue and Forests, Social Forestry, Rural Development and Water Conservation, Water Resources and Water Supply and Sanitation

departments did not however, comply with these instructions. The position of outstanding EMs from 2001-02 to 2007-08 is as indicated in **Table 1**.

Table 1: Position of outstanding explanatory memoranda

Audit Report	Date of tabling the Report	Number of Paragraphs and Reviews	Number of EMs received	Balance
2001-02	22 July 2003	51	46	5
2002-03	8 July 2004	48	36	12
2003-04	21 July 2005	48	32	16
2004-05	18 April 2006	39	32	7
2005-06	17 April 2007	38	29	9
2006-07	25 April 2008	46	21	25
2007-08	12 June 2009	51	3	48
Total		321	199	122

In addition to the above, EMs in respect of 72 paras relating to the period prior to 2001-02 were also outstanding. Department-wise details are given in **Appendix 1.1**.

Action Taken Notes

The Maharashtra Legislature Secretariat (MLS) Rules stipulate that Action Taken Notes (ATN) on the recommendations of the Public Accounts Committee (PAC) on those paragraphs of the Audit Reports that are discussed are required to be forwarded to the MLS duly verified by Audit. Likewise, ATNs indicating remedial/corrective action taken on the paras that are not discussed are also required to be forwarded to the PAC duly vetted by Audit. It was observed that there were inordinate delays and persistent failures on the part of a large number of departments in forwarding ATNs on audit paragraphs. Year-wise details of such paragraphs are indicated in **Table 2**.

Table 2: Position of outstanding action taken notes

Audit Report	Total number of paras in the Audit Report	Number of paras		ATN awaited in respect of paras	
		Discussed	Not discussed	Discussed	Not discussed
1985-86 to 1997-98	862	151	711	98	705
1998-99	47	10	37	10	37
1999-2000	55	7	48	4	48
2000-01	43	8	35	8	35
2001-02	51	9	42	9	42
2002-03	48	8	40	8	40
2003-04	48	2	46	2	46
2004-05	39	15	24	15	24
2005-06	38	1	37	1	37
2006-07	47	1	46	1	46
2007-08	51	--	51	--	51
Total	1329	212	1117	156	1111

The aforesaid points were reported to the Chief Secretary and Principal Secretary to the Government in October 2009. Reply had not been received.

CHAPTER IV

INTERNAL CONTROLS IN GOVERNMENT

Fisheries Department

4.1 Internal controls in Fisheries Department

Highlights

Internal control is an integral component of an organisation's management processes, which are established in order to provide reasonable assurance that the operations are being carried out effectively and efficiently, financial reports and operational data are reliable and the applicable laws and regulations are being complied with so as to achieve organisational objectives. An evaluation of the internal control system in the Fisheries Department revealed delayed submission of budget proposals, large savings, non-surrender of savings, non-adherence to the codal provisions regarding handling of cash, non-maintenance of records, improper implementation of schemes and inadequate monitoring.

Budget estimates were submitted late besides being unrealistic resulting in huge savings during 2004-05 to 2008-09. Against the budget provision of Rs 792.79 crore, only Rs 549.06 crore was spent resulting in saving of Rs 243.73 crore (31 per cent). Central grant of Rs 29.87 crore in respect of Centrally sponsored schemes could not be utilised.

(Paragraph 4.1.6.1 and 4.1.6.2)

Detailed contingent bills for Rs 53.12 crore in respect of 52 abstract contingent bills drawn during 1993-2009 were not submitted. Commissioner was not aware of the magnitude of the pendency. Two detailed contingent bills showed irregular payment of Rs 8.65 lakh.

(Paragraph 4.1.7.2)

Codal provisions regarding maintenance of cash book and handling of Government receipts were not adhered to.

(Paragraph 4.1.7.4)

No annual targets for fish production were fixed for 16 fish seed farms. Further, in respect of 10 fish seed farms, shortfall in fish seed production ranged between 19 and 75 per cent. Also, 38 fish seed farms incurred a loss of Rs 5.20 crore during 2004-05 to 2008-09.

(Paragraph 4.1.8.2)

Implementation of Centrally sponsored schemes was deficient due to absence of system for ensuring successful functioning and continuance of fish ponds constructed under ‘Development of Fisheries and Aquaculture’, non-establishment of targeted number of ice factories under ‘Preservation, Transport and Marketing’ and non-completion of large number of houses sanctioned for fishermen under ‘National Schemes for Welfare of Fishermen’.

(Paragraph 4.1.8.3)

Due to shortage in Group A and Group B posts, 19 Officers were holding dual charges, 11 officers were holding three charges and one officer was holding five charges increasing their span of control and affecting supervision in implementation of schemes

(Paragraph 4.1.9.1)

No internal audit was conducted till 31 March 2009 due to non-existence of internal audit wing in the Department.

(Paragraph 4.1.10)

4.1.1 Introduction

Internal controls are intended to give reasonable assurance that its operations are carried out according to laid down rules and regulations in an economical, efficient and effective manner. A built-in internal control system and adherence to codes and manuals minimise the risk of errors and irregularities and help the organisation to achieve its objectives with the optimum use of its resources.

Maharashtra has a coastline of 720 km, over three lakh hectares of fresh water area and 18,000 hectares of brackish water. This gives tremendous scope for development of fisheries in the State. The fish production in the State during 2007-08 was 4.20 lakh metric tonne. The revenue earned every year from the export of marine products during 2004-05 to 2007-08 ranged from Rs 1,102 crore to Rs 1,347 crore. Of the total population of 3.19 lakh fishermen in the State as of February 2009, 0.55 lakh were full time fishermen. The main objectives of the Fisheries Department are to increase the productivity from available and new water resources, improve the socio-economic condition of the fishermen who come from the weaker sections of the society and to develop infrastructure such as harbours and jetties, ice factories and cold storage *etc.*, for proper landing and processing of fish. Their activities also include imparting educational and occupational training to fishermen and encouraging new entrants to culture fisheries. The Department implements 12 Central schemes and 12 State schemes in order to achieve its objectives as listed in **Appendix 4.1**.

4.1.2 Organisational set-up

The Secretary, Fisheries Department is the head of the Department. The Commissioner of Fisheries, Mumbai (Commissioner) implements various

schemes for development of fisheries in the State and is assisted by six Regional Deputy Commissioners (RDCs) situated at Amravati, Aurangabad, Mumbai, Nagpur, Nashik and Pune. At district level, there are 31 Assistant Commissioners of Fisheries¹ (ACFs) one each for a district, 41 Fisheries Development Officers (FDOs), six Fisheries Training Officers (FTOs), subordinate officers and other supporting staff. There are 42 fish seed farms headed by FDOs/AFDOs.

4.1.3 Audit objectives

The audit objectives were to assess whether:

- the budgetary controls were adequate and effective;
- expenditure controls and management of cash were effective;
- operational controls were adequate to achieve the objective of the Department in economic, efficient and effective manner;
- organisational controls and monitoring mechanism were adequate; and
- Internal Audit arrangements and vigilance mechanism were effective.

4.1.4 Audit coverage

A review of the internal control mechanism in the Fisheries Department was conducted during January to May 2009 by test-check of the records for the period 2004-05 to 2008-09 at the Mantralaya, offices of the Commissioner of Fisheries, six RDCs, eight² ACFs, four³ FTOs and a Project Officer at Dapchary in Thane District. Monthly progress reports in respect of 38 fish seed farms were examined in the offices of the RDCs. Out of five coastal districts, three districts were selected on random sampling basis. Similarly, five out of the remaining 26 districts were also selected on random sampling basis. An entry conference was held in February 2009 with the Secretary, Fisheries Department, to discuss the audit objectives. The audit findings were also discussed with the Secretary in an exit conference held on 18 September 2009. The Secretary while appreciating the report, stated that the findings and recommendations would help the Department to take necessary and appropriate action to strengthen the internal control mechanism in the Department.

4.1.5 Audit criteria

The audit criteria adopted were :

- Departmental Manual;
- Maharashtra Budget Manual (MBM);

¹ No separate district offices have been started in four districts viz. Hingoli, Mumbai suburban, Nandurbar and Washim

² Amravati, Aurangabad, Mumbai, Nagpur, Nashik, Pune, Raigad and Thane

³ Raigad, Satpati, Vasai and Versova

- Bombay Financial Rules (BFR);
- Maharashtra Treasury Rules (MTR); and
- Government orders and instructions issued from time to time.

Audit findings

4.1.6 Budgetary control

Control over budget and expenditure is essential for optimal utilisation of limited resources to achieve the objective of the Department. The shortcomings noticed in preparation of the budget estimates and in expenditure controls are detailed in the succeeding paragraphs:

4.1.6.1 Belated submission of budget proposals

According to the provisions contained in Para 29 of MBM, budget estimates for a financial year are to be consolidated by the head of the Department based on the proposals received from subordinate offices and submitted to the Government by 15 October of preceding year. It was noticed that there were delays ranging from one to three months in sending budget estimates to the Government during the years 2004-05 to 2008-09.

Further, in order to facilitate timely consolidation and submission of the budget estimates, the Commissioner had fixed a target date every year. The target date was between 19 July and 4 August for the RDCs, for submission of their budget proposals for the years 2004-05 to 2008-09. None of the test-checked RDCs, except RDCs Nashik and Aurangabad, had adhered to the prescribed time schedule. RDCs attributed the delays (6 to 139 days) to belated receipt of budget proposals from ACFs. The reply was not tenable because none of the RDCs had fixed target dates for ACFs for submission of their budget estimates.

The delay in submission of the budget estimates hampered the proper vetting of these estimates and preparation of budget without considering the actual requirement of the subordinate offices. This resulted in inflated budget estimates every year as discussed in the following paragraph.

4.1.6.2 Inflated budget proposals

According to para 30 of the MBM the budget estimates should be prepared with great care and should receive the personal attention of the officers who submit them in order to ensure that the estimates are neither inflated nor under-pitched. It was noticed that there were persistent savings, both under the revenue and capital heads during the years 2004-05 to 2008-09, as indicated in **Table 1**.

There were delays ranging from one to three months in submission of Budget estimates to the Government during the years 2004-05 to 2008-09

Table 1: Table showing savings during 2004-05 to 2008-09

(Rupees in crore)

Year	Nature of grant	Original Budget Estimate	Supplementary grant	Total grant	Expenditure	Savings	Amount surrendered	Amount not surrendered	Percentage of savings to total grant
2004-05	Revenue	31.85	2.90	34.75	32.73	2.02			6.34
	Capital	24.43	2.01	26.44	21.74	4.70			19.24
	Total	56.28	4.91	61.19	54.47	6.72	5.26	1.46	10.98
2005-06	Revenue	25.35	129.02	154.37	83.66	70.71			45.81
	Capital	14.93	0.00	14.93	10.18	4.75			31.82
	Total	40.28	129.02	169.30	93.84	75.46	62.27	13.19	44.57
2006-07	Revenue	182.59	nil	182.59	107.65	74.94			41.04
	Capital	20.03	nil	20.03	14.82	5.21			26.01
	Total	202.62	nil	202.62	122.47	80.15	57.50	22.65	39.56
2007-08	Revenue	137.89	0.03	137.92	101.67	36.25			26.28
	Capital	16.96	nil	16.96	13.15	3.81			22.46
	Total	154.85	0.03	154.88	114.82	40.06	38.38	1.68	25.87
2008-09	Revenue	135.36	42.96	178.32	143.70	34.62	33.05		19.41
	Capital	25.68	0.80	26.48	19.76	6.72	6.25		25.38
	Total	161.04	43.76	204.80	163.46	41.34	39.30	2.04	20.18
Total (2004-09)				792.79	549.06	243.73	202.71	41.02	

Source: Finance and Appropriation accounts

While the savings under the revenue in 2004-05 was only Rs 2.02 crore, the same ranged between Rs 34.62 crore and Rs 74.94 crore during 2005-06 to 2008-09. However, under the capital heads the savings ranged between Rs 3.81 crore and Rs 6.72 crore during 2004-05 to 2008-09.

Forty nine per cent of total Central share in respect of Centrally sponsored schemes was surrendered during 2004-09

Scrutiny revealed that the Department surrendered Central grants aggregating to Rs 29.87 crore, which accounted for 49 per cent of the total Central share in respect of various Centrally Sponsored Schemes, provided in the State budget during 2004-05 to 2008-09. The Commissioner cited lack of interest shown by the beneficiaries and delay in getting receipt of sanction/grant from the Government of India as the main contributory reasons for the surrender. This indicated that the budget provisions were made without ascertaining the viability of the schemes and requirement of funds.

Para 170 of MBM stipulates that the controlling officers need to take great care in submitting proposals for supplementary appropriations. The supplementary provision actually obtained if found unnecessary or excessive, will be treated as an irregularity. It was noticed that almost the entire supplementary provisions remained unutilised during the years 2004-05 and 2008-09.

The significant variations between the total provision and actual expenditure in all the years indicated deficiency in budgeting and weak budgetary controls.

4.1.6.3 Non-surrender of savings

Savings ranging from Rs 1.46 crore to Rs 22.65 crore were not surrendered during 2004-09

As per para 173 of MBM, the controlling officers need to surrender savings to the administrative departments prior to the last day of February. It was seen (Table 1) that against the total savings of Rs 243.73 crore during 2004-05 to

2008-09, savings ranging from Rs 1.46 crore to Rs 22.65 crore were not surrendered during the years 2004-05 to 2008-09. This indicated a weak budgetary and expenditure control. This also deprived the Finance Department an opportunity to re-appropriate funds to other needy departments.

4.1.6.4 Registers of expenditure and liabilities

To exercise effective control over expenditure, para 155 (i) of MBM stipulates that the controlling officer should obtain from the disbursing officers a monthly liability statement in Form 12 before tenth day of each month commencing from the month of September in each financial year. Similarly, sub para (iv) *ibid* provided that every controlling officer should maintain a register of expenditure in Form 10 for effective control of expenditure and see that the figures entered in the register are up to date.

The Commissioner, as controlling officer, is required to allot budget provision to various subordinate offices, receive monthly progress reports of expenditure, liabilities and forward consolidated monthly statement of expenditure to the Government, and monitor expenditure against budget allotment. It was noticed that the Register of Expenditure and Register of Liabilities were not maintained by 11⁴ offices test-checked and monthly expenditure statement covering all major heads was not sent to the Commissionerate. The Commissioner also did not insist on furnishing of statements by the field offices. The Commissioner could not, therefore, periodically monitor the actual expenditure *vis-à-vis* budget allotment which resulted in savings and non-surrender of funds at the end of the financial year. While accepting the fact the Department stated (January 2009) that the requisite expenditure control registers would be maintained.

4.1.7 Expenditure controls and cash management

4.1.7.1 Rush of expenditure in the month of March

As per Para 155 (iii) of MBM, the controlling officers/drawing and disbursing officers are required to keep a watch on progress of expenditure and ensure that there are no major excesses or savings. The expenditure is to be evenly distributed from month to month as per the provisions of grants available. The position of the total expenditure under plan and non-plan and total plan expenditure for each year *vis-à-vis* expenditure during the last month of the financial years during 2004-05 to 2008-09 is indicated in **Table 2**.

⁴ Mantralaya, Commissioner, RDC Amravati, Aurangabad, Mumbai, Nagpur, Nashik and Pune and ACFs Amravati, Nagpur and Pune

Table 2: Expenditure for the year vis-à-vis expenditure in the month of March

(Rupees in crore)

Year	Plan and Non-Plan expenditure			Plan expenditure		
	Total expenditure	Expenditure during March	Percentage to total expenditure	Total Plan expenditure	Expenditure during March	Percentage to total expenditure
2004-05	55.12	34.71	62.97	40.36	31.58	78.25
2005-06	96.58	70.05	72.53	26.51	19.71	74.35
2006-07	125.50	31.70	25.26	28.53	15.48	54.26
2007-08	121.12	31.48	25.99	32.06	12.08	37.68
2008-09	179.95	48.61	27.01	52.51	30.10	57.32

Source: Appropriation Accounts

It can be seen from the above table that the total plan and non-plan expenditure incurred during March each year ranged from 25 to 73 *per cent* of the total expenditure, while the plan expenditure alone incurred in March each year ranged from 38 to 78 *per cent*. Rush of expenditure in the closing month of the financial year indicated weak expenditure control within the Department.

4.1.7.2 Submission of detailed contingent bills

As per Rule 303 of the MTRs and instructions issued by the Government from time to time, detailed contingent (DC) bills in respect of amounts drawn on abstract contingent (AC) bills are to be submitted within one month from the date of drawal of AC bills. It was however, noticed from the records/accounts of the Accountant General (Accounts and Entitlement) that contrary to the above provisions, DC bills for Rs 53.12 crore in respect of 52 AC bills drawn during 1993-94 to 2008-09 were not submitted as of March 2009. Hence, the actual utilisation of the amounts could not be ascertained. Out of this, one bill for Rs 20 crore related to 2008-09, three bills for Rs 33 crore related to 2005-06 pertained to reimbursement of value added tax (VAT) on high speed diesel (HSD). The remaining 48 bills for Rs 12 lakh were for the period from 1993-94 to 2000-01. Commissioner stated (June 2009) that the magnitude of the pendency in the settlement of DC bills was not brought to his notice and the concerned DDOs were being addressed in the matter. The reply indicates the lack of a control in the Department for watching the prompt settlement of AC bills. The non-submission of DC bills is fraught with the risk of misappropriation of Government money.

In order to mitigate the additional burden of sales tax on HSD due to the introduction of VAT from April 2005, the State Government requested the oil companies to supply HSD to the fisheries societies without charging the sales tax and submit a weekly claim of VAT to the Commissioner for payment. For payment of such claims, the Government sanctioned Rs 13 crore and the amount was drawn by the Commissioner on two AC bills in April and June 2005. The Commissioner was to open a separate personal ledger account for this purpose. However, it was noticed that the amount was kept in a current account of ICICI Bank instead of in a personal ledger account. Scrutiny of the DC bills submitted in July 2008 revealed the following irregularities.

DC Bills for Rs 53.12 crore in respect of 52 AC bills drawn during 1993-2009 were not submitted; Commissioner was not aware of the magnitude of the pendency

Examination of DC bills indicated excess/suspected fraudulent payment of Rs 8.65 lakh

- Though the reimbursement was not authorised beyond June 2005 and the unutilised amount in the current account was credited to Government account on 26 September 2005, the DC bills included two invoices dated 17 November 2005 each depicting an expenditure of Rs 1,01,753 and another invoice dated 26 November 2005 for Rs 46,095. Out of the two invoices dated 17 November 2005 one was a certified copy of the other invoice bearing the same number and date resulting in a suspected fraud of Rs 1,01,753 (**Appendix 4.2**).
- Similarly, in case of two societies, against Rs 5.57 lakh admissible for reimbursement, the amount shown as reimbursed in the DC bill was Rs 11.33 lakh indicating overpayment of Rs 5.76 lakh (**Appendix 4.2**).
- The payment of Rs 18,09,313 was made to the oil companies for the reimbursement of VAT on HSD supplied to three societies, as per the DC bills. However, as per the encasement made on the respective invoices, the amount of VAT worked out to Rs 17,08,046. Invoices in support of the balance of Rs 1,01,267 were not available on records. This indicated excess reimbursement of Rs 1,01,267 (**Appendix 4.2**). Further, invoice in support of the payment of Rs 86,524 made to Bharat Petroleum Corporation Limited for supplying 12 kiloliters HSD to a society, was not available on the records. Possibility of excess payment could not be ruled out.

The Commissioner stated (February 2009) that the irregularities pointed out by audit would be rectified in due course.

4.1.7.3 Outstanding utilisation certificates

Rule 149 read with Appendix 22 of BFR inter-alia provided that before submission of the utilisation certificates (UCs) to the Accountant General, the Heads of the Departments should ensure that conditions attached to the grant are fulfilled. For this purpose it contemplated devising of a machinery to keep an effective and constant check to see that the amount of grant is utilised and applied fruitfully for the purpose for which the grant was intended. However, such machinery to keep effective and constant check of grants-in-aid disbursed was not established in the Commissioner's office.

Utilisation certificates for Rs 8.16 crore for the period 2002-08 were outstanding

The Commissioner stated (July 2009) that due to shortage of staff it was not possible to have the required check for utilisation of grant by each and every office till such time Government creates a separate wing for this purpose. He further stated that UCs were directly sent by DDOs to Accountant General and his office was not keeping any track on the pendency of UCs. As per information furnished by the Commissioner, 270 UCs in respect of grants-in-aid of Rs 8.16 crore disbursed during the period from 2002-03 to 2007-08 were pending as of March 2009. Out of this 96 UCs for Rs 6.29 crore pertained to the period 2002-03 to 2005-06. Delay in submission of UCs for such long periods increases the risk of misutilisation of funds by the

beneficiaries. The Commissioner, as controlling officer, thus, failed to ensure timely submission of UCs by his subordinate offices.

4.1.7.4 Maintenance of cash books

Codal provisions related to maintenance of cash book were not adhered to by various drawing and disbursing officers

Scrutiny of the cash books and related records in 17 offices revealed that the provisions contained in the MTR as well as BFR to prevent fraud and misappropriation of cash were flouted by many offices, as discussed in the following paragraphs :

- (i) As per Rule 51 of BFR security bonds were to be obtained from the cashiers. It was, however, observed that in five⁵ offices no security bonds were obtained from the cashiers.
- (ii) As per Rule 55 of BFR, to minimise the risk of misappropriation, the head of the office was required to conduct a surprise verification of cash balance once a month and certify that the cash balance with the cashier was in order. It was noticed that in 10⁶ offices, the heads of the offices did not conduct surprise verification of cash balances for periods ranging from 32 to 60 months.
- (iii) Rule 98 (2)(ii) of MTR provided that all monetary transactions should be entered in the cash book as soon as they occur and should be attested, including corrections if any, by the head of the office in token of check. Eight⁷ offices did not comply with this requirement for periods ranging from two to 51 months.
- (iv) It was noticed that 469 receipts for Rs 1.83 lakh issued between 28 January 2008 and 20 February 2009 along with challans remitting the moneys in treasury were not entered into the cash book by the Licensing Officer (LO), Uttan working under ACF, Thane. In yet another case, the LO, Murud working under ACF, Raigad had recorded eight transactions in the cash book on receipt side as well as on payment side on the date of remitting the amount into Government account between 25 March 2008 and 14 July 2008, though the collection was made between 15 March 2008 and 28 June 2008. Thus, LOs Uttan and Murud did not adhere to the provisions contained in Rule 98 (2) (ii) of MTR to ensure proper accountal of Government money and to avoid its misutilisation.
- (v) Rule 98 (2)(iv) of MTR provides drawal of a detailed abstract of closing balances and enfacement of signed certificate by the head of the office after physical verification of cash balance at the end of each month. It was observed that in six⁸ offices, detailed abstracts were not drawn for

⁵ Mantralaya, Commissioner, RDC Mumbai and ACFs Mumbai and Raigad

⁶ Mantralaya, Commissioner, RDCs Amravati, Mumbai and Nashik and ACFs Aurangabad, Mumbai, Nashik, Pune and Thane

⁷ Commissioner, RDCs Amravati, Mumbai and Nashik and ACFs Mumbai, Nagpur, Nashik and Thane

⁸ RDCs Amravati and Nashik and ACFs Mumbai, Nashik, Nagpur and Pune

periods ranging from seven to 57 months. Further, in seven⁹, offices physical verification of cash balance was not carried out for periods ranging from 19 to 59 months.

(vi) Note 3 below Rule 277 of the MTR provided maintenance of a bill register by the head of the office authorised to draw money from the treasury. It further provided that a gazetted officer should review the register every month and record the result in it. It was observed that eight¹⁰ offices had not followed this codal provision during 2004-05 to 2008-09.

(vii) Cash book of LO, Satpati called for by Audit in September 2007 in a regular audit was not made available. On reporting this non-compliance, ACF Thane conducted a special audit in September 2008 and established that LO, Satpati had not written the cash book for the periods from 1 July 2005 to 31 August 2005 and from 7 March 2007 to 31 August 2008. He also reported that LO, Satpati misappropriated Rs 3.62 lakh during this period as indicted below:

Licensing Officer had neither entered transactions relating to licence fee aggregating to Rs 1.53 lakh recorded in the Licence Register in the cash book nor issued receipts thereof to the parties during the above period.

As per the original receipts issued to the seven loanees, as verified from them by the Department, they refunded Rs 2,91,062 between October 2005 and October 2006 towards National Co-operative Development Corporation (NCDC) loan. However, LO, Satpati depicted recovery of only Rs 2,31,581 in the office copies of the receipts and the entries in the loan recovery register thereby understating the receipt by Rs 59,481.

An amount of Rs 1.50 lakh recovered towards NCDC loans and licence fee between 30 October 2006 and 25 August 2008 were not entered in the cash book.

ACF reported this matter to RDC, Mumbai in November 2008. However, the memorandum seeking explanation and notices were issued by the Commissioner's Office to the LO who indulged in the fraud and the concerned ACF only on 25 March 2009 after the demise of the concerned LO on 16 February 2009 in an accident.

Being the Head of the Office, ACF Thane was responsible to ensure that cash books in all the offices under his jurisdictions were closed regularly and completely checked as per Rule 98 of MTR 1968. Further, an onus rests with him as per this rule to 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

⁹ Mantralaya, Commissioner, RDCs Amravati and Nashik and ACFs Aurangabad, Mumbai and Nashik

¹⁰ Commissioner, RDCs Amravati, Mumbai, Nashik and Pune and ACFs Nagpur, Pune and Raigad

it as correct. Thus, the discontinuance of the cash book writing for the periods from 1 July 2005 to 31 August 2005 and from 7 March 2007 to 31 August 2008, which facilitated the above fraud was due to the lack of supervision by ACF Thane. Even as of June 2009 the Department had not fixed any responsibility for the laxities in supervision in this case.

4.1.7.5 Adherence to the provisions regarding realisation and accounting of Government receipts

Non-tax receipt of the Department constitutes lease rent of tanks/reservoirs, licence fees for fishing and sale of fish seed. The details of non-tax receipts realised by the Department during 2004-05 to 2007-08 are as in **Table 3**.

Table 3: Details of non-tax receipts realised (Rupees in crore)

Year	Lease rent of tanks		Licence fees		Sale proceeds of fish seeds		Total	
	BE	Actual	BE	Actual	BE	Actual	BE	Actual
2004-05	3.20	3.51	0.16	0.12	0.79	0.76	4.15	4.39
2005-06	2.97	2.79	0.16	0.14	1.14	1.06	4.27	3.99
2006-07	2.97	3.33	0.16	0.14	1.13	1.06	4.26	4.53
2007-08	3.94	3.80	0.02	0.14	1.25	0.99	5.21	4.93
Total	13.08	13.43	0.50	0.54	4.31	3.87	17.89	17.84

In this regard it was noticed that various control measures provided in the codes to streamline the revenue realisation were not followed.

As per para 148 of MBM, the Controlling Officer was to see that all sums due to Government were regularly and properly assessed, realised and credited into the Government account. Further, the Controlling Officer has to obtain monthly accounts claiming credit by RDCs and ACFs and compare it with the statement of treasury credits furnished by the Accountant General (Accounts and Entitlements). Any discrepancy noticed in remitting the amounts, is to be reconciled with the officer concerned. However, it was observed that the receipt statements were not obtained by the Commissioner from the subordinates *viz.*, RDCs and verified during the period from 2004-05 to 2008-09, as required. The Commissioner stated (January 2009) that necessary action would be taken to adhere to the rules.

Records of five¹¹ RDCs and two¹² ACFs test-checked in audit revealed that as of March 2009, amounts of Rs 32.13 lakh towards sale of fish seeds and Rs 90.66 lakh towards lease rent of tanks for the period from 1972-73 to 2008-09 were outstanding for recovery. The Department had not made any endeavor to identify the bad and doubtful dues for obtaining write off sanction from the Government.

¹¹ RDCs Aurangabad, Amravati, Nagpur, Pune and Nashik

¹² ACFs Raigad and Thane

As per Para 157 read with Appendix 3(3) of MBM, the head of the office was to carry out reconciliation of revenue receipts with the records maintained by the treasuries and forward a reconciled statement to the Controlling Officer. It was, however, noticed that RDC Aurangabad and ACF Nagpur had not prepared the reconciliation statement for the period from April 2004 to March 2009 and from July 2008 to March 2009 respectively. Thus, reconciliation was not done with the Treasury Officers. Further, no records were available with RDC, Nashik, to ascertain whether these statements were prepared for the period from April 2004 to May 2006. Though reconciliation statements were prepared and sent to Treasury Officers for verification, correctness of the statements duly certified by Treasury Officers were not ensured by two¹³ RDCs, four¹⁴ ACFs, three¹⁵ LOs, two¹⁶ FTOs and by AFDO, Dapchary for periods ranging from one month to 51 months. In the absence of the certified statement of remittances from Treasury Officers, the correctness of remittances made into Government account by respective offices could not be ensured.

As per Rule 106 of MTRs, stock account of money receipt books was to be maintained by the indenting authorities. It was noticed that in respect of 22 money receipt books obtained (November 2008) by ACF, Mumbai from Yeravada Central Prison Press, Pune and eight licence books from RDC, Mumbai in January 2009, no record indicating receipts and subsequent utilisation of the money receipts was maintained. Similarly, LO, Murud working under ACF, Raigad had not maintained the stock account of blank receipt books and licence books. In absence of the required stock account the possibility of misuse of receipts in cash book could not be ruled out.

4.1.7.6 Recovery of loan

Prescribed procedure for recovery of loans was not followed by the ACFs

Government provides loans and share capital to fisheries societies and loans to group of fishermen for mechanisation of fishing boats and for Preservation, Transport and Marketing (PTM). The loan is disbursed through the ACFs, who are to maintain the loan accounts and recover the loan along with interest. In order to effect prompt recovery of loan, the Manual of Office Procedure of Fisheries Department enunciated that (i) when the installments fall due, notices to make the payments should be sent to the loanee, (ii) if the payment is not made within a period of one month from the period of notice, a first warning should be issued followed by second and third warnings and (iii) if the party fails to pay the dues even then the case should be referred to the Collector of the District concerned, for initiating revenue recovery cases.

The outstanding loans and the interests as on 1 April 2004 were Rs 19.77 crore and Rs 4.10 crore respectively as per the Department's performance budget for

¹³ RDCs Nashik and Pune

¹⁴ ACFs Amravati, Nashik, Nagpur and Raigad

¹⁵ LOs Dahanu, Edavan and Uttan

¹⁶ FTOs Raigad and Vasai

2006-07. It was noticed that the outstanding loans and the interests registered a steep increase and stood at Rs 43.39 crore and Rs 17.92 crore respectively as of 1 April 2008. Against this, loan of Rs 10.35 crore and an interest of Rs 1.07 crore only were recovered during 2008-09. This indicated that the recovery system of loan and interest in the Department was weak. Scrutiny of the related records revealed the following lapses in the three districts *viz.*, Mumbai, Raigad and Thane out of the eight test-checked districts.

- Loan amount outstanding and the interest accrued had not been communicated to the loanee annually and pursued by issue of reminders as enunciated in the manual.
- Particulars of the defaulters had not been communicated by ACFs of the respective district to the Collector for recovery of dues as land revenue.
- Records maintained did not indicate whether penal interest at three *per cent* was charged from defaulters.
- There were no records to show that the loanee's mechanised crafts had been insured and policies kept alive till the recovery of entire dues.
- Departmental Manual provided that diesel subsidies due to the fisherman should invariably be adjusted against the outstanding loans/interest, if any. A test-check of the disbursement of diesel subsidy by the ACF, Raigad revealed that contrary to these instructions in 16 cases only 50 *per cent* of the diesel subsidy amounting to Rs 0.19 crore was adjusted during 2005-06 to 2008-09 against the defaulted loan of Rs 0.75 crore.
- It was also observed in audit that there was no recovery since 1977-78 in respect of nine other loans provided for cyclone, drought, applied nutrition programme, co-operative fisheries project *etc.*, aggregating to Rs 1.72 crore and interest of Rs 1.31 crore as shown in **Appendix 4.3**.

The Commissioner stated (June 2009) that though the progress was reviewed every month, special care would be taken to identify bad debts, reasons for increase in arrears of loans and interest and proposal would be submitted to the Government for expediting the recovery. He also stated that, the procedures as contemplated in the Manual of Office Procedure would be adopted.

4.1.8 Operational Controls

Operational controls provide assurance that tasks are being performed economically and efficiently to fulfill the Department's objectives. Deficiencies noticed in operational controls in the Department are discussed in the following paragraphs:

4.1.8.1 Efficiency in increasing fish production

One of the main objectives of the Department is to optimise the fish production from available and new water resources by extending the area of operation and by increasing productivity. In the case of marine fisheries, the Department identified the need to extend the area of fishing up to 110 mt fathom from the existing 75 mt fathom and increasing the length of the mechanised boats from 13 mt to 16 mt. Introduction of modern technology such as use of various petrol saving devices, introduction of coastal aquaculture practice of oyster, mussel, sea weeds and providing information of fishing potential zone in time to the fishermen were some of the other steps being taken by the Department to increase the marine fish production. To increase the existing production in the inland fisheries, the Department gives emphasis to improve its fish seed production farms, to operate all 42 farms to their optimum capacity, to lease maximum number of tanks and reservoirs to fisheries co-operative societies for fish seed stocking and fish production. The position of fish production, both marine and inland, during the period 2003-04 to 2007-08 is indicated in **Table 4**.

Table 4: Position of inland and marine fish production (in tonnes)

Year	Region wise production of Inland fish							Total marine fish production	Total fish production
	Konkan	Nashik	Pune	Aurangabad	Amravati	Nagpur	Total		
2003-04	2,217	12,730	10,431	17,641	19,719	62,382	1,25,120	4,20,077	5,45,197
2004-05	4,700	11,553	13,751	18,225	18,917	54,034	1,21,180	4,17,854	5,39,034
2005-06	4,100	10,834	15,311	20,525	20,140	64,294	1,35,204	4,45,343	5,80,547
2006-07	2,088	12,329	13,628	23,538	19,406	60,859	1,31,848	4,64,090	5,95,938
2007-08	N.A.	13,376	15,233	23,977	19,658	64,388	1,36,632	4,19,815	5,56,447
Total	13,105	60,822	68,354	1,03,906	97,840	3,05,957	6,49,984	21,67,179	28,17,163

Source: Fish Production report 2006-07 and information furnished during entry conference with the Secretary, Fisheries Department.

The fish production increased marginally during 2006-07 and again declined in 2007-08

It was observed that the total fish production increased marginally up to 2006-07 and again declined in 2007-08. While in inland fishing, production in Konkan region declined drastically during 2006-08, total marine fishing in the State also declined during 2007-08. In fact, production of 5.96 lakh tonnes attained in 2006-07 was less as compared to 6.06 lakh tonnes of fish production attained in 1996-97. Thus, the main objective of the Department *i.e.*, increase the production and productivity of fish was not achieved, particularly during 2007-08. Contributory reasons for decline/not registering increase in fish production in other regions as the one attained in Aurangabad and Nagpur regions were not reviewed by the Commissioner for initiation of appropriate intervention programme on a time-bound and result oriented manner.

The Commissioner stated (June 2009) that since the Government of India (GoI) had introduced a new scheme for collecting statistical data of fish production from the inland sector which was more reliable and accurate than the present information being collected through societies and from lease holders, it would now be possible to make proper assessment of fish

production. The reply has to be viewed in the light of the fact that though the new scheme was conceived by the GoI in December 2003, orders for implementation of same in the State were issued in October 2004. However, till March 2009 the scheme has not been implemented. The reply further indicated delayed and inadequate management information system in the Department and poor monitoring of the implementation of schemes.

The Secretary attributed (February 2009 during entry conference) the reduction in marine fish production to deep sea fishing, unauthorised fishing due to insufficient patrolling for want of boats, fishing of young/pre-mature fish during ban period, environmental degradation due to industrial effluents, failure to ensure ban on using smaller nets and combing of the sea bed by bottom trawling, uprooting and destroying the flora and fauna on the floor of the sea which is the breeding ground and source of food for the fish. Though the Department was aware of the main reasons for the reduction in marine fish production, there were no records to show that adequate remedial measures were initiated. The Department stated (June 2009) that it had submitted (November 2006) an action plan for development of various activities such as Reservoirs fisheries development, deep sea fishing and tuna processing, mari-culture, post harvest processing, coastal aquaculture *etc.*, amounting to Rs 307.09 crore for 2006-12 to National Fisheries Development Board (NFDB). However, after deliberations, a detailed Action Plan was submitted only in February 2009 and approved in June 2009. The lack of remedial action taken has to be viewed in the context of under utilisation of funds during 2004-05 to 2007-08 as discussed in para 4.1.6.2.

4.1.8.2 Fish seed production

The fish seed production during 2007-08 was 15.89 crore against potential of 29.62 crore

Fish seed stocking is one of the major components for the development of the fisheries sector. Though the Department recognised that development of both Inland Fisheries and Brackish Water Fisheries largely depends on the stock of fish seed, as against the stocking capacity of 63.27 crore fish seed, the stock of fish seed could be increased from 42.02 crore in 2003-04 to 43.53 crore in 2007-08. Further analysis of the fish seed production from 42 fish seed farms in operation in the State during 2003-04 to 2007-08 indicated that as against the potential to produce 29.62 crore fish seed *per annum* in water spread area of 3,16,998 hectares, actual fish seed produced from these farms was 16.01 crore (54 *per cent*) in 2003-04, 9.59 crore (32.38 *per cent*) in 2004-05, 8.34 crore (28 *per cent*) in 2006-07 and 15.89 crore (53.66 *per cent*) in 2007-08.

Operational performance of the 38 fish seed farms for the period from 2004-05 to 2008-09 as per the performance reports available in the RDCs' offices as detailed in **Appendix 4.4** revealed the following:

- During the years 2004-05 to 2008-09 no annual production targets for fish seed production were fixed for 16 farms. Further, targets were fixed only for one year for three farms; two years for seven farms and four years for two farms.

- None of the fish seed farms had achieved the annual targets for all the five years during 2004-05 to 2008-09. While only one fish seed farm (Kate-Purna in Akola) had achieved the annual targets for two years, four¹⁷ farms had achieved the targets for only one year. In the remaining farms, the shortfall in achievement of targets was within the range of 19 to 75 *per cent* during the years 2004-05 to 2008-09.
- During the above period 38 fish production farms incurred a total loss of Rs 5.20 crore being the excess of expenditure over the revenue realised.

RDCs attributed the shortfall in production of fish seeds to environmental factors, *viz.*, rain, temperature as well as water supply besides lack of repairs, maintenance and renovations of the farms. The reply indicated that the Department needs to take corrective steps *viz.*, modernisation and repairs to tanks to address these operational deficiencies with the requisite intervention measures.

4.1.8.3 Implementation of schemes

Deficiencies in control mechanisms in planning, programming and operation of the Department is evident in the execution of various schemes as discussed below:

Construction of new ponds by Fish Farmers Development Agency

A Centrally sponsored scheme on “Development of Inland Fisheries and Aquaculture” was under implementation in the State. The scheme for development of freshwater aquaculture and brackish water aquaculture were implemented by the Fish Farmers Development Agency (FFDA). In addition it also aimed at development of cold water fisheries and aquaculture, water logged areas, productive utilisation of Inland Saline/Alkaline Soils for aquaculture and Integrated development of Inland Capture resources (reservoirs/rivers *etc.*). Expenditure on developmental activities was shared on 75:25 basis by the Government of India and the State Government. The GoI share in respect of all the items was given in the form of grant-in-aid as per the approved norms. Subsidy on cost of construction within the prescribed ceiling on these items was given only once to a beneficiary. Subsidy element for the construction of new ponds was 20 *per cent* for all the farmers except SC/ST for whom it was 25 *per cent* subject to a ceiling of Rs 2 lakh per hectare and Rs 3 lakh per hectare in plain areas and hilly districts respectively. During 2004-05 to 2007-08 subsidy aggregating Rs 67.82 lakh (GoI Rs 53.98 lakh and State Government Rs 13.84 lakh) was paid to 2,170 beneficiary fishermen for construction of ponds covering an area of 173.48 hectares. It was noticed that the inspection of the ponds, to assess successful functioning and continuance of fish farming by the beneficiaries was not carried out by the Department. Further, no agreement was entered into with the beneficiaries to

There was no system for ensuring successful functioning and continuance of the fish ponds constructed by the beneficiaries with Central assistance

¹⁷ Koradi in Buldhana, Isapur in Yavatmal, Hadpsur in Pune and Ujani in Solapur

maintain the ponds and continue the fish production. This depicted absence of any system for ensuring continuous operational success of the scheme and fruitful utilisation of the subsidy paid to the beneficiaries.

Preservation, transport and marketing of fish

Success of the Fisheries sector to a great extent depends on the infrastructure facilities available to proper preservation, speedy transport and timely marketing of the fish. The schemes for preservation transport and marketing (PTM) of fish provides insulated boxes on boat, establishment of ice factory, ice making machine and cold storage at the landing sites for maintaining the quality of fish. Assistance under this scheme is provided to Fishermen Co-operative societies and Federation only for the purchase of transport vehicles and for construction of ice factories, cold storage and godowns. Scrutiny of the scheme revealed the following:

During 2004-08 only three trucks were procured for transportation of fish against a target of 54 trucks and only two ice factories were established against the target of 25 factories

(i) It was observed that the Department utilised only Rs 7.57 crore (34 *per cent*) as against the provision of Rs 22.56 crore during 2005-06 to 2007-08 under the scheme. As against 54 trucks targeted for procurement for transportation of fish only three trucks were procured during 2004-05 to 2007-08. Further, against the target for construction of 25 ice factories only two had been established during the period. Non-receipt of proposal from the fisheries co-operatives and non-approval of proposals in respect of procurement of truck and setting up of ice factory by NCDC were the main reasons attributed by the Department for underutilisation of funds and non-achievement of contemplated physical targets. Persistent under-utilisation of funds and non-achievement of contemplated physical targets indicated failure of the Department in according the desired thrust in this sector.

(ii) Based on the proposal submitted by Adivasi Koli Machchimar Vividh Karyakari Sahakari Sanstha, Srivardhan, District Raigad, in November 1997, Department accorded approval for the construction of ice factory and cold storage at a cost of Rs 95 lakh and sanctioned Rs 85.50 lakh under NCDC scheme. Department released Rs 58.10 lakh only between June 2004 and April 2007 for this project. Though the building for ice factory and cold storage was constructed, installation of machinery and equipment were pending even as of May 2009. Inordinate delay in establishment of ice factory and cold storage indicates operational lapses in monitoring as also non-existence of any mechanism to ensure that the envisaged infrastructure was set up with reasonable expedition to accrue the contemplated benefit.

(iii) Government accorded administrative approval for construction of jetties at Karanja, Taluka Uran and at Jeevana Taluka Srivardhan in July 2004 and June 2005 respectively. However, detailed technical study for these two jetties was commenced by the West Bengal Fisheries Corporation at Pune and at Calcutta respectively only in January 2009. Construction of the jetties had not commenced as of May 2009.

Development of model fishermen villages

Out of 2,064 houses sanctioned by GoI till 2008-09, 390 were not completed and 735 were not yet taken up

“National Scheme of Welfare of Fishermen” a Centrally sponsored scheme contemplated development of model fishermen villages. Active fishermen identified by the State Government, preferably the fishermen below the poverty line and landless fishermen including the fishermen owning land or *kutchra* structure in the inland and marine sectors were eligible for houses under this scheme. GoI sanctioned 2,064 houses in 22 districts under this scheme till 2008-09. As of March 2009, construction of 939 houses was completed and construction of 390 houses was in progress. RDCs stated in February/March 2009 that due to non-availability of land and delay in identifying the eligible beneficiaries, the work of construction of remaining 735 houses could not be taken up till March 2009. Records showing the taking over of 939 completed houses along with completion certificates from the respective District Rural Development Agencies and their distribution to the beneficiaries were not available either with RDCs or the Commissioner. The Commissioner stated (January/June 2009) that the details would be ascertained from the subordinate offices. This indicated that the implementation of the scheme was not monitored adequately by the Commissioner.

4.1.8.4 Maintenance of records

Failure to maintain various registers regulating recurring items of expenditure, effecting prompt recovery of advances and safeguarding Government interest against fraudulent claim were noticed as illustrated below:

There was failure to maintain various registers for safeguarding Government interest

As per resolution dated 3 October 1988, Government granted assistance on purchase of inboard/outboard engines for non-mechanised boats to below poverty line (BPL)/low income group (LIG) fisherman, subject to the condition that no grant for the same purpose was paid to him earlier. To avoid undue aid to the fisherman while paying grant, the ACFs had to maintain a control register. However, no such register had maintained by ACF, Mumbai during 2004-05 to 2008-09.

As per resolution dated 9 September 1982, financial assistance to the extent of 50 per cent of the cost of the nylon twine/thread was payable as subsidy to the fisheries societies subject to maximum of five kg of nylon twine per member. It was stated that the nylon twines were distributed to the members of the societies in the presence of the officials of the Department. Five¹⁸ ACFs incurred an expenditure of Rs 85.58 lakh on payment of subsidy during 2004-05 to 2008-09. However, the societies did not furnish to the concerned district officers the receipts from the fishermen in token of disbursement of nylon twine. The system of distribution of material without keeping any records would lead to pilferage of material which would remain undetected by the Department and Audit.

¹⁸ Amravati, Nagpur, Nashik, Pune and Raigad

As per Government resolution of April 2008, the legal heirs of the deceased fishermen, who lost their lives in natural calamities *viz.*, cyclone, rough sea *etc.*, were provided financial assistance of Rs 50,000 up to 31 May 2008 and Rs one lakh with effect from 1 June 2008. The Commissioner had disbursed Rs 9.50 lakh to the legal heirs of 16 deceased fishermen in 2008-09 through ACFs of six¹⁹ districts. However, none of the ACF had made available the acknowledgements in support of the disbursements made.

Government sanctioned a package of Rs 23 lakh for construction of Fish ponds under Prime Minister's Relief Package to be implemented in 2006-07 to 2008-09 to supplement the source of income of the farming community of the suicide prone five districts in Amravati Region and one district in Nagpur region. Of this, Rs 19.69 lakh was spent and the balance of Rs 3.31 lakh remained unutilised with the regional authorities as of March 2009. However, acknowledgements of beneficiaries in token of receipt of subsidy of Rs 16.73 lakh from RDC, Amravati and Rs 1.39 lakh by RDC, Nagpur disbursed during 2008-09 were not available on the records of the respective RDCs.

As per the Government resolution of October 2001, tanks/reservoirs could be leased out for a period of five years at a time. The security deposits collected from the tenderer/bidder, were not noted in a register by six²⁰ offices to exercise checks on the proper receipts and refunds of the deposits on due dates as also to prevent irregular refund of deposits. The Department agreed (May 2009) to maintain the deposit register.

While disbursing various advances *viz.*, house building advance, motor cycle advance, computer advance, festival advance *etc.*, to the officials, the Commissioner and six²¹ other heads of offices have not maintained advance registers for watching timely recovery of advances as enunciated in note 6 below rule 142 C of BFR. Further, the Department has not ensured that immediately on completion/purchase of the house the same was mortgaged to the Government as security for repayment of the loan as enunciated in Rule 5 and Appendix 26 of BFR. While accepting the fact, the Department agreed (June 2009) to take appropriate corrective action as per the BFR.

As per provisions of section 6(1) of the MMFR Act, 1981, the owner of a fishing vessel has to make an application to the LO for grant of fishing licence for using vessel in any specified area. Further, as per section 6(6) and 7 *ibid* the validity of licence issued is for three years and fishing without valid licences is to be treated as an unauthorised fishing. As per information furnished by the RDCs, against 18,388 valid licences as of December 2008, 23,508 fishing vessels were available in Maharashtra. However, neither RDC,

¹⁹ Chandrapur, Gondia, Raigad, Ratnagiri, Sindhudurg and Thane

²⁰ RDCs Aurangabad and Nashik and ACFs Amravati, Nagpur, Pune and Raigad

²¹ RDCs Amravati, Mumbai and Pune and ACFs Amravati, Pune and Raigad

Mumbai nor ACFs Mumbai, Raigad and Thane had a detailed record showing total number of licences issued and renewed during the particular year to watch the timely renewal of licences and to exercise checks on unauthorised fishing.

4.1.8.5 Patrolling

There was shortage of patrolling boats

Maharashtra Maritime Fishing Regulation (MMFR) Act, 1981 provides for the regulation of fishing, which includes prohibition of fishing in any specified area by such class or classes of fishing vessels, restriction of the number of fishing vessels which may be used in a specified area, restriction in catching specified species of fish in any notified area for specific periods *etc.* However, it was observed that the Department was dependent on hired boats for patrolling. While one boat each has been assigned to Raigad, Ratnagiri and Sindhudurg Districts, one boat was being shared by Mumbai, Mumbai Suburban and Thane Districts. During the entry conference, the Secretary accepted that the one boat which was being shared between Mumbai and Thane Districts was not sufficient for patrolling the entire coastline. This indicated that the patrolling machinery to ensure the provisions of the MMFR Act was inadequate.

4.1.8.6 Revision of Manual

The Departmental Manual prepared in January 1967 has not been revised

The Department of Fisheries was formed in 1945. For the guidance of the staff, the Department prepared a Manual of Office Procedure in January 1967. Many changes have taken place subsequently such as enactment of MMFR Act in September 1981, which laid down regulations of fishing by fishing vessel in the sea along the coast of Maharashtra. This Act, among other things, contemplated constitution of Appellate Board, laid down conditions for regulation, licensing procedure and submissions of various returns by the owners of registered fishing vessels, penalties that can be enforced by the enforcement officers *etc.* Similarly, many changes have taken place on implementation of schemes for grant of subsidy on fisheries requisites, additional incentives for fish farming, grant-in-aid to Fish Farmers Development Agency *etc.* Accordingly, administrative orders/Government resolutions were issued on these issues. However, the Department has not revised its manual ever since it was published in 1967, to incorporate the changes that have taken place subsequently.

4.1.8.7 Training to fishermen

The Department conducts two six monthly training courses for fishermen commencing from January and July every year on “Principles of navigation, operation of fishing gear and engine maintenance”. As per Government resolution of April 1997, 22 trainees were to be trained per course. Trainings are imparted by the FTO and the Mechanical Instructor. Scrutiny revealed that the attendance in 18 out of the 30 courses conducted during 2004 to 2008 by FTOs, Satpati, Vasai and Versova out of four test-checked was less than 10. However, there was steep increase in the number of trainees who attended

in the last three courses conducted by FTO, Raigad in 2007 and 2008 and ranged from 50 to 78 against the prescribed number of 22 trainees per course.

It was further noticed that a training boat costing Rs 17.50 lakh issued to FTO, Satpati was lying idle since January 2004, after the retirement of the then operator. An expenditure of Rs 4.14 lakh was incurred during 2004-05 to 2008-09 (up to January 2009) on pay and allowances of the watchman appointed to safeguard the boat. Though more number of trainees were attending FTO, Raigad, Department has not made any efforts to redeploy the boat to FTO, Raigad by filling up the vacant post of operator. This indicated operational deficiencies in utilisation of training infrastructure facilities to the optimum.

4.1.9 Organisational controls

The organisational controls such as manpower management, conducting of inspection/field visits, disposal of disciplinary cases, dead stock management *etc.*, were rendered weak due to the factors discussed below:

4.1.9.1 Manpower

Efficient functioning of the Department depends upon the availability of requisite manpower and proper management of the available manpower. Sanctioned posts in the Department as of April 2004 were 1,456. Sequential to a manpower review sanctioned posts in the Department were pegged down to 1,050 in March 2007. The sanctioned strength, men-in-position and vacant posts of the Department as of March 2008 and 2009 are indicated in **Table 5**.

Table 5: Men in position *vis-à-vis* sanctioned strength

Cadre	Sanctioned strength as of 31 March			Men in position as of 31 March		Vacant post as of 31 March		Percentage of short falls as of 31 March	
	2004	2008	2009	2008	2009	2008	2009	2008	2009
Group A	59	59	59	24	23	35	36	59	61
Group B	55	74	74	40	34	34	40	45	54
Group C	746	589	589	451	454	138	135	23	23
Group D ²²	596	328	328	328	328	nil	nil	nil	nil
Total	1456	1050	1050	843	839	207	211	20	20

In the manpower review, while a Group B Post *viz.*, Accounts Officer (Finance) was cancelled, 20 additional Group B posts (16 FDOs, three Administrative Officers and one Recovery Officer) were created afresh taking total Group B sanctioned posts to 74. The Department justified creation of additional 20 Group B posts on functional reason and to assist the Group A officers. However, the fact that as of March 2009, 40 Group B posts remained vacant even after justifying the increased work load under this category and sanction of additional 20 Group B posts in 2007 depicts lack of concern of the Department in addressing the increased work load in this cadre. The vacant

Shortage of Group A and Group B posts resulted in holding additional charges, affecting supervision in implementing schemes

²² Sepoy, Watchman, Gardner, Laboratory Attendant, Security Guard, Coast Guard *etc.*

posts in the Group B cadre (40) comprised of 29 FDOs, four FTOs, two each of Recovery Officers and Administrative Officers and one each of Maintenance Engineer, Curator and Training and Extension Officer.

The vacant Group A posts as of March 2009 (36) consisted of four Joint Commissioners, three RDCs and the rest ACFs.

Due to shortages in Group A and Group B posts, 19 Officers were holding dual charges, 11 Officers were holding three charges and one Officer was holding five charges as illustrated in the footnote²³. Holding dual charges resulted in increasing their span of control affecting supervision in implementation of various schemes. Commissioner stated (June 2009) that posts would be filled in soon so as to implement the schemes effectively.

The Department was operating 73 Group D posts and 10 Group C posts in excess of strength sanctioned after the manpower review in 2007. These 83 posts were declared (June 2009) surplus and made these posts personal to the present incumbents subject to the condition that as and when they vacate the position held by them due to retirement/resignation/promotion or otherwise, these posts will lapse. The Department could have ascertained the need of these posts in other departments for their possible redeployment.

Existence of large number of vacancies in the Group A and Group B posts and retention of 83 surplus posts in the Group C and Group D post indicated that the manpower management was not satisfactory.

4.1.9.2 Inspection and field visits

The departmental manual did not contain any provisions for conducting periodical inspections of the Office of the Commissioner, by the Government Department or of the various regional and district offices by the Commissioner, or the district offices by the RDCs. The Department had also not laid down any norms for conducting field visits by the Commissioner or by RDCs, or other Officials of the Department. Particulars of the field visits made by the Commissioner and the Secretary during 2004-05 to 2008-09 though called for have not been made available to Audit. The Commissioner stated (June 2009) that RDCs and other senior officers visit the field as per requirement.

It was, however, observed that though RDCs conducted review meetings within their regions, there was no uniformity in the periodicity of such meetings. Further, the deliberations in the earlier meetings were not subjected

²³ FDO Buldhana was holding the additional charges of ACFs, Akola, Washim, Buldana and FDO Akola. RDC, Pune was holding the additional charge of RDC, Nashik ACF/Technical (Brackish Water) was holding the additional charges of ACF (Fish Seed) and ACF, Inland at the Commissionerate
FTO Versova was holding the additional charges of ACF, Mumbai and ACF Mumbai Suburban
FDO, Brahmपुरi was holding the additional charges of ACFs, Gondia and Chandrapur

There was no provision of periodical inspection of offices

to review in the subsequent meeting so as to ensure that appropriate follow up action was taken thereby rendering such review meetings ineffective. Three RDCs at Amravati, Aurangabad and Nagpur had not kept the minutes of their review meetings. Thus, the monitoring mechanism in the Department was not systematic.

4.1.9.3 Pending disciplinary cases

There were large number of pending disciplinary cases

As of March 2009, 33 cases related to anticorruption, vigilance and enforcement and departmental enquiry cases due to negligence in performing duties were pending for settlement. Out of this 18 cases pertained to the period prior to 2004-05 and the remaining 15 cases pertained to the period from 2004-05 to 2008-09. On further analysis it was noticed that 14 cases and 10 cases related to 10 Class I Officers and nine Class II Officers respectively and pertained to acceptance of bribe, irregular grant of financial assistance, negligence towards levy of penalties in respect of delayed payments, sexual harassments *etc.* The pendency of large number of cases indicated inadequate action on the part of the Department for their early settlement. The Commissioner stated (June 2009) that only one official was entrusted with disciplinary cases. He further stated that vigilance mechanism/squad would be established as and when sufficient staff was made available. The proposal submitted to the Government in this regard was, however, not produced to audit despite specific request.

4.1.9.4 Dead stock register

As per provisions contained in the Maharashtra Contingent Expenditure Rules 1965, annual physical verification of inventories of dead stock articles is to be conducted in the month of June every year and a certificate to that effect is to be recorded in the register by the head of office. This had not been done by four²⁴ out of 17 offices inspected. Hence, it could not be ensured whether all the articles shown in the register were actually available.

4.1.10 Internal Audit

The internal audit wing was not made fully operational

The Manual of Office Procedure of the Department of Fisheries states that the onus of carrying out the internal audit rest with the accounts branch of the Department. In the light of observations by the CAG and recommendations made by the Public Accounts Committee, Finance Department directed (January 2007) to all the Departments of the Government to review the internal control mechanisms especially of the internal audits and to ensure that the internal audit is carried out regularly and effectively and the audit observations are offered to improve their functioning. However, no internal audit was conducted till 31 March 2009. It was noticed that an Administrative Officer and an AFDO were posted in Internal Audit Wing and the posts of Superintendent, Senior Clerk and Junior Clerk were lying vacant as of May 2009.

²⁴ Mantralaya, Commissionerate, RDC Mumbai and ACF Mumbai

4.1.11 Lack of response to statutory audit

The Accountant General arranges to conduct periodical inspection of Government departments to test-check their transactions and verify the maintenance of important accounting and other records. The inspections are followed up with Inspection Reports which are issued to the heads of the offices inspected with copies to the next higher authority. A half yearly report on pending inspection reports is sent to the Secretary of the Department to facilitate monitoring compliance to audit observations. Rule 43 of the BFRs states that every Department should take prompt action to settle the outstanding audit objections.

As of March 2009, 216 paragraphs issued upto December 2008 by the Accountant General (Audit) were outstanding for settlement from 1988-89 onwards. Of these 68 paragraphs were pending for settlement for more than five years.

An analysis revealed that out of the 216 outstanding paragraphs, 83 pertained to recoveries (Rs 9.18 crore), eight to irregular payments (Rs 1.20 lakh), 26 to nugatory/wasteful expenditure (Rs 1.48 crore), 19 to avoidable and excess expenditure (Rs 59.12 crore), 48 to idle investment/blockage of funds (Rs 7.70 crore) and the remaining 32 to procedural irregularities. During the period 2004-05 to 2008-09, no audit committee meetings were conducted by the Department.

The above pendency indicated lack of proper response to Audit by the various units and inadequate follow up by the Commissioner and Government.

4.1.12 Conclusion

The control system in the Fisheries Department was weak and inadequate. There were deficiencies like belated submission of budget proposals, preparation of inflated budget estimates as evidenced by huge savings, underutilisation of Central grants, lack of feed back from unit offices for monitoring the expenditure, lapses in realisation of dues to Government, pendency of DC bills and UCs, improper maintenance of cash book, non-reconciliation of receipts *etc.* The Departmental Manual was not updated. There were inadequacies in operation controls like non-monitoring of schemes, dwindling fish production, non-operation of fish seed farms to optimum capacity *etc.* Implementation of the Centrally sponsored schemes for providing houses to fishermen, development of inland fisheries through construction of new ponds and for preservation, transport and marketing of fish by setting up of ice factories and purchase of trucks, was poor. There were large number of vacancies in Group A and B posts culminating in holding dual charges which adversely affected supervision in implementation of various schemes. Surplus posts in the Group C and Group D post were retained. Large number of disciplinary cases were pending. The Internal Audit Wing was not established in the Department up to March 2009.

4.1.13 Recommendations

- Realistic budget estimates should be prepared as per provisions in the budget manual to avoid large savings or excesses. Savings should be surrendered in time so that the funds can be used for other needy areas.
- Adherence to the provisions regarding receipt, disbursement and accounting of Government money should be ensured by the heads of offices to prevent misappropriation and frauds.
- Government should improve the functioning of fish seed farms by carrying out timely repairs and maintenance as well as modernisation.
- Government should take necessary action for setting up of the proposed ice factories for preservation of fish.
- The departmental manual should be updated for smooth functioning of the Department.
- The internal audit wing should be established on priority basis.

The matter was referred to the Principal Secretary to the Government in July 2009. Reply had not been received (August 2009).

Mumbai,
The

(RAJIB SHARMA)
Principal Accountant General (Audit)-I,
Maharashtra

Countersigned

New Delhi,
The

(VINOD RAI)
Comptroller and Auditor General of India

APPENDIX 1.1									
<i>(Reference: Paragraph 1.8; Page : 8)</i>									
Statement showing no. of paragraphs/reviews in respect of which Government explanatory memoranda (UORs) had not been received									
Sr. No.	Name of Department	Upto 2001-02	2002 -03	2003 -04	2004 -05	2005 -06	2006 -07	2007 -08	Total
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	12	4	2	2	--	2	--	22
2	Co-operation and Textiles	--	--	1	--	--	--	--	1
3	Finance	--	--	--	--	--	1	--	1
4	Food, Civil Supplies and Consumer Protection	--	--	1	--	1	1	--	3
5	General Administration	1	--	--	--	--	--	--	1
6	Home	--	--	--	1	1	3	3	8
7	Housing	12	1	--	--	--	--	4	17
8	Higher and Technical Education	--	--	--	--	1	1	--	2
9	Industries, Energy and Labour	1	1	--	--	--	--	--	2
10	Medical Education & Drugs	4	3	3	--	1	2	1	14
11	Planning	4	1	--	1	--	1	2	9
12	Public Health	4	--	2	--	--	3	1	10
13	Public Works	--	--	--	--	--	--	9	9
14	Revenue and Forests	7	1	--	1	2	2	2	15
15	Rural Development and Water Conservation	10	--	--	--	--	1	1	12
16	Social Justice and Special Assistance	7	--	2	--	1	1	--	11
17	Tribal Development	1	--	--	--	--	--	1	2
18	Urban Development	4	1	3	1	--	2	3	14
19	Water Supply and Sanitation	--	--	--	--	--	--	3	3
20	Water Resources	5	--	1	1	2	2	10	21
21	Women and Child Development	5	--	1	--	--	1	--	7
22	School Education and Sports	--	--	--	--	--	1	2	3
23	Environment	--	--	--	--	--	1	2	3
24	Maharashtra Legislature Secretariat	--	--	--	--	--	--	1	1
25	Home, Medical Education & Drugs and Public Works	--	--	--	--	--	--	1	1
26	Rural Development & Water Conservation and Water Resources	--	--	--	--	--	--	1	1
27	Public Works and Water Resources	--	--	--	--	--	--	1	1
	Total	77	12	16	7	9	25	48	194

Appendix-2.1						
<i>(Reference Paragraph: 2.1.5; Page:12)</i>						
Details of units selected for audit						
Sr. No.	Selected					
	District	3 CHCs in each district	2 PHCs in each CHC	2 SCs in each PHC		
(1)	(2)	(3)	(4)	(5)		
1.	Thane	Badlapur (Ambarnath)	Badlapur	Ashele		
			Sonawal	Adiwali		
		Manor (Palghar)	Satpati	Mulgaon		
			Somata	Umroli		
		Vikramgad	Kurze	Shirgaon		
				Tembhode		
			Talwada	Borsheti		
				Velgaon		
		2.	Nashik	Deola	Kurze	Dadade
					Talwada	Gadade
Girnare (Nashik)	Khamkheda			Chambashet		
	Meshi			Khadaki		
Igatpuri	Girnare			Bhaur		
	Shinde			Savki		
Khed	Kaluste			Khuntewadi		
				Pimpalgaon		
3.	Pune			Nimgaon (Indapur)	Khamkheda	Ganeshgaon
					Sanasar	Gowardhan
		Rui (Baramati)	Hol	Odha		
			Loni (Lonibhopkar)	Sansari		
		Shirur	Kendur	Devale		
			Talegaon Dhamdhare	Talogh		
		Kendur		Ambewadi		
				Take Bk		
		4.	Osmanabad	Ter (Osmanabad)	Kalas	Pilewadi
					Sanasar	Rui
Tuljapur	Hol			Lakadi		
	Salagara			Tavashi		
Washi	Para			Vagalvadi		
	Pargaon			Vajevadi		
Mangarul				LoniBhapkar		
				Muthalane		
Salagara				Dahmari		
				Pimpalgaon Dumal		
Para		Kondapuri				
		Parodi				
Pargaon		Jagaji				
		Palsap				
Kond		Arani				
		Kond				
Mangarul		Bori				
		Sindphal				
Salagara		Devsinga Tu				
		Kakramba				
Para		Kadaknath Wadi				
		Ratanpur				
Pargaon		Pimpalgaon K				
		Saramkundi				

Appendix-2.1(concl.)						
1	2	3	4	5		
5.	Yavatmal	Digras	Harsul	Isapur		
			Vasantnagar	Shkhara		
		Ghatanji	Bhambora	Lakh		
			Shiwani	Withala		
		Maregaon	Mardi	Belara		
				Pardi Naskari		
			Vegaon	Murli		
				Titwi		
		6.	Gondia	Chichgad(Deori)	Ghonadi	Buranda(gaund)
					Mulla	Mardi
Rajegaon(Gondia)	Morwahi			Navargaon		
	Rawanwadi			Pisgaon		
Salekasa	Kawarabandh			Mohadi		
				Vijepar	Singandoh	
	Managad			Adasi		
				Nawargaon (K)		
7	Ahmednagar			Akole	Khirwire	Garra (B)
					Kotul	Khamari
		Newasa	Sonai	Khedepar		
			Toka	Sonpuri		
		Parner	Aalakati	Bijepar		
			Nighocha	Managad		
				Ralegan Thorpal		
			Vadner Buduruk			
		8	Nagpur	Kamptee	Gumthala	Kombhalane
					Gumthi	Padosi
Kuhi	Mandhal			Chas		
	Veltur			Pinpalgaon Khand		
Parshivani	Dorli			Landewadi		
				Mehandi		
	Kanhan			Shirshi		
				JuniKamptee		
Pipari						

Appendix 2.2							
<i>(Reference Paragraph: 2.1.6.3; Page: 15)</i>							
Details of Facility Survey conducted in the selected units							
Sr. No.	Name of the District	Name of the test checked CHC	Whether Facility Survey conducted	Name of the the test checked PHC	Whether Facility Survey conducted	Name of the the test checked SC	Whether Facility Survey conducted
1	2	3	4	5	6	7	8
1.	Thane	Badlapur (Ambarnath)	No	Badlapur	No	Ashele	No
						Adiwali	No
				Sonawal	No	Mulgaon	No
						Umroli	No
		Manor (Palghar)	Yes	Satpati	Yes	Shirgaon	No
						Tembhode	No
				Somata	Yes	Borsheti	No
						Velgaon	No
		Vikramgad	No	Kurze	No	Dadade	No
						Gadade	No
				Talwada	Yes	Chambashet	No
						Khadaki	No
2.	Nashik	Deola	No	Khamkheda	Yes	Bhaur	No
						Savki	No
				Meshi	No	Khuntewadi	No
						Pimpalgaon	No
		Girnare (Nashik)	No	Girnare	No	Ganeshgaon	No
						Gowardhan	No
				Shinde	Yes	Odha	No
						Sansari	No
		Igatpuri	Yes	Kaluste	No	Devale	No
						Talogh	No
				Khed	No	Ambewadi	No
						Take Bk	No
3.	Pune	Nimgaon (Indapur)	No	Kalas	No	Pilewadi	No
						Rui	No
				Sanasar	Yes	Lakadi	No
						Tavashi	No
		Rui (Baramati)	Yes	Hol	No	Vagalvadi	No
						Vajevadi	No
				Loni (Lonibhopkar)	No	LoniBhapkar	No
						Muthalane	No
		Shirur	No	Kendur	No	Dahmari	No
						Pimpalgaon Dumal	No
				Talegaon Dhamdhere	Yes	Kondapuri	No
						Parodi	No
4.	Osmanabad	Ter (Osmanabad)	No	Jagaji	Yes	Jagaji	No
						Palsap	Yes
				Kond	No	Arani	No
						Kond	No
		Tuljapur	Yes	Mangarul	No	Bori	No
						Sindphal	No
				Salagara	Yes	Devsinga Tu	No
						Kakramba	Yes
		Washi	Yes	Para	No	Kadaknath Wadi	No
						Ratanpur	No
				Pargaon	Yes	Pimpalgaon K	Yes
						Saramkundi	Yes

Appendix 2.2 (Concl'd.)							
1	2	3	4	5	6	7	8
5	Yavatmal	Digras	Yes	Harsul	Yes	Isapur	No
				Vasant nagar	No	Shkhara	No
						Lakh	No
				Ghatanji	No	Bhambora	No
		Belara	No				
		Shiwani	No			Pardi Naskari	No
						Murli	No
						Titwi	No
						Maregaon	No
		Mardi	No				
Vegaon	No	Navargaon	No				
		Pisgaon	No				
6	Gondia	Chichgad (Deori)	No	Ghonadi	No	Mohadi	No
				Mulla	No	Singandoh	No
						Pindkepar	No
				Rajegaon (Gondia)	No	Morwahi	No
		Adasi	No				
		Rawanwadi	Yes			Nawargaon (K)	No
						Garra (B)	No
		Salekasa	No	Kawarabandh	No	Khamari	No
						Khedepar	No
				Vijepar	No	Sonpuri	Yes
						Bijepar	No
		7	Ahmed-nagar	Akole	Yes	Managad	No
Khirwire	No					Kombhalane	No
						Padosi	No
Kotul	No					Chas	No
				Pinpalgaon Khand	No		
Newasa	Yes			Sonai	No	Landewadi	No
						Shinganapur	No
				Toka	No	Ranjangaon	Yes
						Murume	No
Parner	No			Aalakati	Yes	Padaliaade	No
						Vadzire	No
				Nighocha	Yes	Ralegan Thorpal	No
						Vadner	No
						Buduruk	No
		Dighori	No				
8	Nagpur	Kamptee	Yes	Gumthala	No		
				Gumthi	No	Gumthala	No
						Godhani	No
				Kuhi	No	Mandhal	No
		Dongarmauda	No				
		Veltur	Yes			Mandhal-2	No
						Shirshi	No
		Parshivani	No	Dorli	No	Veltur-2	No
						Dorli	No
				Kanhan	No	Mehandi	No
						Juni Kamptee	Yes
		Pipari	No				

Appendix 2.3

(Reference Paragraph:2.1.7.3; Page: 16)

Statement showing inadmissible expenditure from RKS fund

Sr. No.	Name of the District	Name of Health Centre	Details of inadmissible expenditure	Amount involved (Rs)
1	2	3	4	5
1	Thane	PHC Sonawala	Computer for office use	38000
2		PHC Satpati	Computer for office use	49324
3		PHC Talwala	Computer for office use	43744
4		PHC Kurze	Computer for office use	43744
5		CHC Vikramgad	Cleaning by hiring private three person for nine months	140423
6	Gondia	KTS General Hospital, Gondia	Payment of visit of P M and inauguration of ward building	57450
7		PHC Mulla	Computer & revolving chair for office use	42650
8		PHC Kawarabamdha	Computer for office use	41500
9		PHC Bijepar	Computer for office use	41500
10		PHC Ghonadi	Computer & revolving chair for office use	42200
11		PHC Morwahi	Computer & revolving chair for office use	75537
12	Osmanabad	PHC Kond	Furniture	20450
13		PHC Paragaon (2007-08)	Leveling of soil and music system	40350
14		PHC Paragaon (2008-09)	Purchase of stationery and repair work	66000
15		PHC Salagara	Construction material and CFL bulbs	38248
16	Nashik	PHC Khamkheda	Computer & revolving chair	45300
17	Yavatmal	PHC Vasantnagar	Painting, electrification, water supply, purchase of medicine, repair and renovations etc.. Expenditure incurred without sanction of Competent Authority	175373

Appendix 2.3 (Concl.)				
1	2	3	4	5
18	Nagpur	Rural Hospital Kuhi	Purchase of invertors even though already having generator facilities	17475
19		PHC Gumthala	Purchase of furniture printing work and Computer charges <i>etc</i>	142737
20		PHC Gumthi, Mandhal & Dorli	Child Development Centre (CDC) activities, should have been incurred by Woman and Child welfare Deptt.	86439
21		PHC Mandhal	Purchase of computer	39117
22		PHC Veltur	Purchase of computer , furniture and colour TV	75507
23		Ahmednagar	PHC Khirwire, Kotul & Sonai	CDC, should have been incurred by Woman and Child welfare Deptt.
24	PHC Toka		Purchase of Colour TV, DVD, Dish Antenna and watch-man salary	21080
25	PHC Alkuti & Nighocha		Purchase of adjustable stick for old persons	164225
			Total	1831372

Appendix 2.4

(Reference Paragraph: 2.1.8.1; Page: 17)

Statement showing component-wise receipt and expenditure under NRHM during 2005-06 to 2008-09

(Rs in crore)

Sr. No.	Components	2005-06						2006-07					
		Opening Balance	Grant Received from GOI	Other receipts/ interest etc.	Total receipts	Expenditure incurred	Closing Balance	Opening Balance	Grant received from GOI	Other receipts/ interest etc.	Total receipts	Expenditure incurred	Closing Balance
1	2	3	4	5	6	7	8	9	10	11	12	13	14
A	RCH-II	0	5301.50	0	5301.50	1431.36	3870.14	3870.14	12434.54	0	16304.68	4053.13	12251.55
B	Addl. Under NRHM	0	2372.70	0	2372.70	202.00	2170.70	2170.70	13624.25	0	15794.95	889.14	14905.81
C	Immunisation												
	RI	0	497.42	12.33	509.75	141.21	368.54	368.54	531.03	0	899.57	190.35	709.22
	PPI	587.10	1515.00	0	2102.10	1423.00	679.10	679.10	2069.00	0	2748.10	2656.00	92.10
D	NDCPs												
	RNTCP	115.51	1300.00	40.91	1456.42	1197.27	259.15	259.15	1025.00	16.39	1300.54	1199.77	100.77
	NVBDCP	10.04	196.00	0	206.04	195.75	10.29	10.29	785.00	10.79	806.08	385.68	420.40
	NPCB	30.14	387.00	1.41	418.55	360.15	58.40	58.40	789.10	9.69	857.19	782.58	74.61
	NLEP	214.13	34.80	1.36	250.29	177.12	73.17	73.17	205.34	3.59	282.10	211.68	70.42
	IDSP	0.34	569.97	0.46	570.77	49.00	521.77	521.77	0	20.50	542.27	246.00	296.27
	IDDCP-Treasury	0	8.00	2.37	10.37	10.37	0	0	8.00	7.27	15.27	15.27	0
	Total	957.26	12182.39	58.84	13198.49	5187.23	8011.26	8011.26	31471.26	68.23	39550.75	10629.6	28921.15

Appendix 2.4 (Concl.)													
1	2	2007-08						2008-09					
		3	4	5	6	7	8	9	10	11	12	13	14
A	RCH-II	12251.56	18620.70	0	30872.26	9852.61	21019.65	21019.65	8295.00	0	29314.65	17602.18	11712.47
B	Addl. Under NRHM	14905.81	19232.75	0	34138.56	13293.83	20844.73	20844.73	19363.00	12090.00	52297.73	40187.47	12110.26
C	Immunisation												
	RI	709.22	227.08	0	936.30	628.43	307.87	307.87	704.85	0	1012.72	1125.89	-113.17
	PPI	92.10	2198	0	2290.10	2178.00	112.10	112.10	5100.00	0	5212.10	3356.00	1856.10
D	NDCPs												
	RNTCP	100.77	1495.00	61.05	1656.82	1565.28	91.54	91.54	2053.00	54.00	2198.54	1966.05	232.49
	NVBDCP	420.40	763.31	0	1183.71	993.79	189.92	189.92	847.00	0	1036.92	656.26	380.66
	NPCB	74.61	1299.50	7.51	1381.62	1105.66	275.96	275.96	1800.00	8.52	2084.48	1812.18	272.30
	NLEP	70.42	92.92	4.34	167.68	156.35	11.33	11.33	333.30	8.94	353.57	303.22	50.35
	IDSP	296.27	10.00	0	306.27	234.57	71.70	71.70	115.00	0	186.70	106.48	80.22
	IDDCP-Treasury	0	15.84	0	15.84	10.93	4.91	4.91	11.00	0	15.91	15.79	0.12
	Total		43955.10	72.90	72949.16	30019.45	42929.71	42929.71	38622.15	12161.46	93713.32	67131.52	26581.80

Appendix 2.5					
<i>(Reference Paragraph: 2.1.8.2; Page: 17)</i>					
Delay in transfer of funds by SHS to DHS					
Year	Activity	Grant Received (Rs in lakh)	Date of receipt	Date of release	Delay in days
2005-06	Sub Centre strengthening	972.70	26.08.2005	20.12.2005	116
	IPHS	1400.00	25.10.2005	10.03.2006	136
	Routine Immunization	497.42	19.07.2005	21.09.2005	64
2006-07	DHAP	350.00	08.04.2006	23-01.2007	290
	IEC	107.16	09.05.2006	15.11.2006	190
	Sub Centre strengthening	387.00	05.08.2006	21.12.2006	137
	IPHS	5540	05.08.2006	21.12.2006	137
	RKS	196.00	23.12.2006	23.01.2007	31
2007-08	Tele-Medicine	100.00	08.02.2008	25.03.2008	45
	JE	107.67	04.04.2007	22.06.2007	79
	NRHM Flexipool	845.75	04.04.2007	31.08.2007	149
	IPHS	700.00	13.04.2007	31.08.2007	140
	Health Mela	384.00	08.05.2007	31.08.2007	114
	IEC	87.50	12.06.2007	16.10.2007	126
	NRHM Flexipool	247.00	18.08.2007	22.11.2007	96
	--Do--	14715.00	27.09.2007	22.11.2007	55
2008-09	SNID	340.45	06.09.2008	27.10.2008	52
	--Do--	315.75	do	24.02.2009	171
	NID	1089.17	11.12.2008	22.01.2009	41
	Mission Flexipool	8742.00	12.06.2008	07.07.2008	26
	--Do--	3770.00	04.10.2008	20.10.2008	17
	--Do--	6851.00	04.03.2009	23.03.2009	20

Delay in transfer of grants by test checked District Health Societies to CHCs/PHCs/SCs					
District	Activity	Grant Received (Rs in lakh)	Date of Receipt	Date of release	Delay in days
Nashik	JSY	25.94	3/1/2006	23/3/2006	80
	NSV Camp	9.24	3/1/2006	23/3/2006	80
	Sub Centre Strengthening	53.00	3/1/2006	NA	
	Sub Centre Strengthening	53.68	6/8/2007	23/10/2007	77
Gondia	Sub Centre Strengthening	23.70	20/12/2005	6/2/2006	48
	RKS	15.00	13/2/2007	29/5/2007	104
	AMG	21.00	19/1/2007	7/8/2007	200
	Untied fund	10.50	19/1/2007	7/8/2007	200
	IPHS	20.00	29/6/2006	20/2/2007	235
Yavatmal	Untied fund (PHC)	16.00	17/1/2007	3/9/2007	229
	AMG (PHC)	32.00	17/1/2007	3/9/2007	229
	AMG (PHC)	17.32	7/1/2008	5/4/2008	88

Appendix 2.6			
<i>(Reference : Paragraph: 2.1.9.6; Page: 22)</i>			
Statement showing non-availability of infrastructure in the selected CHCs (24) and PHCs (48)			
Sr. No.	Particulars	No. of PHCs	No. of CHCs
	Infrastructure for health centres		
1	No Designated Government building	6	3
2	No OT available	5	4
3	OT with not enough space	6	7
4	No AC in OT	NA	9
5	Generator not available for OT	NA	7
6	Emergency light not available in OT	NA	5
7	No Labour room available	4	2
8	No separate public utilities for men and women	19	6
9	No separate areas for septic and aseptic deliveries available	32	
10	No waiting room for patients	9	4
11	No emergency room/ casualty	22	9
12	No separate ward for male and female	21	5
	Facilities for health care services		
13	No surgeries carried out in OT	9	7
14	OT not used for obstetric/ gynecology purpose	23	9
15	AC in OT not working	NA	10
16	Deliveries not carried out in Labour room	3	3
17	No suggestion/ complaint box available	22	6
18	No family welfare clinic	16	10
19	No incinerator	NA	9
20	No stand by facility available for electricity	6	5
21	No vehicle available	4	
22	No telephone available	16	
	Laboratory Services		
23	No Laboratory available	20	3
24	No adequate equipments and chemicals available	26	4
25	X ray room not available	NA	5
26	No routine urine, stool and blood tests facility	26	
27	No sputum testing facility for TB patients.	29	
28	No blood smear examination facility for malaria parasites	14	

Appendix 2.6 (Concl.d.)		
Statement showing non-availability of Health Care facilities in the selected RHs		
Sr. No.	Particulars	No. of CHCs
1	24 hrs delivery services not available	3
2	Emergency Obstetric Care not available	13
3	New born care not available	5
4	No emergency care of sick children	7
5	No Family planning service	6
6	No safe abortion services	11
7	No Treatment of STI/ RTI	5
8	No blood storage facility	19
9	No referral transport services	2
10	No ECG facilities	18
11	No X ray facilities	5
12	No Ultrasound facilities	21
13	No lab test facilities	1

Statement showing non-availability of infrastructure in the selected Sub Centres (96)		
Sr. No.	Particulars	No. of SCs
1	No designated Government building	29
2	No residential premises for ANM	32

Appendix 2.7					
<i>(Reference Paragraph:2.1.9.7; Page: 22)</i>					
Statement showing number of selected CHCs not having fully equipped Operation Theater					
Sr. No.	Particulars	Number of selected CHC	Not available	Available but not working	Available and working
1	Boyaes apparatus	24	15	1	8
2	EMO machine	24	21	1	2
3	Cardiac monitor for OT	24	21	0	3
4	Defibrillator for OT	24	23	0	1
5	Ventilator for OT	24	22	1	1
6	Horizontal high pressure sterilizer	24	16	1	7
7	Vertical high pressure sterilizer	24	10	4	10
8	Shadow less lamp ceiling track mounted	24	13	0	11
9	Shadow less lamp pedestal for minor OT	24	7	1	16
10	OT care/ fumigate on apparatus	24	4	1	19
11	Gloves and dusting machines	24	17	1	6
12	Oxygen cylinder 660 ltrs 10 cylinders for one boyales apparatus	24	9	2	13
13	Nitrous oxide cylinder 1780 ltrs 8 for one boyales apparatus	24	19	0	5
14	Hydraulic Operation Table	24	14	0	10

Appendix 2.8				
<i>(Reference Paragraph: 2.1.9.8; Page: 24)</i>				
Statement showing vacancy position in the selected CHCs				
Medial Staff				
Details	Requirement as per IPHS norms	Present position	Shortfall	Percentage of shortfall
General surgeon (1 per CHC)	24	7	17	71
Physician (1 per CHC)	24	3	21	88
Obstetrician/ Gynecologist (1 per CHC)	24	11	13	54
Pediatrics (1 per CHC)	24	11	13	54
Anesthetist (1 per CHC)	24	10	14	58
Eye surgeon (1 per CHC)	24	3	21	88
Other specialist (if any)	24	4	20	83
General Duty Officers (6 per CHC)	144	41	103	72
Paramedical staff				
Staff Nurse (7 per CHC)	168	143	25	15
ANM (1 per CHC)	24	14	10	42
Public Health Nurse (1 per CHC)	24	1	23	96
Dresser (1 per CHC)	24	2	22	92
Pharmacist/ Compounder (1 per CHC)	24	25	+1	+4
Lab Technician (1 per CHC)	24	24	0	0
Radiographer (1 per CHC)	24	5	19	79
Ophthalmic Assistant (1 per CHC)	24	18	6	25

Statement showing vacancy position in the selected PHCs				
Medical and Paramedical staff				
Details	Requirement as per IPHS norms	Present position	Shortfall	Percentage of shortfall
Medical Officer (2 per PHC)	96	94	2	2
Pharmacist (1 per PHC)	48	48	0	0
Staff Nurse (3 per PHC)	144	41	103	72
Health Educator (1 per PHC)	48	9	39	81
Laboratory Technician (1 per PHC)	48	26	22	46

Appendix 2.9									
<i>(Reference Paragraph: 2.1.9.11; Page:26)</i>									
Statement showing shortfall in training									
POST	DETAILS OF TRAINING	2007-08			Percentage of Shortfall	2008-09			Percentage of Shortfall
		T	A	S		T	A	S	
1	2	3	4	5	6	7	8	9	10
ANM	Skill attendant at birth	810	409	401	49.51	1436	1329	107	7.45
	Integrated Management of Neonatal and childhood illness (Health & Nutrition)	8462	1786	6676	78.89	2244	275	1969	87.75
	Intra-utrine Contraceptive Device	7648	1995	5653	73.91	2381	881	1500	63.00
	Induction Training of Contractual Nursing Staff	5105	2840	2265	44.37	2289	1435	854	37.31
	Strengthening of Routine Immunization	30094	7148	22946	76.25	22769	18823	3946	17.33
	Sickle Cell Disease Control Programme	2030	0	2030	100.00	2030	297	1733	85.37
	MSACS Refresher training.	49	0	49	100.00	49	38	11	22.45
	Total	54198	14178	40020	73.84	33198	23078	10120	30.48
Public Health Nurse	IMNCF	40	34	6	15.00	55	41	14	25.45
	Strengthening of Routine Immunization	40	38	2	5.00	54	50	4	7.41
	MFS	40	40	0	0.00	54	50	4	7.41
	Total	120	112	8	6.67	163	141	22	13.50

* T= Target; A= Achievement; S= Shortfall

Appendix 2.9 (Concl.)									
1	2	3	4	5	6	7	8	9	10
Staff Nurse	Skill attendant at birth	860	352	508	59.07	860	117	743	86.40
	Comprehensive Abortion Care (MTP/MVA)	240	98	142	59.17	240	33	207	86.25
	Integrated Management of Neonatal and childhood illness (Health & Nutrition)	292	120	172	58.90	292	40	252	86.30
	Minilap	172	70	102	59.30	172	23	149	86.63
	Intra-utrine Contraceptive Device	774	317	457	59.04	774	105	669	86.43
	Induction Training of Contractual Nursing Staff	12	49	-37	-308.33	120	16	104	86.67
	Strengthening of Routine Immunization	421	172	249	59.14	421	57	364	86.46
	Total	2771	1178	1593	57.49	2879	391	2488	86.42
Medical Officer	Basic emergency Medical and Obstetric Care	2359	797	1562	66.21	1491	1052	439	29.44
	Comprehensive Emergency Medical and Obstetric Care	96	5	91	94.79	48	21	27	56.25
	Life saving skills in Anesthesia	150	19	131	87.33	81	31	50	61.73
	Comprehensive Abortion Care (MTP/MVA)	1889	233	1656	87.67	671	356	315	46.94
	Integrated Management of Neonatal and childhood illness (Health & Nutrition)	2894	721	2173	75.09	1228	1063	165	13.44
	Minilap	1914	359	1555	81.24	629	247	382	60.73
	Non-Scalpel Vasectomy	2075	377	1698	81.83	930	170	760	81.72
	Laprescopic Sterlization	236	51	185	78.39	236	11	225	95.34
	Sickle Cell Disease Control Programme	626	89	537	85.78	626	384	242	38.66
	Total	12239	2651	9588	78.34	5940	3335	2605	43.86

* T= Target; A= Achievement; S= Shortfall

Appendix 2.10

(Reference Paragraph: 2.1.10.2; Page: 28)

Statement showing details of institutional deliveries in selected districts

Name of District audited	Year	No. of pregnant women registered	No. of institutional deliveries	Domiciliary deliveries	Total deliveries	Percentage of institutional deliveries
Thane	2005-06	87733	39192	33789	72981	53.70
	2006-07	86684	42070	27795	69865	60.22
	2007-08	115002	81885	20121	102006	80.27
	2008-09	73182	44348	11043	55391	80.06
Nashik	2005-06	88005	34030	33169	67199	50.64
	2006-07	87951	41063	22585	63648	64.52
	2007-08	87633	39873	20553	60426	65.99
	2008-09	89091	48314	23750	72064	67.04
Pune	2005-06	87461	67963	16549	84512	80.42
	2006-07	87419	70915	19010	89925	78.86
	2007-08	83949	72759	17582	90341	80.54
	2008-09	76205	68944	7589	76533	90.08
O'bad	2005-06	34211	15981	12097	28078	56.92
	2006-07	33608	15253	10244	25497	59.82
	2007-08	33432	17057	8648	25705	66.36
	2008-09	3109	24940	7225	32165	77.54
Yavatmal	2005-06	56093	26036	23326	49362	52.75
	2006-07	55732	29606	17828	47434	62.42
	2007-08	58764	30952	15412	46364	66.76
	2008-09	59257	41283	11594	52877	78.07
Gondia	2005-06	24364	7585	13445	21030	36.07
	2006-07	24115	9555	12813	22368	42.72
	2007-08	21923	9704	10350	20054	48.39
	2008-09	24326	5365	2842	8207	65.37
Nagpur	2005-06	45053	22527	11981	34508	65.28
	2006-07	45053	21679	12338	34017	63.73
	2007-08	40618	26277	7829	34106	77.05
	2008-09	35191	12744	4009	16753	76.07
Ahmednagar	2005-06	information not furnished				
	2006-07					
	2007-08					
	2008-09	13488	7725	1489	9214	83.84

Appendix 2.11

(Reference Paragraph: 2.1.10.3; Page: 28)

Statement of Targets and achievement of family planning operations during 2005-09, in eight test checked districts

Name of the district	Year	Vasectomy				Tubectomy		Laprosopy		Total female sterilization			
		T	A	Shortfall	Percent-age	T	A	T	A	T	A	Shortfall	Percent-age
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Thane	2005-06	3378	510	2868	84.90	0	0	19142	21711	19142	21711	--	--
	2006-07	3450	445	3005	87.10	0	0	19550	21565	19550	21565	--	--
	2007-08	3450	216	3234	93.74	0	0	19450	14661	19450	14661	4789	24.62
	2008-09	2063	269	1794	86.96	20632	2118	20632	12986	20632	15104	5528	26.79
Nashik	2005-06	2678	1310	1368	51.08	24102	22435	0	4019	24102	26454	--	--
	2006-07	4247	1179	3068	72.24	24072	24163	0	3845	24072	28008	--	--
	2007-08	4290	1506	2784	64.90	24310	21544	0	3392	24310	24936	--	--
	2008-09	2830	2543	287	10.14	25465	20848	0	1515	25465	22363	3102	12.18
Pune	2005-06	5270	3300	1970	37.38	14935	19039	14935	12859	29870	31898	--	--
	2006-07	4500	500	4000	88.89	12750	16933	12750	12593	25500	29526	--	--
	2007-08	4500	775	3725	82.78	12750	9298	12750	20369	25500	29667	--	--
	2008-09	3054	695	2359	77.24	9950	9949	19950	19903	29900	29852	48	0.16
O'bad	2005-06	1183	59	1124	95.01	10647	7599	0	3228	10647	10827	--	--
	2006-07	1134	19	1115	98.32	10205	6185	0	2898	10205	9083	1122	10.99
	2007-08	1016	27	989	97.34	9145	6428	0	2524	9145	8952	193	2.11
	2008-09	977	235	742	75.95	4395	4755	4396	3319	8791	8074	717	8.16
Yavatmal	2005-06	2014	1889	125	6.21	18126	15676	0	1181	18126	16857	1269	7.00
	2006-07	1832	1202	630	34.39	16483	14945	0	331	16483	15276	1207	7.32
	2007-08	1793	1370	423	23.59	16136	14133	0	1153	16136	15286	850	5.27
	2008-09	1760	2390	--	--	15842	14247	0	103	15842	14350	1492	9.42
Gondia	2005-06	1739	1777	--	--	9851	6658	0	260	9851	6918	2933	29.77
	2006-07	1350	1313	37	2.74	7650	6921	0	0	7650	6921	729	9.53
	2007-08	1275	2086	--	--	7225	5963	0	0	7225	5963	1262	17.47
	2008-09	865	2916	--	--	7787	6133	0	0	7787	6133	1654	21.24

Appendix 2.11 (Concl.d.)

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Nagpur	2005-06	0	790			0	7108	0	8431	0	15539		
	2006-07	0	466			0	5428	0	8869	0	14297		
	2007-08	0	599			15500	5265	0	6472	15500	11737	3763	24.28
	2008-09	1374	1423			13741	5895	0	3784	13741	9679	4062	29.56
Ahmed-nagar	2005-06	-	231			31300	19377	0	11703	31300	31080	220	0.70
	2006-07		83			31550	16495	0	11320	31550	27815	3735	11.84
	2007-08	2910	92	2818	96.84	26252	14226	0	8412	26252	22638	3614	13.77
	2008-09	2970	129	2841	95.66	26744	11715	0	9692	26744	21407	5337	19.96

Appendix 2.12

(Reference Paragraph: 2.1.10.4; Page: 29)

Target and achievement of Immunisation coverage in respect of BCG, Measles, DPT and OPV

Year	Target	Achievement											
		BCG	Short-fall	Percentage of Shortfall	Measles	Shortfall	Percentage of Shortfall	DPT	Short-fall	Percentage of Shortfall	OPV	Short-fall	Percentage of Short-fall
2005-06	2093721	2139148	Nil	Nil	1984167	109554	5.23	2079367	14354	0.69	2072128	21593	1.03
2006-07	2098904	2033616	65288	3.11	1891520	207384	9.88	1984169	114735	5.47	1985957	112947	5.38
2007-08	1974378	2041582	Nil	Nil	1873324	101054	5.12	1968089	6289	0.32	1957610	16768	0.85
2008-09(up to Feb 09)	1927574	1862225	65349	3.39	1566191	361383	18.75	1664999	262575	13.62	1742422	185152	9.61

Details of DT, TT (10) and TT (16) Immunization

Year	DT				TT(10)				TT(16)			
	Target	Achievement	Shortfall	Percentage of Short-fall	Target	Achievement	Shortfall	Percentage of Short-fall	Target	Achievement	Shortfall	Percentage of Short-fall
2005-06	2301437	2150579	150858	6.55	2311947	2085794	226153	9.78	2492831	2226557	266274	10.68
2006-07	2458596	2091699	366897	14.92	2244801	1871235	373566	16.64	2458596	2040481	418115	17.01
2007-08	2467968	2021749	446219	18.08	2253361	1698405	554956	24.63	2467968	1880055	587913	23.82
2008-09(up to Feb 09)	2150681	1735503	415178	19.3	2150681	1794522	356159	16.56	2281650	1710571	571079	25.03

Appendix 2.13

(Reference: Paragraphs: 2.2.1 and 2.2.8.1; Pages 35 and 39)

Major Schemes implemented by the Sports Department

State sponsored schemes

1. Establishment of Sports Complexes
2. Establishment of Coaching Centres
3. Development of Gymnasium
4. Development of Playgrounds
5. Development of Playground and Gymnasium at every village
6. Financial Assistance for construction of swimming pool
7. Establishment of Sports Universities (Sports Academy)
8. Establishment of National Discipline Scheme – Physical Training Instructors)
9. Contribution to State Sports Development Fund
10. Financial Assistance to State Asson, for organising Coaching Camp
11. Grant in aid to registered bodies to Maharashtra State Sports Council.
12. Organisation of State Sports Award Functions
13. Deputation of State Team for National Sports and Games
14. Honorarium to renowned veterans players for outstanding performance in the National/international tournaments.
15. Sports and Festivals.
16. Grant in Aid for Development Art of wrestling, Judo, Karate and Modern Gymnasium and other games.
17. Celebration of Sports week in every district of Maharashtra
18. Financial Assistance to Non-Govt Colleges of Physical Education for pay and allowances

Centrally sponsored scheme

1. Financial Assistance to other sports bodies (centrally sponsored scheme)

Appendix 2.14 (Reference: Paragraph 2.2.3; Page : 36) List of units test-checked			
Divisional Sports Complex (4)	District Sports Complex (8)	Sports Academy (5)	Taluka Sports Complex (19)
1. Mumbai (Suburban) 2. Pune 3. Aurangabad 4. Nagpur	1. Dhule 2. Thane 3. Pune 4. Mumbai Suburban 5. Sindhudurg 6. Ahmadnagar 7. Nandurbar 8. Nanded	1. Thane 2. Pune 3. Ahmadnagar 4. Aurangabad 5. Nagpur	1. Sakri (Dhule) 2. Shirpur (Dhule) 3. Nandurbar 4. Garudmaidan (Dhule) 5. Kalyan (Thane) 6. Palghar (Thane) 7. Baramati (Pune) 8. Rajgurunagar (Khed) (Pune) 9. Ambegaon (Manchar) (Pune) 10. Burhannagar (A'Nagar) 11. Nevasa (A'Nagar) 12. Sangamner (A'Nagar) 13. Paithan (A'Bad) 14. Khultabad (A'Bad) 15. Aurangabad (A'bad) 16. Ramtek (Nagpur) 17. Kamtee (Nagpur) 18. Kalmeshwar (Nagpur) 19. Katol (Nagpur)

Educational Institute (For verification of Physical Education aspect)

1. Shivdav Madhyamik Vidyalaya, Kankavli (Sindhudurg).
2. Don Bosco High School, Oras (Sindhudurg).
3. Rajguru HM Pandit School, Safale, Palghar, (Thane).
4. Vidya Bhavan School Advan, (Thane).
5. Chinmay Vidyalaya, Boisar, Palghar, (Thane).
6. Balvikas Mandir, Jogeshwari, (Mumbai Suburban).
7. Chembur High School, Chembur, (Mumbai Suburban)
8. Durgadevi Saraf Jr. College, Malad, (Mumbai Suburban)
9. Thakur Narayan School, Thakur Village, Kandivali, (Mumbai Suburban).
10. Sarvodaya Vidyalay, Malad, (Mumbai Suburban)
11. Oxford Public School, Kandivali(E) , (Mumbai Suburban)
12. Mahatma Gandhi Vidya Mandir, (Mumbai Suburban)
13. Ismail Yusuf College, Jogeshwari, (Mumbai Suburban)
14. New English School, Sakri, (Dhule)
15. Adarsh Middle School, Sakri, (Dhule)
16. HG Shroff High School, (Nandurbar)
17. Ekvira Devi Sec. and Higher Sec Vidyalaya, Devpur, (Dhule)
18. Jayhind High School and Jr. College, Devpur, (Dhule)
19. Kamla Nehru Vidyalaya and Jr. College, (Nandurbar)
20. S.A. Mission High School and Jr. College, (Nandurbar)
21. Mahatma Gandhi Vidyalaya, Manchar, Pune
22. Dr. Mumtaj Ahmad Khan Urdu High School, Manchar, (Pune)
23. Annasaheb Awte College (Jr/Sr), Ambegaon, (Pune)
24. Mahatma Gandhi Vidyalaya, Urli, Kanchan, (Pune)
25. New English School, Phursungi, Haveli, (Pune).
26. Shri Dadasaheb Haribhau Ghadge Patil Sec and Higher Sec. School, Nevasa, (Ahmadnagar)
27. Saibaba Adivashi Ashramshala, Tekadi, (Nagpur)
28. Uday Convent Vidyalaya, Devlapur, Ramtek, (Nagpur)
29. Indira Gandhi High School, CIDCO, (Nanded)

Appendix 2.14(concl.)
Educational Institute (Grain-in-aid aspect)
<ol style="list-style-type: none"> 1. The sacred Heart School, Varab, Kalyan, (Thane). 2. RBT Vidyalyaya, Dombivali, (Thane). 3. D.E.S. Girls High School, , (Pune) 4. Shri Baneshwar Sikshan Sanstha, Burhan Nagar, (Ahmadnagar) 5. Radhabai Kale Mahila Mahavidyalaya, (Ahmadnagar) 6. Kanya Prashala, Devgaon, Rangari, (Aurangabad) 7. Sagar Dairy Jr. College, Khumari, Ramtek, (Nagpur) 8. Mahila Mahavidyalaya, Nandivan (Nagpur) 9. Savitri Jyoti Shikshan Sanstha, Sambhajinagar (Nanded)
NGO
<ol style="list-style-type: none"> 1. Samadevi Samajik Utkarash Sanstha, Kudal (Sindhudurg). 2. Dhavale Medical Trust (Homeopathy) Palghar (Thane) 3. Kasturba Mahila Vastigruha, Chembur (Mumbai Suburban) 4. Sant Eknath Govt Boys Hostel, Chembur (Mumbai Suburban). 5. Tagore Mitra Mandal, Vikroli (Mumbai Suburban) 6. Akshay Health Care Centre, Sakri (Dhule) 7. Nehru Yuva Mandal, Gondur's Vittal Vijay Vyayamshala (Dhule) 8. Hanuman Vyayamshala, Shirpur (Dhule) 9. Hadapsar Judo Association, Phursungi, Haveli (Pune) 10. Vyayamshala Karve Nagar (Pune) 11. Bhartiya Mandal, National Social Organisation, Nalegaon (Ahmadnagar) 12. Sant Ravidas Pratishthan, Toffkhana (Ahmadnagar) 13. Sanjeevani Medical Training Centre's Bal Sadan (Ahmadnagar) 14. Samarth Kala Kreedha Mandal, Pokhardi (Ahmadnagar) 15. Yog Vidyadham (Ahmadnagar) 16. Samrat Ashok Yuvak Kreedha Mandal's Balbhimvyayamshala, Devgaon, Rangari, Kannad (Aurangabad). 17. Revnath Vyayam and Kreedha Mandal, Kannad (Aurangabad) 18. Revanath Vidyala, Vitta (Aurangabad) 19. All Aurangabad Dist Karate DO Association (Aurangabad) 20. Vyayam Dan Mandir, Kamtee (Nagpur). 21. Gokhale Vyayamshala (Nagpur) 22. Shabir Ali Pratishthan (Nanded) 23. Saba Bahuuddeshiya Seva Bhavi Sanstha, Vorigabad (Friends Vyayamshala), Vaghi Road (Nanded) 24. B.R. Ambedkar Gram Vikas Sanstha (Nanded).
Central Assistance
<ol style="list-style-type: none"> 1. Sawantwadi Nagar Parishad (Sindhudurg). 2. Kalyan Dombivali Municipal Corporation (Thane) 3. Tulja Bhavani Educational Soc's Raje Sambhaji Military School, Sakri (Dhule) 4. BPED College, Loni (Ahmadnagar). 5. Katol Nagar Parishad (Nagpur) 6. Sadashiv Rao Patil Shikshan Sanstha, Kamtee (Nagpur)

Appendix 2.15

(Reference: Paragraph 2.2.9.1; Page : 41)

Sports Complexes At Divisional, District And Taluka Level And Their Cost Ceiling

(Rs in lakh)

Sl No.	Facilities at divisional level / cost ceiling	Facilities at district level / cost ceiling	Facilities at taluka level /cost ceiling
1	Open Stadium for 20,000 spectator' s 700.00	Open Stadium for 5,000 spectators, gallery, 400 meter track etc. 70.00	running track 4.00
2	swimming pool 50x21mts (olympic size) 200.00	multi gymkhana 10.00	indoor hall/ badminton court 12.50
3	indoor stadium 36 x12.5 mts. with wooden/ synthetic flooring 150.00	swimming pool 25x21 mts 80.00	playground 4.00
4	astroturf hockey ground 300.00	indoor hall 120.00	sports material 1.50
5	sports material international standard 100.00	hostel with 80 beds 60.00	Miscellaneous infrastructural facilities 2.00
6	play grounds for different games 150.00	sports material 50.00	office furniture 1.00
7	-	Playground 10.00	----
	Total 1600.00	Total 400.00	Total 25.00

Appendix 2.16

(Reference: Paragraph 2.2.10.1; Page:45)

District-wise Coaches position

	Athle- tics	Swimm- ing	Basket	Cricket	Foot- ball	Gym- nastic	Hockey	Kho- kho/Kab	Wrest- ling	Volley- ball	Hand- ball	Ty- cando	Judo	Bad- minton	Chess	Box- ing	Archery	Soft- ball	TT	Total	Game	
Mumbai City	1					1		1													3	3
Mumbai Suburban						1		1													2	2
Pune	4	1	2	1	1	1	1	2	1												14	9
Thane	1	1																			2	2
Ratnagiri							1	1													2	2
Sindhudurg									1												1	1
Raigad			1			1		1													3	3
Nashik			2				1	1		1											5	4
Satara	1		1				1			2			1								6	5
Sangli	1						1	1													3	3
Kolhapur	1							1	2	1		1									6	5
Ahmadnagar			1					2													3	2
Aurangabad							1	1	1										1		4	4
Solapur	2						1		1												4	3
Usmanabad			1				1			1											3	3
Yavatmal			1		1				1	1	1										5	5
Nanded								1						1	1						3	3
Bhandara		1								1						1					3	3
Latur	1		1					1													3	3
Parbhani	1	1						1											1		4	4
Buldhana	1																				1	1
Chandrapur	1										1										2	2
Nagpur	1	1									1										3	3
Jalna								2		1											3	2
Gadchiroli																	1				1	1
Akola						1		2		1			1			1					6	5
Amravati			1							1							1		2		5	4
Wardha				1															1		2	2
Beed					1			1													2	2
Dhule					1	2		1	1	1											6	5
Jalgaon										1	1							1			3	3
Total	16	5	11	2	4	7	8	21	8	12	4	1	2	1	1	2	2	3	3	113		

Appendix 2.17			
<i>(Reference: Paragraphs 2.2.13 and 2.2.13.2; Pages : 53 and 54)</i>			
Conditions for payment of Grant-in-aid to various institutions			
	Development of Playground	Development of Gymnasium	Development of Playground and Gymnasium at each village
(1)	(2)	(3)	(4)
Eligibility criteria	1) Primary educational institutions recognised by the Education Department and educational institutions run by Local Bodies and the Tribal Department. 2) Bodies/associations/educational institutions registered under the Public Trust Act, 1950 and the Society Registration Act 1860.	Same as serial numbers 1 and 2 of the column number 2.	Same as serial numbers 1 and 2 of column number 2. 3)The grantee institution should be in rural area having population more than 5,000 and should possess three acres of open piece of land (two acres for tribal and hilly areas).
Conditions for grant of GIA	1) Should have 30 year leased/owned land reserved for playground. 2) should have one piece of land of appropriate size for construction of 200/400 mts running track 3) Other than sports facilities should not be created on the playground and no political program to be organized on the ground. 4) Maintenance expenditure is to be borne by the grantee unit. 5) Plans and estimates should be got approved from the concerned engineer and local bodies; expenditure over and above the GIA is to be borne by the grantee. 6. NOC of concerned authority for development/ construction work should be obtained.	Same as serial numbers 1 to 6 except serial number 2 of column number 2.	Same as serial numbers 1 to 6 except serial number 2 of column number 2.
Items of work admissible	1) Leveling of playground. 2) Toilet facilities. 3) Drinking water facilities. 4) Stores.	1) Construction of 500 sq ft gymnasium hall with toilet and changing room facility. 2) Renovation /repair of gymnasium hall. 3) Purchase of gymnasium equipment.	1) Leveling of playground. 2) Fencing of compound. 3) Construction of Gymnasium beside playground.
4. Quantum of GIA	50 per cent of the estimated cost or Rs two lakh which ever is less for non-tribal area, 90 per cent for tribal area and 100 per cent for Government bodies.	75 per cent of the estimated cost or Rs two lakh whichever is less (Special Component Plan 90 per cent).	80 per cent of the estimated cost or Rs one lakh whichever is less.

APPENDIX 2.18		
<i>(Reference: Paragraph 2.2.13.1; Page : 53)</i>		
List of 18 institutions whose primary objective was not development of sports but grant-in-aid sanctioned for sports related activities		
Sr. No	Name of the Grantee Unit	Amount (Rupees in lakhs)
1.	Women and Child Welfare Society Tal Gangapur Dist. Aurangabad	1.00
2.	Marathwada Gramin Vikas Sanstha Tal vaijapur Dist A'bad	1.00
3.	Natraj Sanskritic and Krida Mitra Mandal Tal Vaijapur	1.00
4.	Jai Vishwakarma Sarvodaya Sanstha A'bad	1.00
5.	Marathwada Gramin Vikas Mahila and Yuvak Kalyan Mandal Bidkin Tal Paithan	1.00
6.	Matoshri Sita Bai Shikshan and Vyam Prasark Mandal Tal A'bad	2.00
7.	Uma bahu Udeshiya Shikshan Sanstha Nagpur	2.00
8.	Human Service council of India Nagpur	2.00
9.	Shri Sai Seva Shikshan Sanstha Mandal Ramtek	1.00
10.	. Shri Sai Seva Shikshan Sanstha Mandal Ramtek	2.00
11.	Sant Sonmata Bahu Udeshiya Sanstha Nagpur	2.00
12.	Sant Sonmata Bahu Udeshiya Sanstha Nagpur	2.00
13.	Ahilyadevi Sarvajanic Vachanarya and Grantharya Mekhali Pune	2.00
14.	Kamal Memorial Foundation Ambegaon Pune	2.00
15.	Baramati Agricultural Development Trust Baramati	2.00
16.	Kasturba Mahila Vastigraha Chembur	2.00
17.	Sr.P.I Samta Nagar Police Station Kandivali	2.00
18.	Sr.P.I Dahisar Police Station Dahisar	2.00
Total		30.00

Appendix 2.19

(Reference: Paragraph 2.2.15.2; Page : 57)

Recommendations of Mid Term Review Committee

1. Effective implementation of physical education in the schools such as recruitment of sufficient number of qualified PE Teachers in the School and adequate PT Period in the school time.
2. 100 percent participation of schools in sports competition and ensuring participation of each student in at least one game in the intra mural games.
3. Empowering District and Taluka Sports Officer for inspection of schools for inspection of sport activities in the school.
4. Maharashtra Institute of Sports (MIS) to be established for training and teaching of coaches on the line of Coaching Diploma course conducted by National Institute of Sports (NIS).
5. A special drive for talent hunt for identification and grooming of potential sportspersons.
6. Development of sports facilities at village level and expediting sports complex work at all levels and enhancing present cost ceiling for construction of sports complexes.
7. Providing adequate fund for maintenance and operation of Sports Complexes across the State.
8. Closing of ten Sports Academies except Pune in view their poor performance and establishing non-residential sports academies in districts in the State.
9. Creation of Sports Development Fund for various sports activities across the State from the stipulated sources.
10. Increase the award money of the Sports person who had outperformed in National and International Competition.
11. Effective implementation of Govt Policy of reservation of 5% jobs in Govt establishment.
12. Upgradation and uniformity in the Physical Educational colleges across the State.
13. Effective implementation of Special Action Plan for development of Sports facilities in Mumbai.
14. Concession/Rebate on sports material.
15. Establishment of Sports University for Uniformity in syllabus, enhancing quality of the teaching in the PT Colleges and introducing professional course and sports related activities.
16. Raise fund for development of sports through public-private partnership.

Appendix 2.20							
<i>(Reference: Paragraphs 2.3.3 and 2.3.8.1; Page 63 and 67)</i>							
Statement showing the names of the districts, blocks and villages selected for audit as well as details of village-wise beneficiaries surveyed jointly by audit and departmental officers							
Sr No	Name of the District	Block	Village	Total number of BPL beneficiaries	BPL surveyed	IAY	SHG
1	Ahmednagar	Kopergaon	Pohegaon	32	14	7	7
			Sanghvi bhusar	27	9	7	2
		Shrigonda	Belwandi	54	17	11	6
			Wangdari	65	20	15	5
2	Bhandara	Lakhani	Dhandla	*	*	*	*
			Miregoan	*	*	*	*
		Tumsar	Dhutera	*	*	*	*
			Sakkardara	*	*	*	*
3	Hingoli	Hingoli	Kalamkonda	33	19	8	11
			Karanjala	52	40	15	25
		Kalamnuri	Chapnath	36	14	0	14
			Sandhas	4	4	2	2
4	Nanded,	Bhokar	Kandli	16	11	8	3
			Wagad	•	•	•	•
		Umri	Gortha	19	12	10	2
			Nagthana	31	13	1	12
5	Nandurbar	Akkalkuwa	Thanver	79	28	12	16
			Kumbharkhan	13	9	1	8
		Shahada	Dhurkheda	30	19	9	10
			Nagzari	34	6	4	2
6	Raigad	Karjat	Khandas	108	19	10	9
			Mogras	8	6	4	2
		Pen	Karambali (Arao)	*	*	*	*
			Medheveli	5	2	1	1
7	Thane	Vasai	Chandarpada	19	11	0	11
			Mori	6	6	6	0
		Wada	Mhaswal	*	*	*	*
			Kondale	*	*	*	*
8	Yavatmal	Kalamb	Kanoloi	12	6	2	4
			Katri	15	8	2	6
		Yavatmal	Karli	37	16	5	11
			Yerad	44	16	5	11
			TOTAL	779	325	145	180

- As the Gramsevak was absent the information was not produced.
- * Family ID of the households were not matched, hence comparison could not be made.

Appendix 2.21								
<i>(Reference: Paragraph 2.3.6.2; Page: 64)</i>								
Statement showing the details of funds available and expenditure incurred on SGSY, IAY, DRDA Administration and Hariyali during 2004-09 in the entire State								
(Rupees in Crore)								
Year	Open- ing Bala- nace	GOI Grant	GOM	Misc receipt & Interest	Funds available	Expenditure incurred (percentage)	Closing balance	Percentage of CB against Fund available
Swarnjayanti Gram Swarojgar Yojana								
2004.05	6.80	74.14	22.55	10.61	114.11	106.31 (93)	7.80	7
2005.06	7.80	71.67	25.22	10.62	115.31	108.79 (94)	6.52	6
2006.07	6.52	88.35	29.14	9.57	133.58	126.09 (94)	7.49	6
2007.08	7.49	131.79	41.44	9.41	190.13	183.68 (97)	6.45	3
2008.09	6.45	155.77	51.62	8.12	221.96	215.20 (97)	6.76	3
Total		521.72	169.97	48.33		740.07		
Indira Awas Yojana								
2004.05	11.25	122.65	52.34	5.31	191.55	187.37 (98)	4.18	2
2005.06	4.18	123.89	73.68	9.45	211.20	200.45 (95)	10.75	5
2006.07	10.75	151.68	69.98	28.54	260.95	241.83 (93)	19.12	7
2007.08	19.12	224.27	130.29	12.06	385.74	363.21 (94)	22.53	6
2008.09	22.53	313.19	157.59	11.65	504.96	480.93 (95)	24.03	5
Total		935.68	483.88	67.01		1473.79		
DRDA Administration scheme								
2004.05	8.89	10.28	2.29	1.04	22.50	16.23 (72)	6.27	28
2005.06	6.27	11.08	4.24	1.00	22.59	14.72 (65)	7.87	35
2006.07	7.87	13.63	3.82	1.12	26.44	19.80 (75)	6.64	25
2007.08	6.64	12.84	4.09	1.84	25.41	20.84 (82)	4.57	18
2008.09	4.57	15.22	6.08	2.72	28.59	23.85 (83)	4.74	17
Total		63.05	20.52	7.72		95.44		
Hariyali under DPAP/NDPAP/IWDP								
2004.05	33.27	34.87	11.49	1.42	81.05	46.77 (58)	34.28	42
2005.06	34.28	44.49	13.90	2.40	95.07	45.62 (48)	49.45	52
2006.07	63.06*	78.42	33.79	1.80	177.07	86.73 (49)	90.34	51
2007.08	90.34	67.49	13.71	2.01	173.55	105.76 (61)	67.79	39
2008.09	67.79	95.79	26.57	2.37	192.52	119.44 (62)	73.08	38
Total		321.06	99.46	10.00		404.32		

*Information in respect of IWDP has since been made available by the department from the year 2006-07 wherein opening balance of Rs 13.61 crore was shown, hence same has been added.

Abstract

Name of the Scheme	Open- ing Bala- nace	GOI grant	GOM grant	Misc receipt & Interest	Total	Funds available	Expendi- ture	Closing balance
SGSY	6.80	521.72	169.97	48.33	740.02	746.82	740.07	6.75
IAY	11.25	935.68	483.88	67.01	1486.57	1497.82	1473.79	24.03
DRDA Adminis- tration	8.89	63.05	20.52	7.72	91.29	100.18	95.44	4.74
Hariyali	46.88	321.06	99.46	10.00	430.52	477.40	404.32	73.08
Total	73.82	1841.51	773.83	133.06	2748.40	2822.22	2713.62	108.60

Appendix 2.22								
<i>(Reference: Paragraph 2.3.6.2; Page : 64)</i>								
Statement showing the details of funds available and expenditure incurred on SGSY, IAY, DRDA Administration and Hariyali during 2004-09 in the selected districts								
(Rupees in crore)								
Year	Open- ing Bala- nace	GOI Grant	GOM	Misc receipt & Interest	Funds avail- able	Expenditure incurred (percentage)	Closing balance	Percentage of CB against Fund available
Swarnjayanti Gram Swarojgar Yojana								
2004.05	1.79	20.88	6.49	2.90	32.06	29.04 (91)	3.02	9
2005.06	3.02	18.85	6.62	4.18	32.67	30.01 (92)	2.66	8
2006.07	2.66	23.62	8.29	2.64	37.21	35.75 (96)	1.46	4
2007.08	1.46	36.11	11.65	3.78	53.00	51.07 (96)	1.93	4
2008.09	1.93	44.48	14.68	2.60	63.69	61.07 (96)	2.62	4
Indira Awas Yojana								
2004.05	1.90	31.88	10.80	0.98	45.56	44.82 (98)	0.74	2
2005.06	0.74	35.96	23.52	2.45	62.67	59.86 (96)	2.81	5
2006.07	2.81	49.17	20.11	11.00	83.09	76.54 (92)	6.55	8
2007.08	6.55	65.20	41.13	3.03	116.11	111.89 (96)	4.22	4
2008.09	4.22	94.14	57.05	2.08	157.49	149.86 (95)	7.63	5
DRDA Administration scheme (Information in respect of DRDA Nanded is awaited.)								
2004.05	1.40	1.83	0.42	0.83	4.48	3.13 (70)	1.35	30
2005.06	1.35	1.57	0.81	0.60	4.33	3.31 (76)	1.02	24
2006.07	1.02	2.36	0.56	0.73	4.67	3.91 (84)	0.76	16
2007.08	0.76	2.10	0.77	0.72	4.35	4.15 (95)	0.20	5
2008.09	0.20	2.90	1.38	1.05	5.53	5.45(99)	0.08	1
Hariyali								
2004.05	7.75	4.72	3.21	0.27	15.95	8.55 (54)	7.40	46
2005.06	7.40	11.62	3.06	0.24	22.32	12.65 (57)	9.67	43
2006.07	12.63*	18.41	5.31	0.59	36.94	15.83 (43)	21.11	57
2007.08	21.11	10.57	3.10	0.55	35.37	17.57 (50)	17.75	50
2008.09	17.75	21.55	6.20	0.91	46.42	24.02 (52)	22.40	48

*Information in respect of IWDP has since been made available by the department from the year 2006-07 wherein opening balance of Rs 1.33 crore was shown, hence same has been added.

Appendix 2.23								
(Reference: Paragraph 2.3.6.3; Page : 64)								
Statement showing the short release of funds by the Government of India								
(Rupees in crore)								
Name of Scheme	Name of DRDA	Year					Total	Reasons
		2004.05	2005.06	2006.07	2007.08	2008.09		
DRDA Administration	Ahmednagar				0.03		0.03	Purchase of vehicle
	Bhandara	0.10		0.35	0.09	0.02	0.56	Excess carry over of funds due to slow spending
	Hingoli		0.02		0.02	0.11	0.15	Excess carry over of funds due to slow spending and excess contingency expenditure
	Nanded	0.06			0.01		0.07	Excess carry over of funds due to slow spending
	Nandurbar		0.06	0.05			0.11	Excess carry over of funds due to slow spending and excess contingency expenditure
	Raigad		0.02				0.02	Excess contingency expenditure
	Thane		0.24	0.15	0.21		0.60	Excess carry over of funds due to slow spending
	Yavatmal		0.06	0.08	0.01	0.02	0.17	Excess contingency expenditure
	Total	0.16	0.40	0.63	0.37	0.15	1.71(A)	
SGSY	Bhandara	1.02	0.63		0.11		1.76	Short release of State share and excess carry over of funds due to slow spending
	Hingoli					0.89	0.89	Short release of State share
	Nandurbar		0.66			0.32	0.98	Excess carry over of funds due to slow spending
	Yavatmal			0.04		0.59	0.63	Short release of State share
	Total	1.02	1.29	0.04	0.11	1.80	4.26(B)	
IAY	Bhandara					0.44	0.44	Excess carry over of funds due to slow spending
	Hingoli			0.02			0.02	Excess carry over of funds due to slow spending
	Nandurbar				3.23	1.13	4.36	Excess carry over of funds due to slow spending
	Yavatmal	0.24		1.13			1.37	Excess carry over of funds due to slow spending
Total	0.24		1.15	3.23	1.57	6.19(C)		
Grand Total (A+B+C)							12.16	

Appendix 2.24									
(Reference: Paragraphs 2.3.9.1 and 2.3.9.2; Page : 70)									
Statement showing shortfalls in holding of the meetings of various committees									
Sr. No.	Name of the DRDA	Meetings due	Shortfall in meetings					Total Shortfall	Percentage
			2004-05	2005-06	2006-07	2007-08	2008-09		
Governing body									
1	Ahmednagar	20	03	03	02	03	02	13	65
2	Bhandara	20	02	Nil	02	01	02	7	35
3	Hingoli	20	02	Nil	03	03	04	12	60
4	Nanded,	20	04	04	04	04	04	20	100
5	Nandurbar	12	NA	NA	02	02	02	6	50
6	Raigad	20	03	03	03	02	03	14	70
7	Thane	20	01	01	02	02	02	8	40
8	Yavatmal	20	03	04	03	03	03	16	80
Executive committee									
1	Ahmednagar	36	NA	NA	09	09	01	19	53
2	Bhandara	60	03	02	01	02	03	11	18
3	Hingoli	60	12	12	12	12	12	60	100
4	Nanded,	60	12	12	12	12	12	60	100
5	Nandurbar	60	09	03	07	04	07	30	50
6	Raigad	60	12	12	12	10	09	55	92
7	Thane	36	10	08	10	NA	NA	28	78
8	Yavatmal	60	12	12	12	12	12	60	100
District level Monitoring and Vigilance Committee									
1	Ahmednagar								
2	Bhandara	20	3	3	1	2	3	12	60
3	Hingoli	20	4	3	3	3	4	17	85
4	Nanded,	20	4	3	2	3	2	14	70
5	Nandurbar	20	3	2	3	0	1	9	45
6	Raigad	20	3	3	3	2	3	14	70
7	Thane	20	Details not made available.						
8	Yavatmal	20	NA	2	3	3	3	11	55
District level SGSY committee									
1	Ahmednagar	36	NA	NA	05	02	01	8	22
2	Bhandara	36	NA	NA	11	08	11	30	83
3	Hingoli	60	12	12	10	09	09	52	87
4	Nanded,	60	NA	NA	NA	NA	NA	NA	NA
5	Nandurbar	60	12	12	12	12	12	60	100
6	Raigad	60	12	11	12	11	11	57	95
7	Thane	60	10	09	09	09	10	47	78
8	Yavatmal	36	NA	NA	10	12	10	32	89
Block level SGSY Committee									
1	Ahmednagar	120	12 ¹	21	20	22	19	94	78
2	Bhandara	120	24	22	22	20	13	101	84
3	Hingoli	120	19	20	20	21	21	101	84
4	Nanded,	120	22	24	24	24	23	117	98
5	Nandurbar	120	24	17	21	18	16	96	80
6	Raigad	120	20 ²	22	20	20	21	103	86
7	Thane	120	24	21	21	20	22	108	90
8	Yavatmal	120	24	23	23	13	17	100	83

¹ Block Level SGSY Committee was not formed up to August 2008 at Kopergaon block

² In Karjat & Umri block was not formed

Appendix 2.25									
<i>(Reference: Paragraphs 2.3.10, 2.3.11 and 2.3.12; Pages : 73, 76 and 78)</i>									
Statement showing progress of implementation of SGSY, IAY and Hariyali schemes									
1. SHGs formed in the State since inception and during 2004-09 and SHGs which started economic activities as of March 2009									
Year	Number of SHGs formed	Number of SHGs		Number of SHGs started economic activities	Number of SHGs yet not started economic activities				
		Passed Grade I	Passed Grade II						
Upto 2003-04	88630	38941	18602	12240	76930				
2004-05	18307	15318	7437	5603	12704				
2005-06	19608	17142	8221	6191	13417				
2006-07	20765	18194	8326	7345	13420				
2007-08	30140	21839	12535	10281	19859				
2008-09	31737	27133	14314	11604	20133				
Total	209187	138567	69435	53264	156463				
2. Houses targeted for construction and houses actually constructed in the State as well as in the selected DRDAs during 2004-09.									
Year	Houses targeted	Houses constructed	Percentage of target achieved						
Position in the State									
2004-05	70415	69752	99						
2005-06	78478	70336	90						
2006-07	83430	72766	87						
2007-08	115879	125241	108						
2008-09	115869	114176	99						
Total	464071	452271	97						
Position in the selected districts									
2004-05	19366	17152	89						
2005-06	24384	19444	80						
2006-07	25832	22832	88						
2007-08	35880	44431	124						
2008-09	35875	35197	98						
Total	141337	139056	98						
3. Projects targeted, taken up and completed under DPAP/NDPAP/IWDP during 2004-05 to 2008-09 in the State as well as in the selected districts									
Year	Number of projects targeted				Number of projects taken up				Number of projects completed
	DPAP	NDPAP	IWDP	Total	DPAP	NDPAP	IWDP	Total	
Position in the State									
2004-05	599	1403	NA	2002	425	1397	NA	1822	Nil
2005-06	959	1403	NA	2362	776	1397	NA	2173	
2006-07	1395	1403	84	2882	1186	1403	84	2673	
2007-08	1395	1403	728	3526	1387	1401	718	3506	54
2008-09	1395	1403	1064	3862	1395	1401	1057	3853	163
Position in the selected districts									
2004-05	129	347	NA	476	67	347	NA	414	Nil
2005-06	207	347	NA	554	157	347	NA	504	Nil
2006-07	291	347	19	657	186	347	19	552	Nil
2007-08	291	347	128	766	283	347	121	751	Nil
2008-09	291	376	176	843	284	347	157	788	Nil

Appendix 2.26				
<i>(Reference: Paragraph 2.3.10.5; Page : 75)</i>				
Details of infrastructure created in selected districts				
Sr. No.	Name of the DRDA	Type of Infrastructure	Cost (Rupees in crore)	Remarks
1	Ahmednagar	297 Shopping centres/Bazar Oatas	2.97	Record of allotment of shops was not kept. Site visit at Sanghvi-Bhusar revealed that three shops were lying idle and one was given to ineligible person.
2	Bhandara	35 Shopping centres 7 Seven Sales cum exhibition centres	1.14 0.46	Records of allotment of shops were not kept. During site visit, exhibition cum sales centres at Tumsar was found lying idle. As per report of P.S. Bhandara, 14 shops and two cattle sheds costing Rs 11.73 lakh were not allotted and 14 shops allotted to non BPL persons.
3	Hingoli	Information awaited	0.27	Out of available funds of Rs 1.86 crore only an amount of Rs 27.57 lakh (15 per cent) was spent on infrastructure activities during the period covered by audit.
4	Nanded	24 Veterinary hospitals and 24 shopping centres	1.04 1.31	Construction of veterinary hospitals was the primary responsibility of the Zilla Parishad. Three shopping centers costing Rs 9.80 lakh were lying unused since their completion, as per report of BDO, Deglur.
5	Nandurbar	29 Shopping centres	0.83	District Vigilance and Monitoring Committee meeting (August 2008) and Governing Body meeting (Feb.2009), objected about the non utilisation of most of the shopping centres.
6	Riagad	17 Shopping centres	0.42	Records relating to allotment of shops to SHGs/individual Swarozgaris were not kept. In selected Karjat block only two infrastructures were created during last 10 years.
7	Thane	29 Multipurpose centres	Information awaited	Jijao sales centre constructed at a cost of Rs 13.41 lakh in the year 2004-05 was lying idle due to incorrect selection of site. In joint spot visit at Vasai and Wada, it was noticed that out of 10 shops, eight were allotted to ineligible persons and one was vacant. Logbook regarding use of multi purpose centre by the SHGs was not kept.
8	Yavatmal	Instruments to the veterinary hospitals	1.34	Equipments costing Rs 1.34 crore were purchased and supplied from SGSY fund for Animal Husbandry Department of the ZP
TOTAL			9.78	

Appendix 2.27

(Reference: Paragraph 2.3.13.1; Page : 79)

Statement showing vacancy position in the selected DRDAs

Sr No	Name of the DRDA	Total staff		Shortfall	Particulars of vacant posts
		Sanctioned	Deployed		
1	Ahmednagar	40	32	8	2APOs, 2Jr Engineers,3Tech Asstts &one clerk/typist
2	Bhandara	38	30	8	1 PD,1APO,1Computer Programmer,1 JE,3Tech Asstt & 1 Driver
3	Hingoli	32	20	12	2 APO,1 Investegator,1 Sr. Asstt. 4 Jr Asstt, 1 Extension Officer, 2 Tech Asstt & 1 Driver
4	Nanded	38	31	7	1 APO, 1 Jr Engr.,2 Sr. Asstt(Accounts) 2 Sr Clerks & 1 investigator
5	Nandurbar	38	31	7	2 APOs,1 Asstts. Engr,1AAO, 1 Stenographer,1 Tech Asstt & 1 Driver
6	Raigad	40	30	10	1Dy. Engineer,1 APO, 2 J.E.3Tech Asstt,1 Clerk Typist,1 Investigator& 1 Driver
7	Thane	40	36	4	1 A.O., 2 Tech Asstt. & 1 clerk typist
8	Yavatmal	40	32	8	1 JE,1AO,1AAO,1Sr Asstt,2 Clerk Typist ,1 Tech Asstts & 1 Driver
	Total	306	242	64	

Appendix – 2.28					
<i>(Reference Para 2.4.6; Page : 83)</i>					
Statements showing Budget allotment and Expenditure					
(Rupees in crore)					
Year	Budget allotment	Final Modified Grant (FMG)	Percentage of FMG to budget	Expenditure	Saving
ZP Projects					
2003-04	62.62	55.39	89	47.92	7.47
2004-05	19.18	64.08	334	62.54	1.54
2005-06	45.46	80.48	177	75.06	5.42
2006-07	76.04	131.29	173	112.05	19.24
2007-08	95.73	142.43	149	140.95	1.48
TOTAL	299.03	473.67	158	438.52	35.15
MILS Projects					
2003-04	10.27	26.86	262	25.41	1.45
2004-05	21.31	53.38	250	49.60	3.78
2005-06	24.13	48.41	201	43.98	4.43
2006-07	33.53	69.83	208	62.84	6.99
2007-08	29.38	71.93	245	71.83	0.10
TOTAL	118.62	270.41	228	253.66	16.75
ZP and MILS Projects					
2003-04	72.89	82.25	113	73.33	8.92
2004-05	40.49	117.46	290	112.14	5.32
2005-06	69.59	128.89	185	119.04	9.85
2006-07	109.57	201.12	184	174.89	26.23
2007-08	125.11	214.36	171	212.78	1.58
TOTAL	417.65	744.07	178	692.18	51.89

Appendix – 2.29
(Reference Para 2.4.7.1; Page : 84)

**Statement showing increase in cost of works and increase in cost of storage over the prescribed yardstick
(Rupees in lakh)**

Sr. No.	Name of the Project	District	Storage in TCM	Original Administrative Approval (AA) Cost	Revised-AA Cost	Cost / TCM	Applicable Yardstick / TCM	Excess over applicable yardstick	Percentage of increase over yardstick	Percentage of increase in cost
1	Tadil MIT	Ratnagiri	3356	619.24	1869.58	54062	36279	17783	49.02	201.92
2	Kuva MIT	Ratnagiri	1665	306.29	849.61	51017	36279	14738	40.62	177.39
3	Parule MIT	Ratnagiri	2060	383.68	1150.24	55837	23500	32337	137.60	199.79
4	Dudhani MIT	Solapur	743	181.74	399.98	53833	36279	17554	48.39	120.08
5	Ghanegaon KTW	Solapur	598	87.71	231.27	38674	20326	18348	90.27	163.68
6	Kalegaon KTW	Solapur	592	89.94	267.24	45142	20326	24816	122.09	197.13
7	Hathij-1 KTW	Solapur	394	57	183.73	46635	20326	26309	129.44	222.33
8	Zadi-Borgaon MIT	Solapur	708	169.79	377.5	53399	36279	17120	47.19	122.33
9	Gavsud	Osmanabad	155	95.4	217.12	42657	22936	19721	85.98	127.59
10	Kamat	Sangli	175	288.57	555.58	41063	22936	18127	79.03	92.53

Appendix – 2.30
(Reference Para 2.4.7.1; Page : 84)

Statement showing reasons for increase in cost

(Rs. in lakh)

Sr. No.	Name of the Project	District	Increase in rates	Change in Design	Increase in Quantities	Excess excavation due to change in strata	Transportation of material from a longer distance	Increase in cost of land	Additional items of work not envisaged in the estimates	Incidental expenditure
1	Tadil MIT	Ratnagiri	592.95	235.63	116.71		26.1	104.59	92.27	32.34
2	Kuva MIT	Ratnagiri	179.69	159.2	53.24			109	16.09	3.92
3	Parule MIT	Ratnagiri								
4	Dudhani MIT	Solapur	97.37			5.27	63.3	38.65	8.37	8.79
5	Ghanegaon KTW	Solapur	59.24		25.71		5.71		29.06	12.83
6	Kalegaon KTW	Solapur	101.98	25.32	21.2	7.06	3.37			15.32
7	Hathij-1 KTW	Solapur	44.89		30.82		32.37		7.21	11.89
8	Zadi-Borgaon MIT	Solapur	47.18		22.69	22.05	9.98	96.18		9.46
9	Gavsud	Osmanabad	17.78	71.74			22.31	7.77	2.75	
10	Kamat	Sangli	29.98	94.48		118.37				25.1

Appendix-2.31

(Reference Para 2.4.7.3; Page : 87)

**Statement showing list of projects remaining incomplete
due to opposition from land owners**

(Rupees in lakh)

Sl No.	Name of district	Name of Project	Expenditure incurred	Work started on	Work stopped since
1.	Ratnagiri	Kondwadi ST	260.07	January 2007	March 2009
2.		Shivtar ST	8.23	February 1997	June 1997
3.		Ambav ST	3.39	February 2000	February 2000
4.		Makhjan MIT	3.65	March 2006	March 2006
5.	Solapur	Khandobachiwadi ST	29.99	April 2008	September 2008
6.		Kauthali ST	190.39	Not available	June 2008
7.		Zadi Borgaon MIT	178.00	March 2005	June 2008
8.	Beed	Borkhed ST	53.30	Not available	March 2003
9.	Buldhana	Sawargaon Munde	15.45	June 2006	December 2006
TOTAL			742.47		

Appendix- 2.32				
<i>(Reference Para 2.4.8.2(iv); Page : 89)</i>				
Statement showing expenditure of projects for which distribution system was not completed as of February/ March 2009				
(Rs in crore)				
Sr. No.	District	Name of the MIT	Gorge Filling year	Expenditure incurred
1.	Ratnagiri	Gopalwadi	2001	2.58
2		Hardkhale	1999	3.63
3		Kasheli	1999	4.52
4		Morde	2001	5.40
5		Parule	2004	9.45
6		Rajewadi	1999	9.01
7		Sheldi	1999	4.81
8		Sukondi Waghiwane	2008	10.80
9		Tulshi	1996	3.68
10	Nashik	Dudgaon	1996	2.96
11		Take-Deogaon	2005	2.47
12	Beed	Bangarwadi	2006	2.36
13		Karegaon	2005	1.00
14		Ukanda Chakla	2005	1.12
15	Sangli	Kothij	1993	1.78
Total				65.57

Appendix – 2.33					
<i>(Reference Para 2.4.8.2(v); Page : 89)</i>					
Statement showing expenditure of projects for which distribution system was not completed as of February/ March 2009					
(Rs in lakh)					
Sr. No.	Name of the Project	IP (in ha)	Year of first impounding of water	Expenditure incurred	Reason for non-achievement of envisaged IP
1	Janephal ST	245	Jun-06	390.55	Lift Irrigation System (LIS) envisaged for the project was not commissioned as of March 2009. The EE demanded (January 2007) funds from the Chairman of the WUA for installation of LIS alongwith erection of High Tension Line after the Gorge filling work was completed.
2	Kasari ST	240	Jun-03	311.70	The Transformer provided by the Division for the LIS of the project was of a capacity lower than what was required due to which irrigation could not be provided to 100 ha of land
3	Junona ST		Jun-08	156.67	The information regarding the requirement of funds from the State Share, share from the German aid and the contribution to be made by the beneficiaries for commissioning the LIS was sent to Circle office only in September 2008. The proposal sanctioned by the Circle office was forwarded to the PMU only in February 2009.
4	Shahapur KTW	185	Oct-07	110.06	Impounding of water was not being done as a bridge was coming under submergence which was not considered during survey. LIS is also not commissioned till date as the estimates for 16 LIS was submitted only in December 2007 <i>i.e</i> after the first impounding.
5	Talkhed ST		Jun-06	266.35	No impounding of water as the catchment for this tank was found to be insufficient.
Total				1235.33	

Appendix 2.34					
<i>(Reference Para 2.4.8.4; Page : 91)</i>					
Statement showing reasons for increase in cost of projects on account of Clause 38 and EIRL					
(Rs in lakh)					
Sr. No	Reasons for increase in cost	Name of the KTW	District	Extra expenditure under Clause 38 of the contract	Extra expenditure under EIRL Clause of the contract
1	UCR was envisaged in the estimates which were changed to Cement Concrete during execution.	Hatij-1, Hatij-2, Velapur-1	Solapur	13.89	
		Kolamba Rasulpur	Buldhana	4.16	
		Huljanti,	Solapur		7.87
2	Increase in lead charges for transportation of materials during execution than what was envisaged in the estimates	Belgaon	Solapur		9.76
		Hingni-R			4.40
		Jambharkheda	Aurangabad		
3	Increase in quantities of UCR during excavation than what was envisaged in the estimates	Ghanegaon, Hatij-1, Velapur-1, Zadi-Borgaon	Solapur	7.67	
4	Increase in quantities of Steel, Dewatering and Reinforced Cement Concrete during execution than what was envisaged in the estimates	Hatij-1, Hatij-2, Velapur-1, Zadi-Borgaon	Solapur	24.47	
5	Increase in quantities of Earthwork	Hatij-1, Velapur-1, Zadi-Borgaon	Solapur	6.24	
6	Increase in depth of excavation	Hingni-R	Solapur		3.17
		Jambharkheda	Aurangabad	2.42	
7	Providing Channels, Sill Beam, Dry Stone Pitching and Dry Stone Masonry	Huljanti	Solapur		1.84
TOTAL				58.85	27.04
Total Extra Expenditure				85.89	

Appendix 3.1

(Reference : Paragraph 3.2.1; Page : 110)

Statement showing over payment of incentive allowance

Sr No	Name of Office	Period	Amount (Rs)	Period	Amount (Rs)	Total amount (Rs)	Department's reply
1	Principal, District & Session Judge, Bhandara	12/2004 to 7/2006	1049346	8/2006 to 8/2007	682075	1731421	Reply not received
2	Industrial Training Institute, Lakhandur, Bhandara	12/2004 to 7/2006	78369	8/2006 to 8/2007	50940	129309	Sought clarification from higher authority.
3	Filaria Hospital, N F C Unit, Gadchiroli	8/2004 to 7/2006	730705	8/2006 to 8/2007	395799	1126504	Sought clarification from higher authority.
4	Principal, District & Session Judge, Gadchiroli	8/2004 to 7/2006	435249	8/2006 to 1/2008	326436	761685	Sought Government's orders
5	Government Pleader and Public Prosecutor, Gadchiroli	6/2006 to 7/2006	3515	8/2006 to 8/2007	22848	26363	Sought Government's orders
6	Taluka Agricultural Officer, Mulchera, Gadchiroli	8/2004 to 7/2006	70400	8/2006 to 8/2007	38133	108533	Sought Government's orders
7	Superintendent of Police, Gadchiroli	8/2004 to 7/2006	23237331	8/2006 to 8/2007	12586887	35824219	Sought Government's orders
8	Superintendent, Pay & Provident Fund Unit, Gadchiroli	8/2004 to 7/2006	1534848	8/2006 to 10/2007	959280	2494128	Sought Government's orders
9	Collector, Gadchiroli	8/2004 to 7/2006	916716	8/2006 to 8/2007	496554	1413270	Audit comments not accepted
10	IT I, Mulchera, Gadchiroli	8/2004 to 7/2006	59397	8/2006 to 12/2007	42073	101470	Sought Government's orders
11	Principal, ITI, Arjuni Morgaon, Gondia	1/2006 to 7/2006	38384	8/2006 to 9/2007	76768	115152	Sought Government's orders
12	Executive Engineer, EGS (PW) Division, Gondia		0	1/2007 to 8/2007	18254	18254	Audit comments not accepted
13	Superintendent of Police, Gondia	8/2004 to 7/2006	208405	8/2006 to 8/2007	112886	321291	Sought Government's orders
14	Assistant Surgeon, Government T B Hospital, Gondia	8/2004 to 7/2006	266634	8/2006 to 8/2007	144427	411061	Sought Government's orders
15	Industrial Training Institute, Zari Jamni, Yavatmal	12/2004 to 7/2006	32890	8/2006 to 8/2007	21379	54269	Audit comments accepted
16	District Judge-1 & Additional Session Judge, Yavatmal	1/2005 to 7/2006	710125	8/2006 to 8/2007	485875	1196000	Reply not received
	TOTAL		2,93,72,314		1,64,60,614	4,58,32,929	

Appendix 3.2					
<i>(Reference : Paragraph 3.2.3; Page : 112)</i>					
Statement showing excess payment of dearness allowance grant					
Name of MC	Class	Demand of DA Grants made by MC (Rs)	DA grants admissible (Rs)	DA grants allowed (Rs)	Excess grant (Rs)
Achalpur	A	1,83,30,723 (2003-04)	1, 46, 64,578 (80 %)	1, 64, 97,651 (90%)	18,33,073
		1,91,22,128 (2004-05)	1, 52, 97,702 (80%)	1, 72, 09,915 (90%)	19,12,213
Anjangaon Surji	B	66,85,623 (2003-04)	56, 82,780 (85%)	66, 85,623 (100%)	10,02,843
		74,97,026 (2004-05)	63, 72,472 (85%)	74, 97,026 (100%)	11,24,554
Chikhaldara	C	7,97,539 (2003-04)	7, 17,785 (90%)	7, 97,539 (100%)	79,754
		9,83,132 (2004-05)	8,84,819 (90%)	9, 83,132 (100%)	98,313
Total:					60,50,750

Appendix 3.4 (Reference: Paragraph 3.3.3; Page : 124)			
Calculation of Profit			
		Government's calculation	Audit's calculation
1.	Total BUA to be handed over to Developer	43769.51 sq.mts	43769.51 sq.mts
2.	Addition of 25 <i>per cent</i> BUA as suggested by Chief Architect for sale purpose.	-	10942.38 sq.mts
3.	Total BUA available for sale	43769.51 sq.mts	54711.89 sq.mts
4.	Ready reckoner rate considered for sale of BUA	47500 (2005)	58500 (2006 as agreement is in 2006)
5.	Sale value (3 X 4)	Rs 207.90 crore	Rs 320.06 crore
6.	Cost of construction for developer		
	a) Government component	Rs 100 crore	Rs 100 crore
	b) Developer's component	Rs 65.65 crore	Rs 65.65 crore
	c) Transit tenemnts	Rs 13.06 crore	Rs 13.06 crore
7.	Total cost of construction	Rs 178.71 crore	Rs 178.71 crore
8.	Add for inflation	Rs 7.30 crore	Rs 7.30 crore
9.	Add interest for 2 years	Rs 19.43 crore	Rs 19.43 crore
10.	Cost of construction including interest/inflation (7+8+9)	Rs 205.51 crore	Rs 205.51 crore
11.	Profit sale price (5) – cost price (10)	Rs 2.39 crore	Rs 114.55 crore
12.	Profit <i>per cent</i> 11/10 *100	1.16 <i>per cent</i> ³	55.74 <i>per cent</i>
13.	Profit at 20 <i>per cent</i> (as per G.R. of March 2002) of investment	-	Rs 41.10 crore
14.	Profit in excess of 20 <i>per cent</i> of investment (Rs 114.55 – Rs 40.41 crore)	-	Rs 73.45 crore

³ Shown as 1.33 in the feasibility report

Appendix 3.5					
<i>(Reference : Paragraph 3.3.6; Page : 127)</i>					
Statement showing avoidable expenditure					
Strengthening of Aqueduct at ch 25920m on GLBC (clause 38)					
Item of work	Qty. considered under Clause 38	Payable as per tender rate		Payable as per Clause 38	
		Rate (Rs)	Amount (Rs)	Rate (Rs)	Amount (Rs)
Excavation in foundation in hard chiseled rock	552.89	439.80	243161.02	668.70	369717.54
Providing and laying in situ -100 CC	68.38	1601.50	109510.57	2418.80	165397.54
Providing and laying in situ M200 for jacketing	509.62	3077.80	1568508.44	5013.85	2555158.24
providing and laying in situ M200 for piers, abutments	1156.45	2512.80	2905927.56	3888.30	4496624.54
Providing and laying in situ M200 for RCC cap	23.10	2547.80	58854.18	3945.75	91146.83
Providing and laying M200 for RCC deck slab	0.00	2862.80	0.00	4634.85	0.00
Providing HYSD bars for reinforcement	87.37	36369.57	3177609.33	61117.00	5339792.29
Dewatering during execution of work	15500.00	9.00	139500.00	14.85	230175.00
Royalty charges for soil murum sand, metal	271.87	17.67	4803.94	35.34	9607.89
Total	18169.68		8207875.04		13257619.86
Add : 14.85 per cent above tender rate			1218869.44		
Grand Total		A	9426744.49	B	13257619.86
Difference (B - A) - Extra avoidable payment				I	3830875.37
If we consider 10 per cent escalation the amount would be			942674.45		
Grand Total		C	10369418.93	D	13257619.86
Difference (D - C) - Extra avoidable payment				II	2888200.93

Appendix 3.5 (concl.)					
Strengthening of Arch culvert at ch 2080M on GLBC (clause 38)					
Item of work	Qty. considered under Clause 38	Payable as per tender rate		Payable as per Clause 38	
		Rate (Rs)	Amount (Rs)	Rate (Rs)	Amount (Rs)
Removing lime/cement concrete	50.14	86.75	4349.65	107.80	5405.09
Excavation of soft strata	6254.59	86.38	540271.48	105.18	657857.78
Excavation of hard strata	210.81	435.75	91860.46	489.80	103254.74
Providing and laying CCM-100	89.60	1450.20	129937.92	1655.70	148350.72
Providing MS pipes 200mm	0.00	82.50	0.00	88.00	0.00
Preparation foundation for jacket	776.03	27.30	21185.62	39.40	30575.58
Providing and fixing 16mm spikes	813.00	32.05	26056.65	48.00	39024.00
Providing RC M-200 jacketing	470.45	3607.05	1696936.67	3874.55	1822782.05
Providing in situ CC M-15	97.85	2172.65	212593.80	2401.70	235006.35
Providing CCM-200 for caps	93.77	2428.70	227739.20	2657.00	249146.89
Providing HYSD bars	47.95	22842.55	1095300.27	31992.80	1534054.76
Dewatering	4977.00	8.20	40811.40	9.70	48276.90
Providing C.C.1:2:4 - A For bed lining	0.00	207.65	0.00	231.30	0.00
B For side slope lining	0.00	209.40	0.00	233.25	0.00
providing CC1:2:4 for profile walls	0.00	2076.70	0.00	2313.15	0.00
Total	13881.19		4087043.12		4873734.85
Add : 1.25 per cent above tender rate			51088.04		
Grand Total		A	4138131.16	B	4873734.85
Difference (B - A) - Extra avoidable payment				III	735603.69
If we consider 10% escalation the amount would be			413813.12		
Grand Total		C	4551944.28	D	4873734.85
Difference (D - C) - Extra avoidable payment				IV	321790.57

Extra avoidable payment without escalation : I + III	4566479.06	Rs.45.66 lakh
Extra avoidable payment with 10% escalation : II + IV	3209991.50	Rs.32.10 lakh

Appendix 3.6

(Reference : Paragraph 3.5.3; Page :141)

Department wise outstanding Inspection Reports/paras issued upto December 2008 but outstanding as on 30 June 2009

Sr. No.	Name of Deptt.	Mumbai/ Nagpur	Upto 2003-04		2004-05		2005-06		2006-07		2007-08		2008-09		Total	
			IR	Paras	IR	Paras	IR	Paras	IR	Paras	IR	Paras	IR	Paras	IR	Paras
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1	Agriculture, Animal Husbandry, Dairy Development and Fisheries	Mumbai	54	104	36	66	26	57	44	84	48	208	48	182	256	701
		Nagpur	129	196	24	51	30	46	72	209	100	341	105	431	460	1274
		Total	183	300	60	117	56	103	116	293	148	549	153	613	716	1975
2	Co-operation and Textile	Mumbai	51	120	18	34	16	45	11	28	11	55	27	75	134	357
		Nagpur	148	211	22	37	22	37	31	66	57	135	40	88	320	574
		Total	199	331	40	71	38	82	42	94	68	190	67	163	454	931
3	Employment and Self Employment	Mumbai	-	-	2	2	2	4	2	3	-	-	3	9	9	18
		Nagpur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total	-	-	2	2	2	4	2	3	-	-	3	9	9	18
4	Environment	Mumbai	-	-	-	-	-	-	-	-	5	16	5	24	10	40
		Nagpur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total	-	-	-	-	-	-	-	-	-	5	16	5	24	10
5	Finance	Mumbai	2	2	2	7	4	5	3	5	8	17	3	9	22	45
		Nagpur	7	12	1	1	4	4	2	3	2	2	8	19	24	41
		Total	9	14	3	8	8	9	5	8	10	19	11	28	46	86
6	Food ,Civil Supplies and Consumer Protection	Mumbai	3	6	1	1	1	2	2	8	4	5	2	2	13	24
		Nagpur	-	-	-	-	1	2	-	-	2	4	4	11	7	17
		Total	3	6	1	1	2	4	2	8	6	9	6	13	20	41
7	General Administration	Mumbai	6	7	3	3	4	10	5	7	4	10	13	49	35	86
		Nagpur	1	1	-	-	1	1	2	3	6	9	6	18	16	32
		Total	7	8	3	3	5	11	7	10	10	19	19	67	51	118
8	Higher and Technical Education	Mumbai	40	64	38	66	24	53	43	82	43	129	40	142	228	536
		Nagpur	85	142	61	179	47	196	68	384	95	850	79	585	435	2336
		Total	125	206	99	245	71	249	111	466	138	979	119	727	663	2872

Appendix 3.6 (contd.)																
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
9	Home	Mumbai	34	48	45	77	33	57	22	39	39	145	42	165	215	531
		Nagpur	43	71	8	26	34	104	11	63	28	166	26	147	150	577
		Total	77	119	53	103	67	161	33	102	67	311	68	312	365	1108
10	Housing	Mumbai	6	9	8	16	4	7	6	13	5	14	11	42	40	101
		Nagpur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total	6	9	8	16	4	7	6	13	5	14	11	42	40	101
11	Industries, Energy and Labour	Mumbai	27	44	10	18	15	29	12	41	12	30	21	101	97	263
		Nagpur	12	22	6	7	8	17	14	42	10	17	11	22	61	127
		Total	39	66	16	25	23	46	26	83	22	47	32	123	158	390
12	Law and Judiciary	Mumbai	11	14	6	7	8	12	10	21	9	28	18	63	62	145
		Nagpur	1	1	1	1	6	12	16	37	49	67	25	59	98	177
		Total	12	15	7	8	14	24	26	58	58	95	43	122	160	322
13	Maharashtra Legislature Secretariat	Mumbai	-	-	-	-	1	5	-	-	1	3	-	-	2	8
		Nagpur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total	-	-	-	-	1	5	-	-	1	3	-	-	2	8
14	Medical Education and Drugs	Mumbai	32	50	23	37	11	30	11	19	16	59	13	94	106	289
		Nagpur	15	32	6	17	8	23	12	46	11	64	10	74	62	256
		Total	47	82	29	54	19	53	23	65	27	123	23	168	168	545
15	Planning	Mumbai	-	-	1	1	1	1	1	1	2	5	-	-	5	8
		Nagpur	-	-	-	-	-	-	2	2	--	-	2	2	4	4
		Total	-	-	1	1	1	1	3	3	2	5	2	2	9	12
16	Public Health	Mumbai	53	92	48	72	25	48	14	53	24	109	13	84	177	458
		Nagpur	34	49	20	45	30	59	71	175	69	272	32	96	256	696
		Total	87	141	68	117	55	107	85	228	93	381	45	180	433	1154
17	Public Works	Mumbai	29	56	21	25	29	42	26	54	57	180	68	316	230	673
		Nagpur	114	201	49	112	49	142	59	234	64	281	36	189	371	1159
		Total	143	257	70	137	78	184	85	288	121	461	104	505	601	1832
18	Revenue and Forests	Mumbai	233	380	68	155	74	207	63	197	108	389	67	326	613	1654
		Nagpur	496	908	173	414	164	428	218	687	170	536	211	765	1432	3738
		Total	729	1288	241	569	238	635	281	884	278	925	278	1091	2045	5392

Appendix 3.6 (concl.)																
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
19	Rural Development and Water Conservation	Mumbai	29	53	14	36	11	15	13	43	13	69	15	105	95	321
		Nagpur	141	263	22	51	30	89	36	165	33	160	25	172	287	900
		Total	170	316	36	87	41	104	49	208	46	229	40	277	382	1221
20	Social Justice and Special Assistance	Mumbai	67	126	13	18	6	25	17	44	55	137	13	42	171	392
		Nagpur	31	40	25	71	26	70	22	61	24	84	37	135	165	461
		Total	98	166	38	89	32	95	39	105	79	221	50	177	336	853
21	School Education and Sports	Mumbai	31	45	27	45	17	40	13	35	14	48	16	63	118	276
		Nagpur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total	31	45	27	45	17	40	13	35	14	48	16	63	118	276
22	Tourism and Cultural Affairs	Mumbai	9	18	2	8	4	9	4	11	2	7	1	12	22	65
		Nagpur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total	9	18	2	8	4	9	4	11	2	7	1	12	22	65
23	Tribal Development	Mumbai	12	17	6	6	5	19	8	17	5	14	21	121	57	194
		Nagpur	3	4	18	36	21	58	17	67	17	103	22	86	98	354
		Total	15	21	24	42	26	77	25	84	22	117	43	207	155	548
24	Urban Development	Mumbai	8	16	7	16	3	9	8	22	1	16	12	55	39	134
		Nagpur	2	3	1	30	1	2	7	64	7	15	7	11	25	125
		Total	10	19	8	46	4	11	15	86	8	31	19	66	64	259
25	Water Resources	Mumbai	77	124	38	60	40	95	34	113	54	190	48	237	291	819
		Nagpur	298	554	64	146	84	213	82	229	96	349	65	280	689	1771
		Total	375	678	102	206	124	308	116	342	150	539	113	517	980	2590
26	Women and Child Development	Mumbai	19	36	17	32	9	37	9	15	9	42	10	20	73	182
		Nagpur	6	10	10	23	29	57	10	17	15	36	9	24	79	167
		Total	25	46	27	55	38	94	19	32	24	78	19	44	152	349
27	Water Supply and Sanitation	Mumbai	104	180	17	33	16	31	21	98	26	125	15	119	199	586
		Nagpur	2	2	-	-	3	3	5	13	5	8	7	7	22	33
		Total	106	182	17	33	19	34	26	111	31	133	22	126	221	619
28	Parliamentary Affairs	Mumbai	-	-	-	-	-	-	-	-	-	-	1	2	1	2
		Nagpur	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total	-	-	-	-	-	-	-	-	-	-	-	1	2	1
	Total		2505	4333	982	2088	987	2457	1159	3620	1435	5549	1313	5680	8381	23727

Appendix 4.1 (Reference: Paragraph 4.1.1; Page : 144)				
Statement showing details of various schemes implemented by Department				
Sr. No.	Name of scheme		Percentage of contribution	
			Central	State
Centrally sponsored schemes				
1.	Fisheries training and extension	State	80	20
2.	Development of Inland Fisheries Reservoir	State	75	25
3.	Development of Inland Fisheries Statistics	State	100	0
4.	Development of Fishing Harbour	State	50	50
5.	National Welfare Fund for fisherman	State	50	50
District level Schemes				
6.	Fish Farmers Development Agency	District	75	25
7.	Brackish water Fish Farmers Development Agency	District	75	25
8.	Assistance on purchase of OBM/IBM engines for non-mechanised boats	District	50	50
9.	Rebate on excise duty on HSD	District	100	0
10.	Grant of share capital to Fisheries Co-op Societies	State	100	0
National Co-operative Development Corporation				
11.	Assistance for the mechanisation of fishing crafts	District	80	10 10
12.	Assistance for preservation , transport and marketing	District	80	10 10
State Schemes				
Extension and Training				
1.	Training of fisher youth			
Inland Fisheries				
2.	Establishment of Inland Fish seed production farms			
3.	Establishment of National Fish seed Production Farm			
4.	Fish farming in impounded water			
5.	Establishment of fresh water prawn seed production (Foreign aided)			
Marine Fisheries				
6.	Assistance for utilisation Advanced techniques of marine fish			
7.	Subsidy for Electricity Charges to Fisheries Co-op Societies			
Landing and Berthing facilities				
8.	Improvement of landing facilities			
Assistance to Public Sector Undertaking				
9.	Assistance to Mah.Fisheries Dev.Corp'n for undertaking Dev. Of Fisheries Dev. Project			
Other Schemes				
10.	Reimbursement of sales tax/VAT on HSD			
11.	Assistance for purchase of fisheries requisites			
12.	Minor work (Discretionary grant)			

Appendix 4.2

(Reference: Paragraph 4.1.7.2; Page : 150)

Statement showing details of "Irregularities noticed in DC bills"

Suspected fraud of Rs 1,01,753/-

I. DC bill for Rs five crore - AC bill No.8 dated 8/06/2005

Sr. No. 110 – Gangaphal M.S.S. Ratnagiri

Invoice No. and date	Amount of S.T. VAT paid (Rupees)
1. 1422071152 dt. 3-6-05	4,066
2. 1422071039 dt. 1-6-05	4,066
3. 1422070928 dt. 30-5-05	4,066
4. 1422078465 dt. 17-11-05	1,01,753
5. 1422078465 dt. 17-11-05	1,01,753
6. 1422078692 dt. 26-11-05	46,095
Total	2,61,795
Amount paid as per DC bill	2,61,585

II. DC bill for Rs eight crore - AC bill No.23 dated 20/04/2005

Overpayment of Rs 5.76 lakh.

(A) Sr.No. 123 – Vesava Koli Sahakari Sarvodaya Sangh Ltd., Mumbai

Invoice No. and date	HSD qty. as per invoice in Kilolitre	Amount passed for payment & paid as per DC bill (Rupees)	Amount actually to be paid as per invoice & HSD supplied	Excess amount paid (Rupees)
1.1403376223 dt.29-4-05	12	2,17,761	95,534	1,22,227
2.1403376366 dt. 30-4-05	12	2,17,761	95,534	1,22,227
3.1403376565 dt.30-4-05	12	2,17,761	95,534	1,22,227
4. 1403376470 dt.30-4-05	12	2,17,762	95,534	1,22,228
Total	48	8,71,045	3,82,136	4,88,909

(B) Sr.No. 158 – Jaigad M.S.S. Ltd., Ratnagiri

1. 16704 dt. 25-4-05	12	1,31,882	87,335	44,547
2. 16777 dt. 29-4-05	12	1,31,883	87,335	44,548
Total	24	2,63,765	1,74,670	89,095
Actual amount as per DC bill		2,62,005		
		1,760		1,760
				87,335

Total excess payment : (A) + (B): 4,88,909 + 87,335 = 5,76,244

Excess reimbursement of Rs 1.01 lakh.

	Invoice No. and date	HSD qty. as per invoice in Kilolitre	Amount passed for payment and to be paid as per invoice (Rupees)	Amount adjusted as per DC bill (Rupees)	Excess amount paid (Rupees)
A)	1) 1403374294 dt. 19-4-05	14	101622		
	2) 1403374380 dt. 19-4-05	14	101622		
	3) 1403374556 dt. 20-4-05	14	101622		
	4) 1403374567 dt. 21-4-05	14	101622		
	5) 1403374597 dt. 21-4-05	14	101622		
	6) 1403374700 dt. 21-4-05	14	101622		
	7) 1413375192 dt. 23-4-05	14	101622		
	8) 1413375012 dt. 23-4-05	14	101622		
	9) 1413375016 dt. 23-4-05	12	87105		
	10)1413375120 dt.23-4-05	14	101622		
	11)1413375292 dt.24-4-05	14	101622		
	Total	152	1103325	1117842	14517
B)	1) 1403375577 dt.26-4-05	12	86135		
	2) 1403375857 dt.27-4-05	12	86135		
	3) 1403376010 dt.28-4-05	12	86135		
	4) 1403376155 dt.29-4-05	12	86135		
	5) 1403376367 dt.30-4-05	12	86135		
	Total	60	430675	516813	86138
C)	1) 1426116585 dt.29-4-05	12	87023		
	2) 1426116586 dt.29-4-05	12	87023		
	Total	24	174046	174658	612
	Grand total (A+B+C)	236	17,08,046	18,09,313	1,01,267

Appendix 4.3*(Reference: Paragraph 4.1.7.6; Page : 155)***Statement showing details of loans and interest pertaining to the period prior to 1977-78
remained to be recovered as of December 2008****(Rupees in lakh)**

Nature of Loan	Mumbai		Thane		Raigad		Ratnagiri		Sindhudurg	
	Loan	Interest	Loan	Interest	Loan	Interest	Loan	Interest	Loan	Interest
1)Mechanisation of Fishing Crafts(old and New Loans)	1.85	1.29	7.99	18.15	4.92	5.63	2.63	3.25	1.44	5.15
2)Preservation, Transportation and Marketing of Fish (old)	1.71	0.66	1.18	1.76	-----	-----	-----	-----	1.28	1.65
3)General Provisional Loans	3.49	-----	3.30	0.04	1.71	3.13	5.08	5.98	-----	-----
4)Natural Calamities viz Cyclone, Drought etc.	0.91	0.40	0.86	0.11	0.20	0.45	0.23	0.31	2.15	3.50
5)Maharashtra State Fisheries Development Corporation	52.84	-----	-----	-----	-----	-----	-----	-----	-----	-----
6)Halfkine Bio-Citycal Corporation	1.49	-----	-----	-----	-----	-----	-----	-----	-----	-----
7)Fisheries Cooperative Project	-----	-----	27.83	52.03	21.10	1.19	25.86	25.27	-----	-----
8)Special Nutritation Programme	-----	-----	-----	0.15	0.02	0.02	0.39	1.12	-----	-----
9)Additional Incentives for Fish Industry	-----	-----	-----	-----	0.05	0.05	1.17	-----	-----	-----
Total	62.29	2.35	41.16	72.24	28.00	10.47	35.36	35.93	4.87	10.30
Grand Total: Rs 3.03 crore										

Appendix 4.4								
(Reference: Paragraph 4.1.8.2; Page : 157)								
Statement showing details regarding performance of fish seed centres								
(Rupees in crore)								
Sr. No.	Name of the Region/ Seed production Centre	Year	Target	Production/ Achievement	Revenue realised	Expenditure on the Centres	Loss	Surplus
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(I)	R.D.C. Aurangabad							
1	Jaykwadi (Aurangabad)	2004-05	400	219.50	2.45	4.89	2.44	--
		2005-06	N.A.	270	3.65	3.85	0.20	--
		2006-07	N.A.	228	2.97	9.15	6.18	--
		2007-08	N.A.	283	4.88	4.00	--	0.88
		2008-09 (2/09)	500	241	5.87	1.22	--	4.65
		Total	900	1241.50	19.82	23.11	8.82	5.53
2	Galhati (Jalana)	2004-05	N.A.	N.A.	0.90	5.19	4.29	--
		2005-06	N.A.	N.A.	1.09	5.08	3.99	--
		2006-07	N.A.	118	1.68	6.13	4.44	--
		2007-08	N.A.	124	1.78	5.93	4.15	--
		2008-09 (2/09)	N.A.	12	0.11	4.27	4.16	--
		Total	N.A.	254	5.56	26.60	21.03	--
3	Manjara (Beed)	2004-05	N.A.	N.A.	N.A.	4.37	4.37	--
		2005-06	N.A.	N.A.	0.56	5.17	4.61	--
		2006-07	N.A.	4	0.14	5.78	5.64	--
		2007-08	N.A.	66	0.95	5.89	4.94	--
		2008-09 (2/09)	N.A.	N.A.	0.08	5.45	5.37	--
		Total	N.A.	70	1.73	26.66	24.93	--
4	Siddheshwar (Hingoli)	2004-05	250	25	0.05	6.28	6.23	--
		2005-06	N.A.	92	1.17	8.99	7.82	--
		2006-07	N.A.	92	0.61	8.43	7.82	--
		2007-08	N.A.	74	0.32	7.46	7.14	--
		2008-09 (2/09)	40	N.A.	N.A.	7.07	7.07	--
		Total	290	283	2.15	38.23	36.08	--
5	Masoli (Parbhani)	2004-05	500	49	0.89	6.31	5.42	--
		2005-06	N.A.	161	1.72	4.98	3.26	--
		2006-07	N.A.	253	3.13	6.46	3.33	--
		2007-08	N.A.	191	2.52	6.58	4.06	--
		2008-09 (2/09)	400	128	1.78	4.88	3.10	--
		Total	900	782	10.04	29.21	19.17	--
6	Bhategaon (Hingoli)	2004-05	100	89	1.77	3.32	1.55	--
		2005-06	N.A.	111	1.19	5.85	4.66	--
		2006-07	N.A.	115	0.60	6.72	6.12	--
		2007-08	N.A.	103	0.77	5.62	4.85	--
		2008-09 (2/09)	85	73	1.12	3.59	2.47	--
		Total	185	491	5.45	25.10	19.65	--
7	Karadkhed (Nanded)	2004-05	250	135	1.99	10.41	8.42	--
		2005-06	N.A.	266	1.48	10.08	8.60	--
		2006-07	N.A.	232	3.22	10.81	7.59	--
		2007-08	N.A.	133	1.90	12.37	10.47	--
		2008-09 (2/09)	250	141	1.87	4.47	2.60	--
		Total	500	907	10.46	48.14	37.68	--

Appendix 4.4 (contd.)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
8	Chandini (Osmanabad)	2004-05	N.A.	N.A.	0.82	2.52	1.70	--
		2005-06	N.A.	N.A.	2.75	3.04	0.29	--
		2006-07	N.A.	N.A.	3.58	5.80	2.22	--
		2007-08	N.A.	N.A.	3.11	3.21	0.10	--
		2008-09 (2/09)	N.A.	8	N.A.	2.86	2.86	--
		Total	N.A.	8	10.26	17.43	7.17	--
9	Gharani (Latur)	2004-05	350	300.75	4.19	4.59	0.40	--
		2005-06	N.A.	301	4.39	4.37	--	0.02
		2006-07	N.A.	172	4.81	5.12	0.31	--
		2007-08	N.A.	307	5.71	5.85	0.14	--
		2008-09 (2/09)	300	8	0.23	2.48	2.25	--
		Total	650	1088.75	19.33	22.41	3.10	0.02
10	Manar (Nanded)	2004-05	N.A.	25	0.85	5.32	4.47	--
		2005-06	N.A.	16	0.20	4.21	4.01	--
		2006-07	N.A.	15	1.22	5.53	4.31	--
		2007-08	N.A.	N.A.	0.32	6.14	5.82	--
		2008-09 (2/09)	N.A.	8	0.16	3.91	3.75	--
		Total	N.A.	64	2.75	25.11	22.36	--
11	Lonee (Nanded)	2004-05	N.A.	N.A.	N.A.	4.26	4.26	--
		2005-06	N.A.	N.A.	N.A.	4.02	4.02	--
		2006-07	N.A.	N.A.	0.75	3.07	2.32	--
		2007-08	N.A.	N.A.	1.27	4.99	3.72	--
		2008-09 (2/09)	N.A.	N.A.	N.A.	2.75	2.75	--
		Total	N.A.	N.A.	2.02	19.09	17.07	--
12	Khelana (Aurangabad)	2004-05	N.A.	N.A.	N.A.	0.84	0.84	--
		2005-06	N.A.	N.A.	N.A.	0.84	0.84	--
		2006-07	N.A.	N.A.	N.A.	0.93	0.93	--
		2007-08	N.A.	N.A.	N.A.	1.08	1.08	--
		2008-09 (2/09)	N.A.	N.A.	N.A.	N.A.	N.A.	--
		Total	N.A.	N.A.	N.A.	3.69	3.69	--
13	Dheku (Aurangabad)	2004-05	N.A.	N.A.	N.A.	0.58	0.58	--
		2005-06	N.A.	N.A.	N.A.	0.63	0.63	--
		2006-07	N.A.	N.A.	N.A.	0.63	0.63	--
		2007-08	N.A.	N.A.	N.A.	N.A.	N.A.	--
		2008-09 (2/09)	N.A.	N.A.	N.A.	N.A.	N.A.	--
		Total	N.A.	N.A.	N.A.	1.84	1.84	--
TOTAL (I)							222.59	
(II) R.D.C. Amravati								
14	Katepurna (Akola)	2004-05	605	325	5.59	7.30	1.71	--
		2005-06	450	131	3.94	8.95	5.01	--
		2006-07	410	475	10.24	7.76	--	2.48
		2007-08	325	579	8.56	8.84	0.28	--
		2008-09	530	199	3.02	7.24	4.22	--
		Total	2320	1709	31.35	40.09	11.22	2.48

Appendix 4.4 (contd.)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
15	Koradi (Buldhana)	2004-05	645	350	6.21	6.83	0.62	--
		2005-06	1025	360	4.81	6.31	1.50	--
		2006-07	575	452	5.91	6.93	1.02	--
		2007-08	500	511	5.65	6.80	1.15	--
		2008-09	560	296	4.45	7.95	3.50	--
		Total	3305	1969	27.03	34.82	7.79	--
16	Isapur (Yavatmal)	2004-05	630	230	2.12	8.26	6.14	--
		2005-06	425	64	0.81	7.71	6.90	--
		2006-07	450	203	1.19	10.55	8.65	--
		2007-08	200	259	4.96	9.21	4.25	--
		2008-09	325	284	4.31	14.37	10.06	--
		Total	2030	1040	13.39	50.10	36.00	--
17	Morshi (Amravati)	2004-05	N.A.	N.A.	0.20	5.27	5.07	--
		2005-06	N.A.	N.A.	0.34	7.39	7.05	--
		2006-07	N.A.	N.A.	0.67	5.89	5.22	--
		2007-08	N.A.	N.A.	0.77	7.01	6.24	--
		2008-09	140	N.A.	0.56	9.65	9.09	--
		Total	140	N.A.	2.54	35.21	32.67	--
18	Saikheda (Yavatmal)	2004-05	125	22	0.04	7.11	7.07	--
		2005-06	95	8	0.02	11.10	11.08	--
		2006-07	65	15	0.35	9.40	9.05	--
		2007-08	N.A.	30	1.25	7.06	5.81	--
		2008-09	39	37	1.22	4.45	3.23	--
		Total	324	112	2.88	39.12	36.24	--
19	Pus (Yavatmal)	2004-05	N.A.	N.A.	N.A.	1.63	1.63	--
		2005-06	N.A.	N.A.	N.A.	1.67	1.67	--
		2006-07	N.A.	N.A.	0.25	2.35	2.10	--
		2007-08	N.A.	N.A.	0.40	3.42	3.02	--
		2008-09	N.A.	N.A.	N.A.	2.16	2.16	--
		Total	N.A.	N.A.	0.65	11.23	10.58	--
20	Basalapur (Amravati)	2004-05	N.A.	N.A.	1.90	1.19	--	0.71
		2005-06	N.A.	N.A.	3.57	2.44	--	1.13
		2006-07	N.A.	N.A.	2.58	2.16	--	0.42
		2007-08	N.A.	N.A.	4.46	2.81	--	1.65
		2008-09	N.A.	N.A.	0.48	3.91	3.43	--
		Total	N.A.	N.A.	12.99	12.51	3.43	3.91
21	Mandava (Amravati)	2004-05	N.A.	N.A.	2.42	1.61	--	0.81
		2005-06	N.A.	N.A.	1.57	2.11	0.54	--
		2006-07	N.A.	N.A.	1.42	2.24	0.82	--
		2007-08	N.A.	N.A.	2.73	2.62	--	0.11
		2008-09	20	N.A.	0.37	4.50	4.13	--
		Total	20	N.A.	8.51	13.08	5.49	0.92
TOTAL (II)							143.42	

Appendix 4.4 (contd.)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(III)	R.D.C. Nagpur							
22	Amalnala (Chandrapur)	2004-05	250	85	1.70	2.88	1.18	--
		2005-06	150	152	2.02	7.49	5.47	--
		2006-07	50	65	0.76	5.55	4.79	--
		2007-08	300	79.40	1.25	5.41	4.16	--
		2008-09	N.A.	44.75	0.29	6.04	5.75	--
		Total	750	426.15	6.02	27.37	21.35	--
23	Chargaon (Chandrapur)	2004-05	N.A.	N.A.	1.99	1.48	--	0.51
		2005-06	N.A.	N.A.	0.90	4.57	3.67	--
		2006-07	10	N.A.	0.12	2.97	2.85	--
		2007-08	N.A.	N.A.	1.50	2.40	0.90	--
		2008-09	100	51	0.41	6.79	6.38	--
		Total	110	51	4.92	18.21	13.80	0.51
24	Maregaon (Chandrapur)	2004-05	N.A.	N.A.	N.A.	1.59	1.59	--
		2005-06	N.A.	N.A.	N.A.	1.91	1.91	--
		2006-07	N.A.	N.A.	N.A.	2.12	2.12	--
		2007-08	N.A.	N.A.	N.A.	1.36	1.36	--
		2008-09	N.A.	N.A.	N.A.	2.42	2.42	--
		Total	N.A.	N.A.	N.A.	9.40	9.40	--
25	Pench (Nagpur)	2004-05	500	387	10.46	10.16	--	0.30
		2005-06	500	219	4.57	12.35	7.78	--
		2006-07	500	110	2.16	8.12	5.96	--
		2007-08	600	70.25	2.56	1.306	--	1.254
		2008-09	300	40	1.98	4.72	2.74	--
		Total	2400	826.25	21.73	36.656	16.48	1.554
26	Vena (Nagpur)	2004-05	N.A.	N.A.	N.A.	N.A.	--	--
		2005-06	N.A.	N.A.	N.A.	N.A.	--	--
		2006-07	N.A.	N.A.	N.A.	N.A.	--	--
		2007-08	N.A.	N.A.	N.A.	N.A.	--	--
		2008-09	N.A.	N.A.	N.A.	2.376	2.376	--
		Total	N.A.	N.A.	N.A.	2.376	2.376	--
27	Khindshi (Nagpur)	2004-05	N.A.	N.A.	N.A.	0.78	0.78	--
		2005-06	N.A.	N.A.	N.A.	0.930	0.93	--
		2006-07	N.A.	N.A.	0.20	1.032	0.83	--
		2007-08	N.A.	N.A.	0.30	2.282	1.982	--
		2008-09	N.A.	N.A.	N.A.	2.071	2.071	--
		Total	N.A.	N.A.	0.50	7.095	6.593	--
28	Kelzar (Vardha)	2004-05	5	N.A.	N.A.	0.015	0.015	--
		2005-06	15	2.78	0.37	0.022	--	0.348
		2006-07	15	4.83	0.50	0.125	--	0.375
		2007-08	15	4.56	0.39	0.10	--	0.29
		2008-09	15	N.A.	N.A.	3.84	3.84	--
		Total	65	12.17	1.26	4.102	3.855	1.013
29	Bor (Vardha)	2004-05	5	1.94	0.06	0.055	--	0.005
		2005-06	15	5.77	0.54	0.093	--	0.447
		2006-07	8	4.55	0.37	0.105	--	0.265
		2007-08	15	1.40	0.11	0.06	--	0.05
		2008-09	15	N.A.	N.A.	4.03	4.03	--
		Total	58	13.66	1.08	4.343	4.03	0.767

Appendix 4.4 (contd.)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
30	Shivnibandh (Bhandara)	2004-05	100	31.01	8.173	6.38	--	1.793
		2005-06	100	32.65	10.62	6.69	--	3.93
		2006-07	100	31.913	11.689	7.583	--	4.106
		2007-08	100	11.825	9.246	8.257	--	0.989
		2008-09	100	15.34	5.233	9.69	4.457	--
		Total	500	122.738	44.961	38.60	4.457	10.818
31	Nagthana (Bhandara)	2004-05	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		2005-06	N.A.	2.325	0.207	N.A.	N.A.	N.A.
		2006-07	N.A.	4.495	0.417	N.A.	N.A.	N.A.
		2007-08	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		2008-09	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		Total	N.A.	6.82	0.624	N.A.	N.A.	N.A.
32	Itiadoh (Gondia)	2004-05	N.A.	10.597	2.179	6.025	3.846	--
		2005-06	N.A.	34.55	8.62	9.42	0.80	--
		2006-07	N.A.	2.79	3.27	4.943	1.673	--
		2007-08	N.A.	7.385	4.237	7.45	3.213	--
		2008-09	500	N.A.	N.A.	0.74	0.74	--
		Total	500	55.322	18.306	28.578	10.272	--
33	Ambhora (Gondia)	2004-05	N.A.	N.A.	N.A.	0.55	0.55	--
		2005-06	N.A.	N.A.	N.A.	0.689	0.689	--
		2006-07	N.A.	4.48	0.963	0.88	--	0.083
		2007-08	N.A.	4.54	0.998	1.41	0.412	--
		2008-09	N.A.	6.58	1.23	3.66	2.43	--
		Total	N.A.	15.60	3.191	7.189	4.081	0.083
TOTAL (III)							96.694	
(IV)	R.D.C. Pune							
34	Hadpsar (Pune)	2004-05	235	211	5.53	11.45	5.92	--
		2005-06	500	382	6.12	14.61	8.49	--
		2006-07	600	545	8.42	11.33	2.91	--
		2007-08	550	555	8.21	8.29	0.08	--
		2008-09	600	163	5.41	7.75	2.34	--
		Total	2485	1856	33.69	53.43	19.74	--
35	Dhom (Satara)	2004-05	335	88	3.64	3.38	--	0.26
		2005-06	300	132	4.77	3.81	--	0.96
		2006-07	305	230	5.08	7.80	2.72	--
		2007-08	330	137	3.72	4.25	0.53	--
		2008-09	300	167	6.01	3.91	--	2.10
		Total	1570	754	23.22	23.15	3.25	3.32
36	Ujani (Solapur)	2004-05	400	100	1.61	4.01	2.40	--
		2005-06	500	136	2.97	3.96	0.99	--
		2006-07	350	294	4.64	8.45	3.81	--
		2007-08	400	430	6.69	8.40	1.71	--
		2008-09	450	300	5.89	5.20	--	0.69
		Total	2100	1260	21.80	30.02	8.91	0.69
TOTAL (IV)							31.90	

Appendix 4.4 (concl.)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
(V)	A.C.F. Raigad							
37	Khopoli (Raigad)	2004-05	N.A.	850	21.60	9.94	--	11.66
		2005-06	N.A.	416	13.58	14.95	1.37	--
		2006-07	N.A.	425	9.20	11.54	2.34	--
		2007-08	N.A.	606	11.72	11.72	--	--
		2008-09	N.A.	471	10.58	11.54	0.96	--
		Total	N.A.	2768	66.68	59.69	4.67	11.66
TOTAL (V)							4.67	
(VI)	A.C.F. Thane							
38	Dapchari (Thane)	2004-05	N.A.	24.60	2.075	6.393	4.32	--
		2005-06	N.A.	42.115	3.71	9.05	5.34	--
		2006-07	N.A.	72.947	5.82	9.64	3.82	--
		2007-08	N.A.	52.384	3.85	10.73	6.88	--
		2008-09 (1/09)	N.A.	29.22	N.A.	N.A.	N.A.	--
		Total	N.A.	221.266	15.455	35.813	20.36	--
TOTAL (VI)							20.36	
Grand Total of loss sustained							519.63	

N.A. : Not Available

ABSTRACT:

Audit observation as per para	Sr. No. as per Appendix
No annual production target fixed for 16 farms	2, 3, 8, 10, 11, 12, 13, 19, 20, 24, 26, 27, 31, 33, 37, 38.
Annual production target fixed for three farms for one year	17, 21, 32.
Annual production target fixed for seven farms for two years	1, 4, 5, 6, 7, 9, 23.
Annual production target fixed for two farms for four years	18 and 22.
Annual production target fixed for 10 farms during 2004-05 to 2008-09.	14, 15, 16, 25, 28, 29, 30, 34, 35, 36.