

## CHAPTER IV

### EXECUTION AND PROCUREMENT

#### 4.1 Blocking of funds due to incomplete works

**Blocking of funds of Rs 110.73 crore due to 15987 incomplete works.**

In 15 ZPs<sup>1</sup> in respect of 15987 works taken up under various schemes during periods between 1995-96 and 2002-03 were incomplete (March 2003). The expenditure incurred on these incomplete works was Rs 110.73 crore (Appendix IV).

#### 4.2 Idle investments

**Idle investment of Rs 3.23 crore in hand and electric pumps.**

**4.2.1** Scrutiny of records of three ZPs<sup>2</sup> revealed that subsidy of Rs 1.01 crore paid to farmers for purchase of electric pumps during the year 2002-03 had resulted into idle investment due to non supply of electric connection.

**4.2.2** In order to make available drinking water to villagers ZPs installed hand pumps and electric pumps on wells in villages. In Kolhapur and Chandrapur ZPs, 688 hand pumps and 125 electric pumps installed at a cost of Rs 2.22 crore between 1999-2000 and 2001-2002 were not functioning.

The ZPs stated that collapse of soil into bores resulted in loss of yield of bores, however, action for their rejuvenation was being initiated to re-use the bore wells.

#### 4.3 Avoidable Expenditure

**4.3.1** ZP Sangli incurred an expenditure of Rs 4.50 lakh on purchase of 16 tanker tyres though there were no tankers with the ZP. The tyres have remained unutilized since 2002-03.

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<sup>1</sup> Ahmednagar, Buldana, Chandrapur, Kolhapur, Nagpur, Osmanabad, Parbhani, Raigad, Ratnagiri, Sangli, Satara, Sindhurdurg, Solapur, Thane, Wardha.

<sup>2</sup> Ahmednagar, Kolhapur, Sangli.

**Non-transfer of Major District Roads to Public Works Department resulted in avoidable expenditure of Rs 64.50 lakh on repairs.**

**4.3.2** The State Government had instructed in June 1992, ZP Sindhudurg to transfer Major District Roads (MDRs) to the Public Works Department (PWD). ZP Sindhudurg had not transferred the MDRs to the PWD and incurred avoidable expenditure of Rs 64.50 lakh on repairs of these roads.

**4.3.3** Government had prescribed norms that there should be one Primary Health Centre (PHC) for a population of 30,000 and 20,000 in general area and tribal/hilly area respectively based on 1991 census. The norms prohibit continuation of PHCs at places where Rural Hospitals (RH) are established to avoid duplication of services. In such circumstances the PHC should be shifted to needy places.

**Expenditure of Rs 1.24 crore incurred on PHCs/ dispensaries was avoidable.**

It was, however, noticed from the records of ZP Osmanabad that three Civil dispensaries at Tuljapur, Omerga and Bhoom and two PHCs at Sastur and Ter continued to function even though RHs were established in those areas in 1996. Thus avoidable expenditure of Rs 1.24 crore was incurred on the pay and allowances of staff and contingency on these PHCs/civil dispensaries during the period between July 1998 and June 2003

While admitting that the expenditure was avoidable, the ZP Osmanabad stated that proposals for the shifting of the PHCs and dispensaries had already been submitted to the Government and orders thereon were awaited.

#### **4.4 Unfruitful expenditure**

**4.4.1** The Maharashtra Zilla Parishad and Panchayat Samitis Account Code, 1968, stipulate that no work should be taken up unless the land required for execution is in the possession of the work executing agency. GOI had issued orders that prior

approval was necessary before taking up any work in forest area and no *ex post facto* sanction would be given for such works.

**Blocking of fund of Rs 14.87 lakh due to stoppage of work of percolation tank.**

- In ZP Buldana, work of construction of Percolation Tank (PT) at Rohinkhed was taken up in September 1998 at a cost of Rs 19.00 lakh to be completed by September 2000. An expenditure of Rs 14.87 lakh was incurred till May 1999. However gorge filling of the PT could not be executed as project affected people (PAP) did not allow it. The ZP had not completed land acquisition formalities for the PT and had not paid compensation to the PAP. This resulted in unfruitful expenditure of Rs 14.87 lakh.

The ZP Buldana stated that the compensation for acquired lands was not paid due to shortage of funds.

**Unfruitful expenditure of Rs 11.28 lakh due to non-obtaining of prior approval.**

- ZP Sangli incurred expenditure of Rs 11.28 lakh during 1995-96 and 2002-03 on acquisition of private land and construction of percolation tank at Siddhewadi. As a portion of the percolation tank covered forest land and prior sanction was not obtained, the work was stopped by the Forests Department. This resulted in unfruitful expenditure of Rs 11.28 lakh.

**4.4.2** The Government had released (May 1998) Rs 1.05 crore as loan to ZP Nagpur for construction of administrative building, which was to be repaid in 15 instalments.

**Unfruitful expenditure of Rs 18.70 lakh on construction of administrative building.**

Scrutiny of records revealed that the Nagpur Municipal Corporation (NMC) granted sanction for construction of the administrative building in February 1999 and the work was awarded to the contractor in February 2000 at an estimated cost of Rs 1.08 crore. The ZP had incurred an expenditure of

Rs 18.70 lakh till May 2000. Thereafter, the work was stopped as NMC objected to the construction of the building on the grounds that the construction might cause damage to a heritage building in the vicinity.

#### **4.5 Non utilisation of irrigation potential created**

**Irrigation potential not created after incurring expenditure of Rs 5.06 crore. Poor utilisation of created potential.**

Scrutiny of records in ZP Chandrapur revealed that for providing irrigation facilities, 203 KT weirs were constructed at a total cost of Rs 5.06 crore during the period between 1984-85 and 1999-2000 in the district. These KT weirs were reported to be in damaged condition due to various reasons. Consequently, irrigation potential of 6783 hectares could not be created as envisaged. The percentage of irrigation potential utilised during the period from 1998-99 to 2001-2002 ranged between 4 - 7 *per cent*.

The ZP stated that the KT weirs could not be repaired due to paucity of funds.

#### **4.6 Blocking of funds due to excess procurement of steel**

**Rs 5.30 lakh remained blocked due to non utilization of steel.**

In the year 1998-99, Irrigation Department of ZP Osmanabad had received 66.405 MT steel against the demand of 72.365 MT from the Works Department of the ZP. The Irrigation Department consumed 37.014 MT steel during the year and the balance of 29.391 MT steel at a cost of Rs 5.30 lakh had remained unutilised for nearly 6 years. Thus, steel was procured without assessment of requirement, leading to blockage of funds of Rs 5.30 lakh. No specific reply was furnished by the ZP.