

CHAPTER-IX

Irrigation and Flood Control Department

9.1 Introduction

Irrigation and Flood Control Department was created in the year 1959 with the objective of providing assured irrigation to cultivable/cultivated land in the State by renovation/modernisation of existing canals, construction/maintenance of irrigation canals, tube wells, *khuls*[♦] and distributaries. The department is also entrusted with the task of flood control.

9.2 Targets and achievements

The department had fixed the following targets for various activities undertaken by it and the achievement thereagainst during 2003-04 and 2004-05 were as follows:

Table 9.1

(Area in hectares)

S. No	Activity	2003-04			2004-05		
		Targets	Achievements	Shortfall (per cent)	Targets	Achievements	Shortfall (per cent)
1.	Creation of Irrigation potential	4500	3840	660 (15)	4500	4500	-
2.	Utilisation of Irrigation potential	3600	2808	792 (22)	3000	2200	800 (27)
3.	Flood protection work	500	1674	-	1300	1300	-

(Source: - Departmental records)

There was a shortfall of 15 *per cent* in creation of irrigation potential during 2003-04. The shortfall in utilisation of irrigation potential during 2003-04 and 2004-05 was 22 *per cent* and 27 *per cent* respectively. Audit scrutiny in three^{*} irrigation divisions revealed that there was a huge shortfall in creation of irrigation potential and it ranged between 58 and 92 *per cent*. In six[^] other divisions, shortfall in utilisation of irrigation potential was also high and it ranged between 28 and 81 *per cent*. Chief Engineers (Jammu/Srinagar) attributed belated release of funds and lesser canal closure periods as the reasons for non-achievement of targets in full.

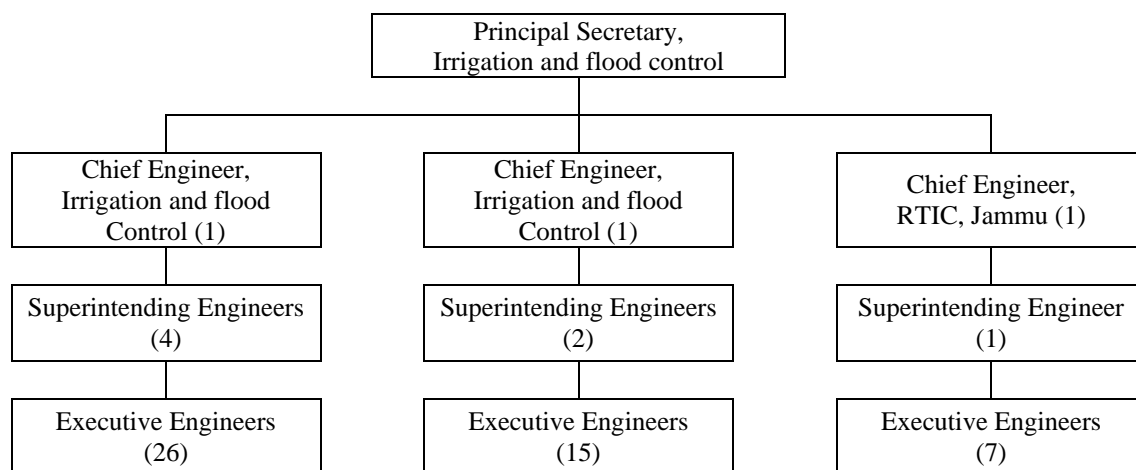
♦ Rivulet

* Irrigation Divisions: Pulwama (92 *per cent*), Ferozpora basin, Tangmarg (67 *per cent*), Tral (58 *per cent*)

^ Irrigation Divisions: Jammu-II (36 *per cent*), Poonch (28 *per cent*), Rajouri (45 *per cent*), Dharmari (58 *per cent*), Nowshera (81 *per cent*), Shopian (34 *per cent*)

9.3 Organisational structure

The organisational structure of the department is as under:



9.4 Manpower

Norms for assessment of manpower requirement in the department were not laid down and review of the sanctioned and effective strength of staff in various cadres was not carried out by the Administrative Department/Chief Engineers. Against the sanctioned staff strength of 11,686 posts under various categories, the working strength as on 31 March 2004 was 10,621 and 1,065 posts (9 per cent) were lying vacant.

9.5 Allocation and expenditure

The position of allotment of funds and expenditure thereagainst during 2003-04 and 2004-05 is indicated below:

Table 9.2 (Rupees in crore)

Head	2003-04			2004-05		
	Allotment	Expenditure	Savings	Allotment	Expenditure	Savings
Capital						
Plan	111.80	97.26	14.54	114.45	88.59	25.86
Non-Plan	-	-	-	-	-	-
Revenue						
Plan	49.86	47.18	2.68	51.83	48.06	3.77
Non-Plan	103.25	101.33	1.92	165.95	164.73	1.22
Total	264.91	245.77	19.14	332.23	301.38	30.85

(Source: - Departmental records)

There was an overall saving of Rs. 19.14 crore and Rs. 30.85 crore during 2003-04 and 2004-05 respectively. The reasons for huge savings were attributed by Chief Engineers (Jammu/Srinagar) to late release of funds. Break up of above expenditure is given below:

Table 9.3

(Rupees in crore)

Component of expenditure	2003-04	2004-05
Salary and other administrative expenditures.	115.77	121.58
Machinery and equipment	0.33	0.51
Material and supplies	0.27	0.26
Power charges	10.77	69.13
Interest	2.16	2.16
Other charges	116.47	107.74
Total	245.77	301.38

The establishment expenditure during 2003-04 and 2004-05 stood at 47 per cent and 40 per cent respectively. Test check in three[^] divisions revealed that establishment charges during 2003-04 were between 76 and 96 per cent of the total expenditure of these divisions, which indicated deployment of excessive manpower in these divisions.

Material Testing Laboratory, Hiranagar was not functioning since April 2000 but the services of the staff posted there were not utilised gainfully by the department and an expenditure of Rs. 13.44 lakh was incurred on payment of idle wages during April 2001 to May 2004.

9.6 User Charges

The department collects *abiana* (water charges) at the rates fixed by the Government. The assessments for recovery of *abiana* and actual realisation during 2003-04 and 2004-05 was as under:

Table 9.4

(Rupees. in crore)

Year	Opening balance	Assessment	Total	Actual realisation	Outstanding (per cent)
2003-04	3.56	1.03	4.59	1.03	3.56 (78)
2004-05	3.56	1.18	4.74	1.15	3.59 (76)

As can be seen from above there was slow progress in collection of revenue. User charges to the tune of Rs. 3.59 crore were outstanding as on March 2005. Chief Engineer, Irrigation and Flood Control Department, Jammu cited lack of control over *Numberdars*[♦] who are responsible for collection of *abiana*, as reasons for arrears in collection. However, no concrete steps were taken by the department to sort out the issue with Revenue Department and ensure the timely recovery of *abiana*.

9.7 Audit coverage

Audit of 62 units (out of 67) was conducted during 2004-05 and an expenditure of Rs. 110.05 crore, viz. 32 per cent of the total expenditure (Rs. 348.43 crore) incurred by these units during 2001-02 to 2004-05 was test checked in audit.

[^] Executive Engineers: RCC Division II (Lower) Hiranagar: 76 per cent; Tube well irrigation Division, Srinagar: 86 per cent; FSC Division Narbal: 96 per cent

[♦] Persons which act as a conduit between the Revenue department and land owners

Audit of Transactions

Audit findings of some important cases noticed during test check of records of various divisions are discussed in the succeeding paragraphs:

9.8 Unfruitful expenditure on Tingdoo Pipe Irrigation Scheme

In order to fully utilise available irrigation source (a *Nallah*) for the command area (80 acres) of Tingdoo village and prevent loss of water due to seepage/evaporation, Executive Engineer, Public Works Division-I, Kargil proposed (June 1997) the Tingdoo Pipe Irrigation Scheme at an estimated cost of Rs. 19.75 lakh. The scheme involved construction of a feeding channel, collection chamber and laying of two kilometers long G.I pipe (six inches diameter) from source to command area.

Test check (August 2004) of the records of Executive Engineer, Public Works Division-I, Kargil revealed that an expenditure of Rs 11.86^ψ lakh was incurred during 1998-99 to 2000-01 on incomplete works of construction of feeding channel (Rs. 1.48 lakh) and laying of G.I pipe (Rs. 10.38 lakh) without the accord of administrative approval. However, in view of insufficient discharge of source noticed during execution of scheme a revised double pipe scheme (estimated cost: Rs. 27.08 lakh) was proposed simultaneously in August 1999 with a new source (a spring) but the work on the original scheme was not stopped. On this being pointed out in audit Executive Engineer stated (August 2004) that revised proposal had not been approved and the original scheme stood closed.

Thus, defective planning of Executive Engineer, Public Works Division-I, Kargil in continuing the execution of works on Tingdoo Pipe Irrigation Scheme and simultaneously proposing a revised scheme resulted in unfruitful expenditure of Rs. 11.86 lakh on incomplete works.

9.9 Unfruitful expenditure

An expenditure of Rs. 33.83 lakh was incurred during 1995-96 to 2002-03 on construction of lift irrigation scheme Moolachak Jammu (Rs. 17.47 lakh) and Ser-plai lift scheme Akhnoor (Rs. 16.36 lakh) but the schemes were not completed (January 2005) due to land dispute/non release of funds and the entire expenditure was rendered unfruitful.

9.10 Locking up of funds due to poor store management

Audit scrutiny of Mechanical Division, RTIC, Kathua revealed that steel (1755.69 quintals) of different specifications costing Rs.18.62 lakh meant for construction of Ravi Tawi Irrigation canal was lying unutilised in the divisional

^ψ 1998-99: Rs 4.20 lakh; 1999-2000: Rs. 6.66 lakh; 2000-01: Rs. 1.00 lakh

stores since May 1997 due to non-construction of barrage of Shahpur Kandi. Besides, store items valuing Rs. 2.41 lakh[▲] purchased in 1997 were not issued to works till expiry of their shelf life, thus resulting in wasteful expenditure.

Moreover, stocks valuing Rs. 8.29 lakh purchased during 1998-2001 by Executive Engineer, Flood Spill Channel, Narbal (Rs. 2.80 lakh) and Tube Well Irrigation Division, Srinagar (Rs. 5.49 lakh) were lying unutilised (June 2005) in the stores for over four years.

Test check in five[♠] units of Kashmir province revealed that in addition to Rs. 36.05 lakh spent on execution of various schemes, an amount of Rs. 234.31 lakh was advanced for land acquisition of Lift Irrigation Schemes Tral and Rajpura (Rs. 59.26 lakh) and installation of electric sub station of Lift Irrigation Scheme Rafiabad (Rs. 175.05 lakh). These works were, however, not completed due to non-allotment of balance funds and the entire amount continued to be locked up.

9.11 Irregular and unauthorised execution of works

Except in cases covered by any special rule or order of Government, no work is to be taken up without administrative approval and technical sanction from appropriate authority. However, in 24 divisions (*Appendix-29*) Rs. 98.02 crore were spent on execution of 545 works/schemes without obtaining administrative approval and technical sanction from competent authorities.

Financial rules provide that works of original nature pertaining to relief measures necessitated by natural calamities can be taken up through *mates*[♦] without inviting tenders. Relief works involving expenditure upto Rs. 5,000, Rs. 10,000 and Rs. 25,000 can be allotted by Executive Engineers, Superintending Engineers and Chief Engineers respectively on work orders without seeking the approval of next higher authority. Works which did not fall within the ambit of relief measures were not to be executed on work order basis. Audit scrutiny in eight divisions, however, revealed that 350 works worth Rs. 4.18 crore (*Appendix-30*) were allotted by the Executive Engineers unauthorisedly beyond their competence without seeking the approval of next higher competent authority. Committee constituted (May 2003) in this regard by Development Commissioner for investigating the irregularities had not furnished its report (March 2005).

[▲] Asphalt: Rs. 0.88 lakh; cement: Rs. 0.86 lakh; plaximum: Rs. 0.60 lakh; crack seal: Rs. 0.07 lakh

[♠] Executive Engineers, Tube Well Irrigation Division, Srinagar: Rs. 21.05 lakh; Mechanical Irrigation Construction Division: Rs. 137.92 lakh; Irrigation Construction Division, Pampore: Rs. 15.00 lakh; Irrigation Division, Baramulla: Rs. 37.13 lakh and Land Acquisition Officer, Irrigation and Flood Control Department, Srinagar: Rs. 59.26 lakh

[♦] Labour contractors

9.12 Irregular payments on Hand Receipts

Jammu and Kashmir Public Works Account Code provides that works executed in Public works divisions should be paid on prescribed bill forms after proper measurements. Hand receipts (Form-28) are to be used for making advance and miscellaneous payments. Audit scrutiny in 13 divisions revealed that original and renovation works for Rs 3.58 crore (*Appendix-31*) were executed departmentally through mates and paid irregularly on hand receipts.

9.13 Internal Controls

Adequacy and effectiveness of internal controls in respect of 62 units was reviewed in audit during 2004-05. Controls in the below mentioned areas were inadequate and need to be strengthened and monitored effectively.

9.13.1 Physical verification of stores

Financial Rules provide that physical verification of stores is to be conducted at least once a year and discrepancies, if any, noticed are to be adjusted according to financial rules. Out of 62 units audited during 2004-05, physical verification of stores for the period ending March 2004 had not been conducted in 56 offices (90 per cent). This was fraught with the risk of shortages/leakages escaping the notice of higher authorities.

Audit scrutiny of four divisions* revealed that shortages of stores worth Rs. 12.37 lakh noticed as a result of physical verification of stores during 1975-76 to 2003-04 were not recovered/adjusted (July 2004).

9.13.2 Administrative Inspection

In order to exercise checks over position of resources and functioning of the Department, administrative inspection of each sub-ordinate office is required to be conducted annually by next superior authority. Test check in audit revealed that out of 62 units audited during 2004-05, annual administrative inspection of 57 units (92 per cent) was not conducted by the next higher authority.

9.13.3 Withdrawal of funds to avoid lapsing

Withdrawal of money from treasury and its credit to deposit head or in bank accounts with a view to avoid lapse of budget grant is strictly forbidden under financial rules.

Test check of records of five Irrigation Divisions[~] revealed that Rs. 56.33 lakh were drawn by debit to final head of account at the close of year during 2001-02 (Rs. 26.38 lakh) and 2003-04 (Rs. 29.95 lakh) without any

* Poonch: Rs. 1.05 lakh; Akhnoor: Rs. 4.03 lakh; Dharmari: Rs. 0.10 lakh; Kargil: Rs.7.19 lakh

[~] Irrigation Divisions: Budgam: Rs. 5.09 lakh; Anantnag: Rs. 12.74 lakh; Mechanical Sumbal Srinagar: Rs. 26.38 lakh; Kargil: Rs. 2.34 lakh; Baramulla: Rs. 9.78 lakh.

immediate requirement and credited to Public works deposits merely to avoid their lapsing.

Funds to the tune of Rs. 37.17 lakh received under Centrally Sponsored Scheme “Accelerated Irrigation Benefit Programme” were advanced (March 2004) by Executive Engineer, Irrigation Division, Kathua to Stores Procurement Division, Jammu for supply of 21,500 bags of cement. However, the material was not received (September 2004) which indicated that advance payment was made merely to avoid lapsing of funds.

9.13.4 Creation of liability and Diversion of Funds

Financial rules provide that except in cases covered by special rules or orders of the Government no work should commence or liability incurred until the funds to cover the charge during the year have been provided by the competent authority. Test check of the records in 19 divisions (*Appendix-32*) revealed that works were executed without the provision of funds, which resulted in creation of liability of Rs. 17.96 crore.

Further Rs. 36.59 lakh allotted for implementation of various works/schemes in eight divisions were irregularly diverted on activities not relating to these schemes.

9.13.5 Embezzlement of cash

Embezzlement of Rs. 11.45 lakh by the cashier, Irrigation Division, Kupwara was established in 1989-90 by the special audit party of Finance Department, Jammu and Kashmir Government. The official was placed under suspension (June 1989) and an amount of Rs. 1.58 lakh was recovered from him. Despite instructions from the Court, no departmental enquiry was conducted and the balance amount of Rs. 9.87 lakh was still recoverable from the official.

9.13.6 Non recovery of Service tax

Jammu and Kashmir General Sales Tax Act 1962 provides for deduction of service tax at source from the bills of contractors at prescribed rates fixed by the Government from time to time. However, in eight divisions (*Appendix-33*) service tax of Rs. 8.30 lakh was not deducted at source from such bills.

9.14 Action Taken Notes

Out of 30 Audit paragraphs (Reviews: 8; Draft paragraphs: 22) which featured against the department in Comptroller and Auditor General Audit Reports (1990-91 to 2003-04), Public Accounts Committee (PAC) discussed six paragraphs and made recommendations. However, the Action Taken Notes on the Audit paragraphs/recommendations of PAC were awaited (August 2005) from the Department.

9.15 Outstanding Audit Inspection Reports and Paras

The position of outstanding Audit Inspection Reports (AIRs) and paragraphs as on 31 March 2005 is indicated below:

Table 9.5

Name of the Wing	No. of Inspection Reports (with Audit Paras) outstanding at the beginning of the year 2004-05		Inspection Reports issued during the year 2004-05 (with Audit Paras)		No. of Inspection Reports/Audit Paras settled during the year 2004-05		No. of Inspection Reports/Paras outstanding at the close of the year 2004-05	
	AIRs	Paras	AIRs	Paras	AIRs	Paras	AIRs	Paras
RTIC ^φ Jammu	69	164	10	48	48	126	31	86
I&FC ^ε Jammu	172	373	24	108	115	270	81	211
I&FC Kashmir	138	460	28	141	100	273	66	328
Total	379	997	62	297	263	669	178	625

Although 669 paras contained in 263 AIRs were settled during 2004-05, 625 paras in respect of 178 AIRs continued to be outstanding as on 31 March 2005. Most of the audit observations raised during audit inspection of 62 units during 2004-05 pertained to regulatory issues (62 *per cent*). Objections relating to non-achievement of objectives, idle investments/locking up of funds and delays in commissioning of equipment, etc. constituted 27 *per cent*.

9.16 Conclusions

The department failed to achieve in full the targets set for utilisation of irrigation potential in the State. No norms for assessment of manpower requirement were laid down. Considerable administrative expenses in some divisions indicated deployment of personnel without any work. Execution of works without administrative approval/technical sanction, defective planning and poor store management resulted in unfruitful, avoidable and wasteful expenditure. Various internal control mechanisms laid down in Financial rules for effective management were not followed.

9.17 Recommendations

- Effective steps need to be taken for achievement of targets set for utilisation of irrigation potential.
- Norms for assessment of manpower should be laid down and redeployment of idle staff considered by the Department.
- Internal control mechanism laid down in Financial rules should be strictly followed.

^φ Ravi Tawi Irrigation complex
^ε Irrigation and flood control