

**REPORT OF THE  
COMPTROLLER AND AUDITOR GENERAL  
OF INDIA**

**CIVIL**

**FOR THE YEAR ENDED 31 MARCH 2011**

**Report No. 2**

**GOVERNMENT OF MADHYA PRADESH**

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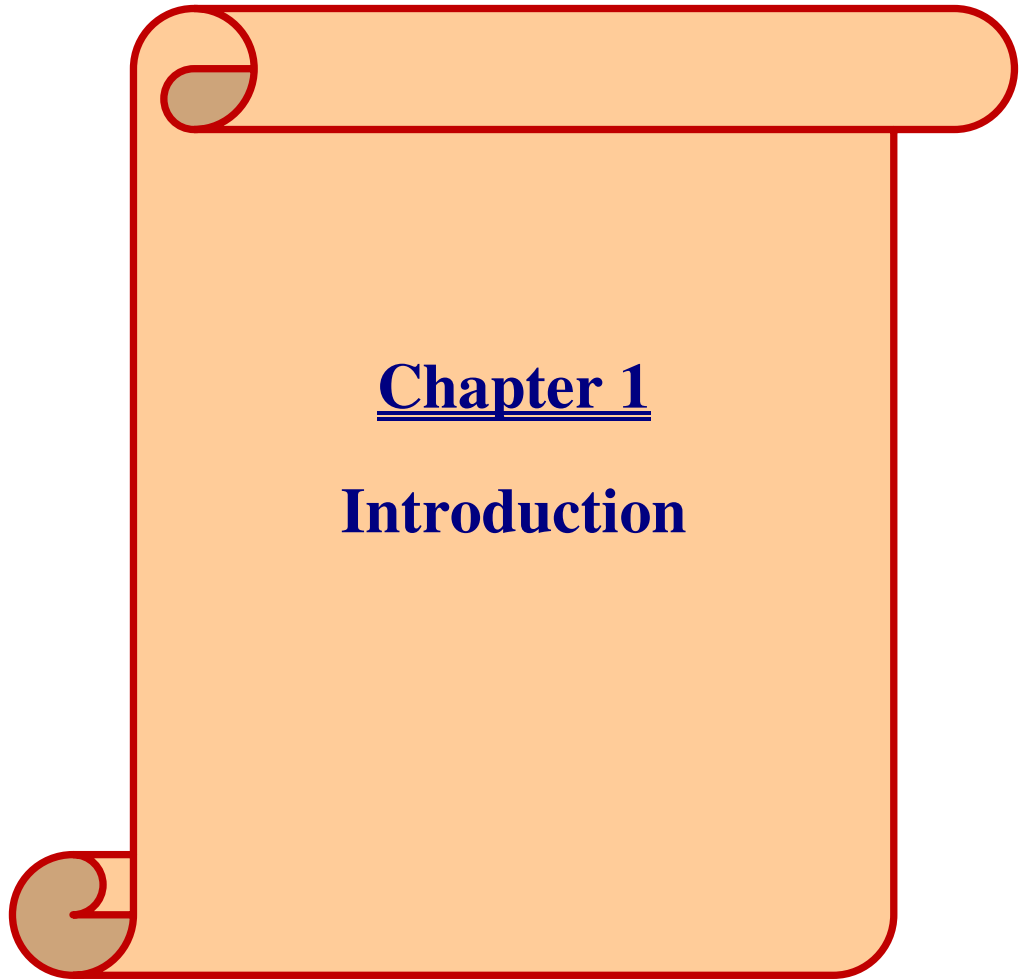
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## PREFACE

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution of India.
2. Chapter-1 of this report indicates auditee profile, authority for audit, planning and conduct of audit, organisational structure of the offices of the Principal Accountant General (C&CA) and Accountant General (W&RA) and response of the departments to the draft paragraphs. Highlights of audit observations included in this report have also been brought out in this Chapter.
3. Chapter-2 deals with the findings of the performance audit while Chapter-3 covers audit of transactions in various departments and Chapter-4 comments on functioning of Government Department(s).
4. The Reports containing (a) observations on the finances of the State Government, (b) observations arising out of audit of Statutory Corporations, Boards and Government Companies and (c) observations on revenue receipts of the State Government are being presented separately.
5. The cases mentioned in this Report are among those which came to notice in the course of test-audit of accounts for 2010-11 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 periods subsequent to 2010-11 have also been included, wherever necessary.



# Chapter 1

## Introduction

## Chapter 1

### 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, thereby, 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-2 of this report contains findings arising out of performance audit/thematic study of selected programmes/activities/departments. Chapter-3 contains observations on audit of transactions in Government departments and autonomous bodies. Chapter-4 presents an assessment of functioning of Labour Department and Public Works Department (Thematic Paragraph).

#### 1.2 Auditee Profile

There are 54 departments in the State at the Secretariat level, headed by Additional Chief Secretaries/Principal Secretaries/Secretaries, who are assisted by Commissioners/Directors and subordinate officers under them, and 346 autonomous bodies which are audited by the Principal Accountant General (Civil & Commercial Audit), Gwalior and the Accountant General (Works & Receipt Audit), Bhopal.

The comparative position of expenditure incurred by the Government during the year 2010-11 and in the preceding two years is given in **Table-1**.

**Table 1: Comparative position of expenditure**

(₹ in crore)

Disbursements	2008-09			2009-10			2010-11		
	Plan	Non-plan	Total	Plan	Non-plan	Total	Plan	Non-plan	Total
<b>Revenue expenditure</b>									
General services	36.19	10126.15	10162.34	123.81	11889.97	12013.78	112.70	14533.98	14646.68
Social services	4140.10	6005.84	10145.94	5712.12	7249.73	12961.85	7857.02	9488.38	17345.40
Economic services	3219.33	4211.83	7431.16	3652.22	4719.15	8371.37	4394.59	5689.89	10084.48
Grants-in-aid and contributions	225.97	1548.47	1774.44	349.53	2200.37	2549.90	546.41	2388.62	2935.03
<b>Total</b>	<b>7621.59</b>	<b>21892.29</b>	<b>29513.88</b>	<b>9837.68</b>	<b>26059.22</b>	<b>35896.90</b>	<b>12910.72</b>	<b>32100.87</b>	<b>45011.59</b>
<b>Capital Expenditure</b>									
Capital outlay	6503.45	209.70	6713.15	7863.82	61.05	7924.87	8657.07	142.81	8799.88
Loans and advances disbursed	677.18	1184.28	1861.46	47.25	3769.63	3816.88	959.32	2755.41	3714.73
Repayment of public debt (excluding transactions under ways and means advances)	-	-	1961.01	-	-	2394.05	-	-	2529.23
Contingency fund	-	-	-	-	-	-	-	-	-
Public account disbursements	-	-	45988.97	-	-	50871.84	-	-	62344.26
<b>Total</b>	<b>7180.63</b>	<b>1393.98</b>	<b>56524.59</b>	<b>7911.07</b>	<b>3830.68</b>	<b>65007.64</b>	<b>9616.39</b>	<b>2898.22</b>	<b>77388.10</b>
<b>Grand Total</b>	<b>14802.22</b>	<b>23286.27</b>	<b>86038.47</b>	<b>17748.75</b>	<b>29889.90</b>	<b>100904.54</b>	<b>22527.11</b>	<b>34999.09</b>	<b>122399.69</b>

### 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 Madhya Pradesh under Section 13<sup>1</sup> of the C&AG's (DPC) Act. C&AG is the sole auditor in respect of 346 autonomous bodies which are audited under sections 19(2)<sup>2</sup> and 20(1)<sup>3</sup> of the C&AG's (DPC) Act. In addition, C&AG also conducts audit of 316 other units, under Section 14<sup>4</sup> 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.

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

<sup>2</sup> 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

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

<sup>4</sup> 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 ₹ one crore.

#### **1.4 Organisational structure of the Offices of the Principal Accountant General (C&CA) Gwalior and Accountant General (W&RA), Bhopal**

Under the directions of the C&AG, the Offices of the Principal Accountant General (C&CA) Gwalior and Accountant General (W&RA), Bhopal conduct audit of Government Departments/Offices/Autonomous Bodies/Institutions under them which are spread all over the State. The Principal Accountant General and Accountant General are assisted by 10 Group Officers.

#### **1.5 Planning and conduct of Audit**

Audit process starts with the assessment of 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 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 (IRs) 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 IR. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations pointed out in these IRs are processed for inclusion in the Audit Reports, which are submitted to the Governor of Madhya Pradesh under Article 151 of the Constitution of India.

During 2010-11, in the Civil Audit Wing, 7,366 party-days were used to carry out audit of 1,125 units (compliance audit and performance audit) of various departments/organisation. In the Works and Forest Wing, 431 units were audited by utilising 4,005 party-days. The audit plan covered those units/entities, which were vulnerable to significant risk as per our assessment.

#### **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 upon.

##### ***1.6.1 Performance audits of programmes/activities/departments***

The present report contains two performance audit reviews, one long para, two thematic paragraphs and functioning of Labour Department and Public Works Department (Thematic Paragraph). The highlights are given in the following paragraphs:

### ***1.6.1.1 Acquisition and Allotment of Land/Government Land Management***

Centralised database on acquisition and allotment of land and payment of compensation was not maintained at state level. Erroneous fixation of market value of land led to under-assessment of compensation of ₹ 6.91 crore in 46 cases and excess payment of compensation of ₹ 12.76 crore in 23 cases. Avoidable expenditure of ₹ 5.88 crore was incurred on payment of additional compensation due to delay in passing award by one to 22 months. Compensation of ₹ 131.33 crore was not disbursed in 657 LA cases. The exchequer was deprived of ₹ 60.88 crore due to non-levy/deposit of service charges. Compensation money of ₹ 220.96 crore was not retained in P.D. account despite instructions of Finance department and were kept in bank account. Compensation money of ₹ 325.93 crore lying in P.D. account was not utilised. There was loss of revenue of ₹ 33.66 crore due to allotment of land in contravention of provision of RBC and ₹ 11.87 crore due to non execution of sanctions. Annual physical verification of allotted land was not conducted by the revenue authorities. 1979.594 hectares of land acquired by Industry department were not utilised for setting up industries.

**(Paragraph 2.1)**

### ***1.6.1.2 National Horticulture Mission***

NHM was launched in 2005-06 as Centrally Sponsored Scheme and implemented in 39 districts in various phases to enhance horticulture production, improve nutritional security and to provide income support to farm households. Diversion of ₹ 45.41 crore for 16 components within NHM was done without approval of GOI. Assistance of ₹ 2.01 crore was released to 38 private nurseries without ensuring completion of their establishment. Instead of giving preference to perennial fruit crops to ensure sustained growth of horticulture, expenditure of ₹ 68.89 crore was less than the funds released (₹ 81.43 crore). Due to non-production of applications of beneficiaries and required details of eligibilities, audit couldnot verify as to whether the assistance of ₹ 14.63 crore and ₹ 3.24 crore for expansion of area of fruits, spices and flowers and rejuvenation of senile plantation programme respectively was paid to the genuine eligible beneficiaries. In spite of incurring expenditure of ₹ 285 crore on area expansion of fruit crops, spices, flowers, rejuvenation etc. the objective of enhancing areas, production and productivity and thereby increasing the income of farm household could not be achieved.

**(Paragraph 2.2)**

### ***1.6.1.3 Construction of Bargi Diversion Project***

The right bank canal of Bargi dam has been renamed as Bargi Diversion Project. It is a major trans valley gravity canal irrigation project taken up in 2001-02. Out of the total live storage capacity of 2.58 million acre feet of the Bargi dam, a command area of 2.45 lakh hectare is intended to be irrigated through Bargi diversion project. The cost of the project was revised (December 2009) to ₹ 5127.22 crore and it was scheduled for completion by

June 2014. An expenditure of ₹ 1407.54 crore has been incurred up to March 2011. Due to ill-planned and non-synchronised execution of works, there was cost over run of ₹ 35.88 crore and time over run of six years in the project and it was irrigating a mere 710 ha as of March 2011. Our performance audit also revealed that the available water storage of Bargi dam would be inadequate to provide irrigation of 2.45 lakh ha envisaged for irrigation through this project. Instances of deficiencies in execution of works due to ill planning, non-observance of technical specifications, execution of unwarranted items in turnkey, premature release of guarantees and deficient contract management etc. were noticed. These resulted in excess and irregular payments as well as undue financial aid to contractors to the extent of ₹ 133.81 crore.

**(Paragraph 2.3)**

#### ***1.6.1.4 Pradhan Mantri Gram Sadak Yojana***

The Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched by Government of India (GOI) in December 2000. This programme is being implemented in Madhya Pradesh through Madhya Pradesh Rural Road Development Authority (MPRRDA). It is a 100 *per cent* Centrally Sponsored programme. As of March 2011, Government of India has sanctioned ₹ 9989.84 crore and expenditure there-against was ₹ 7136.30 crore. The programme envisaged provision of rural road connectivity to 8459 villages in the State by construction of 37,021 km all weather black topped roads. Against a target of 8459 roads, only 6229 roads were constructed as of 2010-11. The planning for the road work was deficient. Approved road lengths were reduced by 557.84 km resulting in excess drawal of central assistance under PMGSY to the extent of ₹ 103.20 crore. Expenditure incurred on 42 partially completed and subsequently abandoned roads led to wasteful expenditure of ₹ 1.60 crore. There was excess payment of ₹ 6.99 crore to the contractors due to inflated measurement of work done. ₹ 54.61 crore was pending recovery against several contractor. There was violation of contractual provisions by way of non-insurance of roads, resulting in undue financial aid of ₹ 1.19 crore to the contractors.

**(Paragraph 2.4)**

#### ***1.6.1.5 Lift Irrigation Schemes***

Lift irrigation schemes (LIS) are aimed at providing irrigation in high altitude lands that are not irrigable through normal gravity canals. The expenditure on construction and maintenance of 196 LIS remained largely unfruitful due to their dismal performance, as only 4.5 *per cent* of the targeted irrigation could be achieved. Forty nine LIS costing ₹ 44.71 crore designed to irrigate 20,397 ha land annually could irrigate only 3,566 to 2,876ha land during last four years between 2007-08 and 2010-11. Investment of ₹ 14.24 crore in 12 LIS became unfruitful as these LIS were rendered non-functional since their completion. Excess payment of ₹ 9.54 crore was made to suppliers towards price escalation due to incorrect adoption of base rate for steel. Audit also noticed inadmissible expenditure of ₹ 6.05 crore on maintenance and repair of 78 non-functional LIS during the five years period from 2006-07 to 2010-11,

and unfruitful expenditure of ₹ 27.85 crore on Chambal LIS due to stoppage of its work for want of forest clearance.

**(Paragraph 2.5)**

#### ***1.6.1.6 Chief Controlling Officer based Audit of Labour Department***

Labour Department is mandated to provide a safe working environment for workers in organised and unorganised sectors. The Department enforces 31 Labour Acts to create safe working environment and to ensure safety, health and welfare of Workers. The audit of the department revealed that the department has not conducted any survey to ascertain the number and status of workers engaged in organised and unorganised sectors. No statistical data regarding workers and establishments was available with the department. There were deficiencies in financial management as evidenced by deficiencies in maintenance of cash book, bill book etc. Housing schemes for Hamals and Beedi Workers were not properly implemented and funds released by Government of India remained blocked. There was shortage in inspection of establishments ranging from 29 to 63 *per cent* during 2006-2011. There was lack of control over renewal of establishments under different Acts and revenue remitted was not reconciled with the Government account. The applications for registration of 87 Trade Unions, were pending and also annual returns from 2561 out of 2654 Trade Unions were awaited from one to five years. The mechanism for assessment and collection of cess was not devised by the Building and Other Construction Workers Welfare Board. The quality testing of medicine was not conducted by ESI hospitals and hospitals were also under-utilised. Pendency of cases in Labour and Industrial Courts as of 31<sup>st</sup> March 2011 was 29154 and 529 respectively indicating slow speed of disposal of cases.

**(Paragraph 4.1)**

#### ***1.6.1.7 Extent of compliance with codal provision in Public Works Department***

In Public Works Department, we noticed several significant deficiencies and lapses in the matter of compliance to departmental rules and regulations. These deficiencies, *inter alia*, led to non adjustment of ₹ 42.99 crore lying under miscellaneous works advance since several decades, irregular expenditure of ₹ 1.98 crore in excess of deposits received, non reconciliation of treasury remittance of ₹ 261.89 crore and cheque drawals of ₹ 70.88 crore leading to difference between treasury figures and divisional office figures. Tools & Plants and other articles worth ₹ 7.49 crore were purchased in 12 divisions from an unauthorised vendor without floating tenders.

**(Paragraph 4.2)**

#### ***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:

- Non-compliance with rules.



- Expenditure without propriety.
- Persistent and pervasive irregularities.
- Failure of oversight/governance.

### **1.6.2.1 Non-compliance with rules**

For sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriation and frauds, but helps in maintaining good financial discipline. This report contains instances of non-compliance with rules involving ₹ 49.54 crore. Some significant audit findings are as under:

- *Failure to observe codal provisions facilitated suspected embezzlement of ₹ 12.52 lakh in the office of the Civil Surgeon cum Hospital Superintendent, Betul.*

**(Paragraph 3.1.1)**

- *Unauthorised retention of departmental receipts by Rogi Kalyan Samities amounting to ₹29.83 crore outside the Consolidated Fund of the State against the provisions of the Constitution of India and Madhya Pradesh Treasury Code.*

**(Paragraph 3.1.2)**

- *In a Public Works Division, adoption of incorrect CBR value of sub-grade soil of a road embankment resulted in excess execution of granular sub-base and extra expenditure of ₹92.53 lakh.*

**(Paragraph 3.1.4.2)**

- *In Water Resources Division Balaghat, in the work of construction of field channels having discharge as low as one cumec, lining work was done based on a costlier specification by use of reinforced cement concrete 1:2:4 instead of plain cement concrete 1:3:6, which led to extra expenditure of ₹1.92 crore*

**(Paragraph 3.1.5)**

- *In three divisions of Water Resources Department, avoidable expenditure of ₹ 2.64 crore was incurred due to execution of 75 mm cast in situ lining instead of 50 to 60 mm lining*

**(Paragraph 3.1.6)**

- *In 11 divisions of Water Resources Department, contractors were given undue financial benefit of ₹ 9.44 crore by failing to deduct additional security deposit prescribed in the agreement.*

**(Paragraph 3.1.8)**

### **1.6.2.2 Expenditure without propriety**

Authorisation of expenditure from public funds is to be guided by the principles of propriety and efficiency of public expenditure. Authorities empowered to incur expenditure are expected to enforce the same vigilance as a person of ordinary prudence would exercise in respect of his own money and should enforce financial order and strict economy at every step. Audit has detected several instances of impropriety in making expenditure out of public funds involving ₹ 19.21 crore, some of which are as under:

- *Irregular purchase of medical equipments costing ₹2.15 crore and non-observance of purchase rules resulted in extra expenditure of ₹1.36 crore in office of the Joint Director, Health Services, Ujjain.*

**(Paragraph 3.2.1)**

- *In two divisions of Water Resources Department, injudicious replacement of RCC aqueduct (as approved in the estimates) by steel aqueducts without justification resulted in extra cost of ₹13.91 crore*

**(Paragraph 3.2.4)**

### **1.6.2.3 Failure of oversight/governance**

The Government has an obligation to improve the quality of life of the people for which it works towards fulfilment of certain goals in the area of health, education, development and upgradation of infrastructure and public service etc. However, Audit noticed instances where the funds released by Government for creating public assets for the benefit of the community remained unutilised/blocked and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and concerted action at various levels involving ₹ 183.13 crore. A few such cases are mentioned below:

- *Due to lack of proper planning, quality and adequate registrations the real estate properties costing ₹12.68 crore were lying unsold.*

**(Paragraph 3.4.1)**

- *In Narmada Development Division Khargone, prescribed penalty of ₹8.66 crore for delay in achieving milestones was not levied. Besides, inadmissible payment of price adjustment of ₹ 13.88 crore and loss of interest of ₹ 41.73 lakh due to irregular and delayed recovery of mobilisation advance was also noticed.*

**(Paragraph 3.4.2)**

## **1.7 Lack of responsiveness of Government to Audit**

### **1.7.1 Inspection reports outstanding**

The Heads of Offices and next higher authorities are required to comply with the observations contained in the Inspection Reports (IRs), promptly rectify

the defects/omissions and report their compliance to the PAG/AG within four weeks of their receipt. The PAG/AG also brings serious irregularities to the notice of the Heads of Departments.

As of 30 June 2011, 12737 IRs (38610 paragraphs) were outstanding against civil departments including Works and Forest. Of these, 7102 IRs (17373 paragraphs) were pending settlement for more than five years. Year wise details of IRs and paragraphs outstanding are detailed in **Appendix-1.1**. Financial rules of the Government need to be modified to include provisions for speedy compliance/response to audit observations. A proposal in this regard has been sent to Finance Department (December 2011).

### ***1.7.2 Constitution of Audit Committee***

The Government while accepting the recommendations of Shakti Committee (High Powered Committee) constituted a High Power Committee (May 2000) for monitoring the follow-up action on audit observations. The Government constituted an Apex level Committee (April 2009) and 44 Departmental Level Committees (DLC) for speedy settlement of audit observations. But no periodicity of meeting of Apex Level Committee was prescribed in the order. However, departmental level committees are required to meet once in three months.

While Apex Level State Audit Committee did not meet, only one meeting of DLC was held during 2010-11 in the General Administration Department.

### ***1.7.3 Follow up on Audit Reports***

As per instructions issued (November 1998) by the Madhya Pradesh Vidhan Sabha Secretariat, the departments are to intimate the Public Accounts Committee (PAC) and the PAG/AG about the action taken or any action proposed by them in respect of Audit Report paragraphs within three months of presentation of the Audit Report in the State Legislature.

Departmental replies to 76 paragraphs pertaining to eight Audit Reports were still awaited due to delayed submission of replies by the departments concerned (September 2011) (**Appendix-1.2**). The fact in this regard had been reported to the Principal Secretary, Vidhan Sabha (November 2011).

### ***1.7.4 Paragraphs to be discussed by the Public Accounts Committee***

Sixty six paragraphs pertaining to Audit Reports for the years 2003-04 and onwards are pending discussions of the Public Accounts Committee. Department-wise and year-wise details are given in **Appendix-1.3**. The Principal Secretary, Vidhan Sabha had been requested (September 2010 and November 2011) to expedite the discussion on pending paras.

### ***1.7.5 Government response to PAC's recommendations***

The Chief Secretary, Government of Madhya Pradesh issued (November 1994) instructions to all the departments to inform PAC about the action taken or the action proposed by them in respect of PAC's recommendations within six months of presentation of PAC's report in the State Legislature. The copies

of action taken notes are also to be endorsed to the PAG/AG for his comments.

The departments did not furnish ATNs on PAC's recommendations on 586 Audit Report paragraphs (September 2011). ATNs had not been furnished on the recommendations made as early as 1986-87. Department-wise and year-wise details are given in **Appendix-1.4**. Pending position had been brought to the notice of the Chief Secretary (January 2011 and December 2011) and requested to issue suitable instructions to the departments concerned.

## **Chapter 2**

### **Performance Audit**

- 2.1 Acquisition and Allotment of Land/  
Government Land Management**
- 2.2 National Horticulture Mission**
- 2.3 Construction of Bargi Diversion  
Project**
- 2.4 Planning, implementation and  
system effectiveness of “Pradhan  
Mantri Gram Sadak Yojana”**
- 2.5 Performance of Lift Irrigation  
Schemes**

## Chapter 2

### Performance Audit

#### Revenue Department

### 2.1 Acquisition and Allotment of Land/Government Land Management

#### Executive Summary

The Government is empowered under the provisions of Land Acquisition (LA) Act, 1894 to acquire any land for public purposes after following prescribed procedure and payment of due compensation to land owners. The Government is also custodian of government land. The allotment of government land on lease or free hold is being decided by Government. The process of acquisition of land, allotment of government land involves significant use of public money, revenue and reflects the governance in the context of State-citizen interface. The Performance Audit on this subject is intended to assess transparency, efficiency and effectiveness of process of acquisition of land and management of government land. Performance Audit of Acquisition and Allotment of Land/Government Land Management conducted for the period 2006-11 revealed mainly following shortcomings:

Centralised database on acquisition of private land, payment of compensation to land losers, custody and allotment of government land was not maintained at State level. Government had not prescribed a uniform and transparent method for calculation of market value of land. Audit noticed that market value of land was *prima facie* erroneously determined even as per various methods adopted by LAOs which led to under-assessment of compensation of ₹ 6.91 crore in 46 cases and excess payment of compensation of ₹ 12.76 crore in 23 cases. Avoidable expenditure of ₹ 5.88 crore was incurred on payment of additional compensation due to delay in passing award by one to 22 months. Compensation of ₹ 131.33 crore was not disbursed in 657 LA cases. Compensation money of ₹ 220.96 crore was lying in bank account even after Government instructions to transfer the amount in personal deposit account and also interest earned on bank account was misappropriated in some cases.

There was no comprehensive and transparent policy for allotment of government land which would have facilitated equal opportunity to every desirous entity. Substantial revenue of ₹ 33.66 crore was lost due to allotment of government land to different bodies/organisations at lower rates in contravention of provisions of RBC. Realisation of revenue was withheld due to absence of time limit for finalisation of lease cases in case of advance possession and initiating recovery proceedings against the defaulters in the Act/rules.

Management of government land was poor. Land measuring 1979.594 hectares, acquired by Industry Department was not utilised for industrial development. No periodic physical verification of government lands was conducted as required under the RBCs. In four districts, 171.076 hectares of government land was not utilised by the allottees for purposes mentioned in allotment orders and no action was taken to resume the land. In 12 test-checked districts 13152 encroachment cases were not finalised.

### **2.1.1 Introduction**

Article 300A of the Constitution envisages that no citizen can be deprived of his property except under the authority of Law. The Government acquires land for public purposes under the provisions of Land Acquisition (LA) Act, 1894 as amended from time to time. The Act empowers the State Government to acquire any land for public purpose and lays down the procedures to be adopted for acquisition of land and payment of compensation to the land owners. Allotment of government land on lease to be used as home sites or for any community purpose or industrial purpose or for any other purposes is regulated by the provisions/instructions of Revenue Book Circulars (RBC).

Apart from being a major land holder, Government is an active player in the land market which it also regulates. It acquires land in large magnitudes for public purpose or allots it from its existing holdings to promote its policy objective. In this process, while it alienates land owned by it, it also dispossesses private land owners of their holdings through an established legal process which is meant to ensure proper opportunity to be heard and due compensation to the land losers. The entire spectrum of these actions involves significant use of public money and defines standard of governance in the context of State-citizen interface. We, therefore, took up a performance audit on the subject to ascertain that processes of land acquisition and overall management of land assets of Government of Madhya Pradesh including its 'alienation' for public purposes was being carried out as per laid down procedures and was economical, efficient and effective.

### **2.1.2 Organisational Structure**

The Revenue Department is headed by the Principal Secretary at the Government level. He is assisted by the Divisional Commissioners and the District Collectors. The District Collector is assisted by the Land Acquisition Officers (LAOs) and Nazul Officers/Tahsildars to administer land acquisition and lease cases. The Collector of the district functions as ex-officio Deputy Secretary to the Government to dispose of LA cases and to make award in general cases up to ₹ 25 lakh and in project cases up to ₹ two crore. The Commissioner of division functions as ex-officio Secretary for approving award above the monetary limit fixed for Collector.

### **2.1.3 Audit Objectives**

The audit objectives are to seek assurance that the:

- provisions of Act/rules & procedures for acquisition and allotment were complied with;
- compensation dues to land owners were properly assessed and paid in time;
- premium and annual ground rent for leased lands were fixed as per norms and realised; and
- adequate measures were taken to ensure utilisation of acquired/allotted land for the specified purposes and management of government land.

### 2.1.4 Audit Criteria

Following were the sources of various audit criteria:

- Land Acquisition Act, 1894 and National Highways Act, 1956
- Revenue Book Circulars (RBC)<sup>1</sup>.
- Madhya Pradesh Land Revenue Code, 1959 (MPLRC)<sup>2</sup>.
- Orders/circulars issued by Government from time to time for acquisition/allotment of land.

### 2.1.5 Audit Scope and Methodology

Records of Revenue Department, Collectors and the concerned Land Acquisition Officers (LAO), Rehabilitation Officers (RO) and Nazul<sup>3</sup>/Tahsil offices of 13 selected districts<sup>4</sup> relating to acquisition, allotment and management of land for the period 2006-11 were test checked in audit during April 2011 to October 2011. The selection of districts was done by simple random sampling without replacement method. During the entry conference held (May 2011), the audit objectives and methodology were discussed with the Principal Secretary. The audit findings based on the test-check of records were communicated to the audited entities through audit memoranda and their response sought. These were also discussed with the Principal Secretary during the exit conference (November 2011). The Principal Secretary in most of the cases agreed to take necessary action. But, the report on actual follow up action by the Government was awaited (January 2012).

## Audit Findings

### 2.1.6 Status of Acquisition and Allotment of Land at State level

Land is an asset of finite magnitude. Therefore, it is important to regulate land use through a policy framework that optimises public good and reconciles various competing demands for land. We noted that the department has not framed any land use policy for the State. Acquisition and leasing of land for various purposes was undertaken by the department without any land use plan. Although Revenue Department was the nodal department for the purpose, information about the land acquired, funds provided for acquisition of such land by various departments and the expenditure incurred thereon in the State were not maintained. Consolidated details of government land allotted/leased were also not available with the department. Absence of this information at the

<sup>1</sup> Allotment of government land on lease and fixation of premium and ground rent thereof is regulated by RBCs.

<sup>2</sup> Matters pertaining to assessment and realisation of land revenue, the power of revenue officers and other matters related to land are regulated by MPLRC.

<sup>3</sup> Government land which is used for construction or public utility purpose viz. Bazar or entertainment places. This land has site value and not agricultural importance.

<sup>4</sup> Anuppur, Badwani, Bhopal, Chhindwara, Hoshangabad, Indore, Jhabua, Katni, Khargone, Mandsaur, Neemuch, Ratlam and Singrauli.



apex level was attributed by the department to non-submission of monthly progress report of land acquired and allotted in the district by the district revenue authorities despite repeated instructions issued (May 1994, January 2000 and December 2002) by the department. It is apparent that the department has not attached due seriousness to non-availability of such vital information and its negative impact on governance in a sensitive and people centric matter like land. No step had been taken for framing a uniform method for determining market value of land in the State. In the absence of transparent and fair uniform method for determining market value of land acquired, different LAOs have been adopting different methods either under instructions of land acquiring departments or traditional method prevailing in the concerned district. It leads to discrimination in assessing compensation in different parts of the State. There was absence of a rational policy for allotment of government land.

Based on the information collected by us in the test checked 13 districts, 22164.497 hectares of land was allotted during 2006-11 by district revenue authorities. This included government land 2757.872 hectares<sup>5</sup> and acquired private land 19406.625 hectares<sup>6</sup> in the selected districts (**Appendix-2.1**). No periodic physical verification of government lands was conducted as required under the RBCs. Thus, in the absence of any other effective form of monitoring, utilisation of allotted government land for intended purposes was not ensured by the revenue authorities as discussed at paragraph 2.1.9.3. The objective of department to prepare land pool for better management of government land could also not be fulfilled. Payment of compensation awarded by Collectors was also not made to the land owners as analysed at paragraph 2.1.7.8. Private land acquired was not utilised for the intended purposes as discussed at paragraph 2.1.9.4.

## **2.1.7 Acquisition of Private Land and Assessment of Compensation**

### ***2.1.7.1 Possession of private land in violation of the provisions of LA Act***

Acquisition of private land under LA Act, 1894 is regulated by Sections 4, 6 and 9 in normal course and Sections 9 and 17 if land is to be acquired on ground of urgency, provided Government issues specific direction declaring the acquisition of land urgent in a specific case. Award for compensation in lieu of land acquired is made under Section 11 of the Act. Notifications under Section 4(1) which declares Government's intention to acquire specified lands and calls for objections from potential land losers and Section 6 which notifies acquisition of land after consideration of objections there against are

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<sup>5</sup> Housing (52.266 hectares), educational (279.277 hectares), social (247.023 hectares), power projects (1660.753 hectares), political parties (0.145 hectares), GOI units (363.744 hectares), State Government units (149.238 hectares) and commercial (5.426 hectares).

<sup>6</sup> Water Resource Department (WRD) (6324.08 hectares), Narmada Valley Development Authority (NVDA) projects (5925.312 hectares), various projects (5291.339 hectares), Public Works Department (PWD) (1395.845 hectares) and Other State Government units (470.049 hectares).

to be published in the official gazette and in two daily newspapers. Public notice is to be given at convenient places in the said locality where the land is to be acquired. Declaration under Section 6 shall be made within one year from the date of notification published under Section 4(1). Section 9 requires the Collector to issue a public notice at convenient places, expressing Government's intention to take possession of the land and requiring all persons interested in the land to appear before him personally and make claims for compensation before him. Sections 4, 6 and 9 are mandatory requirements in the acquisition process. The Collector shall make an award under Section 11 within a period of two years from the date of the publication of the declaration under Section 6. Under Section 17(1), in case of urgency, possession of land can be taken on the expiry of 15 days from the issue of notice under Section 9(1).

Scrutiny of records of LAOs in the test-checked districts revealed that the mandatory provisions of Act were not followed in the acquisition of private land as per details given in the **Table 2.1**.

**Table No. 2.1: Violation of provisions of LA Act**

**Provisions of LA Act were not followed in acquisition of private land.**

Name of District	Name of LAO	Area of Land/ Village	Audit Observation
Bhopal	Bairasia	2.242 hectares/ Bairasia and Ibrahimपुरा	PWD acquired the land in December 1984 for construction of Dewalkheda Approach Road without issuing notice under Section 4(1). The acquisition was notified after a lapse of 23 years (February 2007) and compensation award for ₹ 57.48 lakh was passed in October 2007. Actually, compensation of ₹ 4.50 lakh was paid to only one out of 57 land owners because PWD had not deposited the necessary funds with the LAO.
Bhopal	Huzur	0.60 acre/ Barkhedanathu	PWD took possession of the land in 1978 for construction of road from Neelbad to Mungalia Chhap via Barkhedanathu without making payment of compensation. On the basis of a writ petition filed by one of the land owners, Honourable High Court, Jabalpur directed (July 2005) the District Collector to take necessary action in the case. Notification issued by the Collector (May 2010) under Section 4 (1) was yet to be finalised. The total land acquired was not intimated to audit. The other owners/interested persons who were not party to the writ petition had not been identified. Payment of compensation was not paid to any person (May 2011).
Bhopal and Hoshangabad	Bairasia and Sohagpur	6.992 hectares/ Ibrahimपुरा, Bairasia, Ranmautha and Kajalkhedi	Additional compensation is admissible for the period commencing from the date of notification under Section 4(1) to the date of possession or award whichever is earlier. Additional compensation (₹ 17 lakh) awarded <sup>7</sup> by LAO, Bairasia (Bhopal) and Sohagpur (Hoshangabad) for acquiring 6.992 hectares of land was irregular because the possession of land was taken (December 1984 and November 1989 respectively)

<sup>7</sup> LAO Bairasia (LA Case No.1/A-82/05-06, 2.242 hectares, ₹ 14.18 lakh), LAO Sohagpur (LA Case No. 3/A-82/05-06, 2.618 hectares, ₹ 1.32 lakh and Case No. 4/A-82/05-06, 2.132 hectares, ₹ 1.03 lakh).

Name of District	Name of LAO	Area of Land/ Village	Audit Observation
			much before the date of notification under Section 4(1) (February 2007 and May 2008 respectively). This was not admissible as possession of land was taken before the date of notification.
Hoshangabad	Hoshangabad, Itarsi, Pipariya, Seoni Malwa and Sohagpur	16.689 hectares/13 villages	Land was acquired between 1985-86 and 2001-02 without following due procedure under the law. Notifications under Section 4(1) and 6 of the Act were issued after lapse of 8 to 22 years from the date of possession of land. Compensation of ₹ 18.87 lakh out of ₹ 84 lakh was not disbursed due to non-receipt of funds from land acquiring departments. Case wise details are shown in <b>Appendix-2.2</b>
Khargone	Omkareshwar Pariyojna	188.437 hectares/24 villages	In 24 cases, private land was acquired in violation of Section 17(1) because public notice under Section 9 was issued after possession of the land.

Delay in passing award and non-payment of compensation led to violation of legal rights of owners/interested persons and flagrant breach of law on the part of concerned Collectors. In the exit conference (November 2011), the Principal Secretary stated that suitable instructions would be issued to the Collectors. No follow up action was reported as of January 2012.

#### 2.1.7.2 Late publication of declaration

Whenever any particular land is needed for a public purpose, a declaration is to be published in the official gazette and in two daily news papers. Public notice is to be given at convenient places in the said locality where the land is intended to be acquired. Declarations under Section 6 of the Act are to be published within one year from the date of publication of preliminary notification under Section 4(1) of the Act. If declaration under Section 6 is not made within the prescribed time limit, it gets automatically invalidated. Consequently, notification under the Section 4(1) also lapses. A fresh notification under Section 4(1) is required to be made.

During test check of records of LAOs, it was noticed that in six cases (**Appendix-2.3**) declarations under Section 6 were made after expiry of one year. No fresh notifications were issued under Section 4(1). Thus, the compensation award of ₹ 19.68 crore for acquiring 10.144 hectares of land was passed to interested parties on the basis of invalid declarations.

Besides, it was noticed in two LA cases (district Badwani) that the area of land for which compensation had been determined was less than the area shown in the declaration under Section 6 of the LA Act notified in the official Gazette. In one case<sup>8</sup> in village Panchkula North part-II where declaration under Section 6 was notified for acquiring 290.149 hectares, 1.174 hectares land was erroneously included in the declaration. In another case<sup>9</sup>, 168.604 hectares land was declared for acquisition in which 11.100 hectares were erroneously included. In both the cases, declaration under Section 6 was notified for

<sup>8</sup> LA Case No: 9/A-82/08-09

<sup>9</sup> LA Case No: 92/A-82/08-09

acquiring 458.753 hectares against which award was made for 446.479 hectares of land. The award for remaining land was not passed due to erroneous publication of survey number or area there of. Neither this land was de-notified nor fresh notification of correct survey number/area was made.

### 2.1.7.3 Inordinate delay in LA proceedings

As per provision contained in Section 11 A of the LA Act, the Collector shall make an award within a period of two years from the date of publication of declaration under Section 6 of the Act. If no such award is made within the prescribed time, the procedure of acquisition of land shall lapse. Scrutiny of records of LAOs Govindpura and Huzur (Bhopal) revealed that in 11 cases (**Appendix-2.4**) the award was not passed even after the expiry of two years from the date of declaration. The funds deposited by the departments were lying in personal deposit (PD) accounts of land revenue authorities.

In one case<sup>10</sup> where declaration under Section 6 was published in May 2007, the award of compensation for ₹ 20.47 lakh for acquisition of 14.127 hectares land was passed by LAO, Anuppur in September 2009 after three months 22 days of expiry of maximum prescribed limit of two years.

No specific and valid reason was found on record to explain delay in passing the award nor desired pursuance for getting requisite information, if needed, appears to have been made. The case also raised doubts on the very grounds on which land was required.

### 2.1.7.4 Erroneous fixation of market value of land

As per the provision of Section 23 of LA Act, the market value of land on the date of notification under Section 4(1) has to be taken into consideration for determining the amount of compensation to be awarded for the land acquired. But, the Government has not framed any uniform method for determining the market value. Consequently, different LAOs were following different methods to assess market value of land. During test check of records of LAOs in the test-checked districts, we observed that determination of market value of land acquired for different departments in various cases, was *prima facie* erroneous. It has resulted in under/over assessment of compensation as analysed below:

#### *Acquisition of land for NVDA projects*

Market value of land for various NVDA projects i.e. Indira Sagar Canal Project, Omkareshwar Canal Project, Lower Goi Irrigation Project, was to be determined as per instructions (September 2008, January 2009 & December 2009) issued by NVDA. According to these instructions highest of the rates determined on the basis of (a) the average sale price of land in the concerned village, (b) average sale price of land of villages under Sakalda Command Area<sup>11</sup> and (c) price as per guideline rate prescribed by Collector was to form the basis for determining the market value of the land acquired. The sales

**Erroneous fixation of market value of land led to under assessment of compensation of ₹ 6.91 crore and excess payment of compensation of ₹ 12.76 crore.**

<sup>10</sup> LA Case No: 39/A-74/2008-09

<sup>11</sup> Command area declared by government for valuation purposes.

statistics pertaining to the financial year prior to the date of preliminary notification and relative rates as indicated at (c) above was to be considered for calculation of compensation for the land losers. Further, as per instructions issued (March 2010) by NVDA, rate (c) prevailing on the date of notification was to be adopted for computing the compensation amount. For land acquired for Upperweda Canal Project compensation was to be computed on the basis of market value of land as distinct from above three basis of valuation, as per provision of Section 23 of LA Act.

We observed in two districts Badwani and Khargone that the instructions of NVDA were not followed. There was under assessment of compensation of ₹ 1.42 crore in nine cases for acquiring 749.146 hectares of land (**Appendix-2.5**). There was also excess payment of compensation of ₹ 0.63 crore for acquiring 128.204 hectares of land in four cases in district Badwani (**Appendix-2.6**). Compensation was assessed either on the lower or on the higher side, mainly due to incorrect calculation of command area rate, or because the sales statistics nearest to the date of notification being ignored or through application of incorrect guideline rate.

#### ***Acquisition of land for WRD***

WRD instructed (March 2010) Collectors to calculate the market value of land acquired for large and medium projects, on the basis of highest price determined out of Collector Guideline Rate, Registered Sales Statistics of land of concerned locality/village and the rate of command area applicable on the date of notification under Section 4(1) of the LA Act. But, for small projects and canals the sales statistics of land of the village and the guideline rate whichever being higher was to be considered. Before issue of the above instructions, different LAOs adopted different methods for assessing market value of land. While some based it on the average of one/three years' sales statistics, others used sale price per rupee lagan<sup>12</sup> on the basis of one/three years' sales statistics for such computations.

We observed in test checked districts that the LAOs had taken one/three years' sales statistics as per Registered Sale Deed of sub-registrar and determined the market value of land on average basis which was improper because the sales price nearest to the date of notification which was higher than the average sales price was to be considered as provided under the LA Act. In some cases, the instructions of WRD (March 2010) were flouted as the LAOs had applied guideline rate incorrectly. In six test checked districts, there was thus under-assessment of compensation of ₹ 3.62 crore in 31 cases for acquiring 566.882 hectares of land (**Appendix-2.5**). We also noticed that in five test checked districts the compensation for acquiring 328.553 hectares of land in

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<sup>12</sup> Lagan is land revenue as per rates based on different varieties of soil. Sale price per rupee lagan is determined by dividing the total amount of sale of different sales during specific previous period by total amount of lagan worked out on the basis of rates applicable for different varieties of soil of land mentioned in sale deeds. The amount of lagan calculated for acquired land is multiplied with the sale price per rupee lagan in order to determine the market value. The rates of lagan were fixed in 1915.

13 cases was determined at much higher rates resulting in excess award/payment of ₹ 2.53 crore as shown in **Appendix-2.6**.

#### ***Acquisition of land for PWD and other departments***

In all the test checked districts, we observed that different LAOs had adopted different methods for assessing market value of land viz. average of one/three years' sales statistics, sale price per rupee Lagan on the basis of one/three years' sales statistics, rate prescribed for the village in Collector guideline etc.

In two districts Chhindwara and Indore, compensation of ₹ 1.86 crore was under-assessed for acquiring 12.615 hectares of land in six cases (**Appendix-2.5**) due to calculation of market value on the basis of average of sales statistics, in which the sales price nearest to the date of notification was ignored. In five cases, in other two districts viz., Bhopal and Singrauli the market value of 207.121 hectares of land acquired was erroneously determined by the LAOs mainly by application of Collector guideline rate instead of rate based on sales data close to the date of notification, resulting in excess compensation of ₹ 9.19 crore in these four districts as shown in **Appendix-2.6**.

Records of LAO, Jhabua, revealed that for acquiring 4.48 hectares<sup>13</sup> of un-irrigated land in the village Gehlerkalan for Gas Authority of India Limited (GAIL), Jhabua, market value of land was wrongly determined on the basis of the Collector guideline rate (₹ 1.21 lakh per hectare) fixed for the un-irrigated land for the year 2009-10 instead of on the basis of guideline rate (₹ 1.05 lakh per hectare) fixed for the year 2007-08 i.e. year of preliminary notification under Section 4(1). The land was not diverted land<sup>14</sup> on the date of preliminary notification. Out of 4.48 hectares, 0.88 hectare<sup>15</sup> land close to the National Highway was to be valued at twice (₹ 2.10 lakh per hectare) of the ordinary rate and the remaining 3.60 hectares land at the ordinary rate. But, in this case, the LAO had erroneously calculated the value of entire land at the rate applicable to the land close to the National Highway. The error was compounded by treating the land as diverted which resulted in enhancing the compensation three fold. Such erroneous calculation of market value of land resulted in excess payment of compensation ₹ 39.63 lakh to the land owners.

Thus, arbitrary methods of assessment of market value of land led to discrimination in payment of compensation. Either the interested parties were deprived of proper compensation or they were paid excessive compensation. Since varying basis of computing used by different LAOs for determining the quantum of compensation had resulted in land losers receiving dissimilar

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<sup>13</sup> Survey No. 138,140/2,141/2,136,139/2 and 144

<sup>14</sup> The use of land is changed from agricultural to non-agricultural purposes with the permission of revenue authorities.

<sup>15</sup> Survey No. 136 and 144

treatment, there is an urgent need to frame a fair and uniform policy for determining market value of land.

In the exit conference, the Principal Secretary stated (November 2011) that suitable instructions would be issued to arrive at correct market value as per LA Act.

#### 2.1.7.5 Excess Award of compensation for other properties attached to land

A compensation of ₹ 6.71 crore was awarded (March 2009) by LAO, Indore for 17.012 hectares of land on behalf of Indore Development Authority. This included compensation of ₹ 3.22 lakh for 17 wells/tubewells and ₹ 1.90 crore for 67 structures/buildings in the award statement. But, in the site verification report of the site verification committee, 60 structures/buildings only were shown and no wells/tubewells were shown. On the other hand, the names of 14 out of 52 beneficiaries to whom compensation of ₹ 36.27 lakh was to be paid were not mentioned in the award statement. The reasons of excess award and non-inclusion of 14 beneficiaries in the compensation award were also not intimated to audit.

#### 2.1.7.6 Erroneous payment of additional compensation and solatium

Under Section 23 (1A) of LA Act, in addition to the market value of the acquired land to be taken into consideration for determining compensation, an amount equal to 12 per cent thereof should also be awarded for the period from the date of publication of preliminary notification under Section 4(1) to the date of award or the date of taking possession of land, whichever is earlier. Under Section 23(2), solatium at 30 per cent on such market value should be awarded in every case in consideration of compulsory nature of the acquisition of land. As per Section 23 (1) of the Act, solatium and additional compensation is to be calculated on the market value of land including value of other properties (trees, tubewells, buildings, pipelines etc.) attached to land. The Government directed (January 2005) Collectors that land acquisition proceedings should be completed within six months from the date of notification of declaration under Section 6 of the Act. During scrutiny of records of LAOs in the test-checked districts, it was noticed that additional compensation and solatium was not paid according to the above provision/instructions as shown in **Table 2.2.**

**Table No. 2.2: Erroneous payment of additional compensation and solatium**

(₹ in crore)

Nature of Irregularity	No. of district	No. of LA Cases	Amount of award	Amount (excess (+)/ short (-))	Audit Observation
Less payment of additional compensation and solatium	2	14	36.53	(-) 1.47	In the districts of Bhopal and Mandasaur, solatium and additional compensation were not calculated on the value of other properties attached to land which resulted in less payment of compensation. Case wise details are shown in <b>Appendix-2.7.</b>
Payment of additional	7	23	44.84	(-) 1.04	The amount of additional compensation under Section

**Erroneous payment of additional compensation and solatium of ₹ 8.39 crore due to non-observance of the provisions of LA Act/instructions of the department.**

Nature of Irregularity	No. of district	No. of LA Cases	Amount of award	Amount (excess (+)/ short (-))	Audit Observation
compensation for less period					23(1A) was not paid up to the date of passing award in cases where award were passed during 2007-11. This resulted in less payment of ₹ 1.04 crore to the land owners. Details are shown in <b>Appendix-2.8.</b>
Avoidable payment of additional compensation	7	30	83.18	(+) 5.88	Land acquisition proceedings were delayed by the LAOs by one to 22 months beyond the prescribed time limit of six months for which avoidable additional compensation was paid. The case wise details are shown in <b>Appendix-2.9.</b>

In all the above cases, incorrect valuations were made by the LAOs while framing the award proposals. The mistakes remained undetected by the concerned Collectors. As a result, the land owners were deprived of proper compensation. In other cases, extra expenditure made for payment of additional compensation could have been avoided if the LAOs had finalised the proceedings within the stipulated time period. In the exit conference, the Principal Secretary stated that instructions would be issued to ensure adherence with the provisions of the LA Act.

#### 2.1.7.7 Payment of interest

Section 34 of the LA Act provides that when compensation for the land acquired is not paid or deposited on or before taking possession of the land, Government has to pay along with the compensation interest at 9 *per cent* per annum on the total amount of compensation including solatium for the period from the date of taking possession to the date of actual payment of compensation. In case, the compensation or any part thereof is not paid or deposited within one year, interest at 15 *per cent* per annum is payable from the date of expiry of the period of one year.

In districts Hoshangabad and Indore, it was noticed that interest under Section 34 of the LA Act was calculated on market value of land alone ignoring the element of solatium. This resulted in less payment of interest of ₹ 6.91 lakh (**Appendix-2.10**) to the land losers.

**Non/short payment of interest of ₹ 1.61 crore due to non-observance of provision of LA Act in five test-checked districts.**

In other three test-checked districts, it was noticed that land was acquired for different projects under Section 17(1) of the LA Act. As per law, 80 *per cent* payment of estimated compensation was paid to land owners before taking over possession. But, interest of ₹ 1.54 crore admissible under Section 34 on the balance amount of 20 *per cent* of compensation was not paid to the land owners as shown in **Appendix-2.11**. The reasons of non-payment of interest were not intimated to audit.



### **2.1.7.8 Non-disbursement/late payment of compensation**

**Compensation of ₹ 131.33 crore was not disbursed in 657 LA cases and payment of compensation was delayed in eight districts.**

As per the provision of Section 31 of the Act, after the award, the Collector shall tender payment of compensation to the land owners. As per instructions issued (January 2005) by the Revenue Department, the amount of compensation is to be paid to the interested parties within 15 days from the date of passing award. Further instructions were issued (April 2010) by the department seeking to disburse the amount of compensation within seven days of passing the award. During test check of records of various LAOs in the test checked districts, it was noticed that compensation amounting to ₹ 131.33 crore was not disbursed to the land owners in 657 LA cases as shown in **Appendix-2.12**. Non-disbursement of compensation was attributed by the LAOs to dispute on apportionment/entitlement of compensation among family members, non-availability of land owners, etc.

In eight test-checked districts, we noted that during 2006-11, the LAOs had delayed disbursement of compensation to the land owners for the period ranging between one to 26 months (**Appendix-2.13**).

### **2.1.7.9 Non-deposit of award money**

**Compensation of ₹ 12.74 crore was not disbursed due to non-receipt of funds from different departments.**

As per provision under Section 16 of the LA Act, when the Collector has made an award under Section 11, he may take possession of the land which shall vest absolutely in the Government free from all encumbrances. The Collector shall tender payment of the compensation awarded by him to the persons entitled thereto according to the award under Section 31 of the said Act. It was noticed in audit that in three districts, in 22 LA cases, compensation amount of ₹ 12.74 crore was not received from the concerned departments for the awards passed during 2007-11 (**Appendix-2.14**). As a result of which compensation was not paid to the land losers. Interest was to be paid under Section 34 of the LA Act. The liability of interest will increase as long as the payment of compensation is delayed. The LAOs were reminding the acquiring authorities to deposit the funds. In the exit conference, the Principal Secretary assured that money would be obtained from concerned departments.

### **2.1.7.10 Service charges not levied/deposited in Government account**

In order to grant incentives to the officers and staff engaged in land acquisition work and to reimburse the expenditure on such survey, the Government decided (July 1991) to levy service charge at the rate of ten *per cent* of the land acquisition award. It was to be recovered from concerned departments/undertakings/local bodies in advance on anticipated value of the land to be acquired by them. The amount so recovered was to be remitted to the Government revenue under the major head 0029 (Land Revenue). Revenue Department instructed (November 1998) to collect service charges for the land acquired under Sardar Sarovar Project (SSP) giving relaxation to other NVDA projects which was not found followed. It was observed in Collector offices and in the offices of LAOs that service charges of ₹ 13.20 crore were due for recovery from various departments on account of land acquired for them between 2006 and 2011. Service charges amounting ₹ 47.68 crore collected

**The exchequer was deprived of revenue of ₹ 60.88 crore due to non-levy/deposit of service charges.**

from various departments were lying in PD accounts/bank accounts and were not deposited in Government revenue (**Appendix-2.15**). Thus the exchequer was deprived of revenue of ₹ 60.88 crore due to non-levy/deposit of service charges.

Scrutiny of records of LAO Amarwara, Chindwara revealed that the LAO deposited service charges ₹ 90 lakh in the revenue head 0070-“Other Administrative Services” instead of depositing in receipt head of department 0029-“Land Revenue”.

### **2.1.7.11 Inefficient operation of Personal Deposit Accounts**

Finance Department directed (August 2005) the District Collectors to close the bank account and deposit the land acquisition compensation money in the PD account. The Revenue Department directed (October 2005 and February 2006) the Collectors to deposit interest earned on such saving bank accounts and term deposits into the Government account under the major head 0029. The above instructions were not followed by the LAOs.

**Compensation of ₹ 220.96 crore was kept in banks instead of depositing in PD account.**

Scrutiny of cash book, bank pass books etc. available in the offices of LAOs revealed that compensation money received by 26 out of 68 LAOs was kept in banks in fixed deposits (₹ 11.59 crore)<sup>16</sup> and in saving bank accounts (₹ 209.37 crore)<sup>17</sup> as of March 2011. The case-wise details of the amount lying with the LAOs and the period for which these were lying were not kept by the LAOs. It was the responsibility of District Collector to monitor this matter. In the exit conference, Principal Secretary assured that action would be taken to prevent such instances.

In eight test-checked districts, it was noticed that 16 LAOs had not deposited interest earned on compensation money amounting ₹ 8.96 crore<sup>18</sup> during 2006-11 in treasury. In Indore, ₹ 2.69 lakh was utilised irregularly on payment of hire charges of vehicles and on other miscellaneous expenditure which indicated misappropriation of interest money. In exit conference, Principal Secretary assured to take suitable action.

<sup>16</sup> Indore: LAO Indore (₹ 11.37 crore), LAO Sanwer (₹ 0.22 crore)

<sup>17</sup> Anuppur (4 LAOs, ₹ 36.51 crore), Badwani (2 LAOs, ₹ 10.62 crore), Bhopal (2 LAOs, ₹ 14.06 crore), Hoshangabad (1 LAO, ₹ 1.31 crore), Indore (1 LAO, ₹ 3.02 crore), Ratlam (2 LAOs, ₹ 0.07 crore), Jhabua (1 LAO, ₹ 0.45 crore), Katni (4 LAOs, ₹ 5.38 crore), Mandsaur (2 LAOs, ₹ 0.70 crore), Neemuch (2 LAOs, ₹ 3.04 crore) & Singrauli (3 LAOs, ₹ 134.21 crore)

<sup>18</sup> Anuppur (1 LAO, ₹ 0.01 crore), Badwani (2 LAOs, ₹ 0.72 crore), Hoshangabad (1 LAO, ₹ 0.37 crore), Indore (3 LAOs, ₹ 5.35 crore), Jhabua (2 LAOs, ₹ 0.15 crore), Mandsaur (2 LAOs, ₹ 0.50 crore), Neemuch (3 LAOs, ₹ 0.77 crore) and Singrauli (2 LAOs, ₹ 1.09 crore).

**Funds of ₹ 325.93 crore received as compensation were kept in PD account at the end of March 2011. Case wise details were not maintained.**

Scrutiny of PD account maintained in 11 of the 13 test-checked districts at district level<sup>19</sup> and by the LAOs revealed that ₹ 325.93 crore<sup>20</sup> were lying in PD accounts and in civil deposit as on March 2011. Case-wise details of the amounts lying in PD accounts were not kept by the LAOs. The balances in PD account were not reconciled with treasury records. In the absence of such records, the amount of unclaimed compensation, the refundable amount and the funds deposited for which award was yet to be passed etc. could not be ascertained .

We noticed that West Central Railway, Kota (Rajasthan) had requested (November 2009) Collector, Bhopal to refund ₹ 7.95 crore deposited (between March 2006 and April 2007) for acquisition of land because the detailed estimates of the projects for which the land was to be acquired were not sanctioned by the Railway Board. Similarly, in five LA cases<sup>21</sup>, LAO, Sendhwa (Badwani) was required to refund the balance amount of compensation of ₹ 1.09 crore to WRD and PWD. No action was initiated by the revenue authorities to refund the unutilised amount lying in PD/bank account.

#### ***2.1.7.12 Irregular collection of court reference amount***

Section 18 of the LA Act envisages that any person interested, who has not accepted the award, may by written application to the Collector requires that the matter be referred for the determination by the court. But, such application should be made within six weeks from the date of award, if he was present at the time when his award was made and in other cases, within six weeks of receipt of notice under Section 12(2) or within six months from the date of award, whichever period shall first expire. District Collector, Khargone directed (January 2006) the LAOs of NVDA projects to keep 20 *per cent* of award money of land acquisition to meet the claim of court reference cases. But, no orders/instructions in this regard were issued by the Government. The period for which the amount would be kept was not mentioned in the order of Collector. Scrutiny of records of LAO Omkareshwar/Maheshwar Project, Badwah (Khargone) revealed that LAO had collected and kept ₹ 11.95 crore in the PD account by the end of March 2011 for the awards made during 2007-2011. But, no court reference was made in the land acquisition cases, for which the 20 *per cent* additional amount was kept and the funds were lying

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<sup>19</sup> Bhopal, Katni and Ratlam

<sup>20</sup> Badwani (4 LAOs, ₹ 3.98 crore), Bhopal (₹ 41.32 crore), Chhindwara (5 LAOs, ₹ 127.68 crore), Hoshangabad (4 LAOs, ₹ 3.24 crore), Indore ( 2 LAOs, ₹ 58.44 crore), Jhabua (3 LAOs, ₹ 7.69 crore), Katni (₹ 11.32 crore), Khargone (8 LAOs, ₹ 57.98 crore), Mandsaur (3 LAOs, ₹ 6.50 crore), Neemuch (3 LAOs, ₹ 5.25 crore) & Ratlam (₹ 2.49 crore) (1 LAO, ₹ 0.04 crore).

<sup>21</sup> 2/A-82/06-07 (Chithali Road and Construction of Bridge, ₹ 0.11 lakh), 4/A-82/06-07 (Devdhar Talab, ₹ 77.66 lakh), 5/A-82/06-07 (Gaurikheda Talab, ₹ 11.76 lakh), 1/A-82/07-08 (Morgun Talab, ₹ 2.14 lakh) and 3/A-82/08-09 (Badgaon Talab, ₹ 17.88 lakh).

idle in PD account. The additional amount collected by the LAO without Government orders/instructions, was irregular.

### **2.1.7.13 Non-Utilisation of Compensation Money of Government and Religious Properties**

Narmada Valley Development Authority instructed (December 2004) Collector, Khargone that the compensation amount of religious properties in the submerged areas kept in the PD account could be utilised for resettlement of temples, religious structures in the selected sites of the resettlement zone. A temple construction committee was to be constituted under the chairmanship of Sub-divisional Magistrate (SDM). The amount was to be transferred to SDM and would be kept in the joint bank account of SDM and Tahsildar. In districts Badwani, Jhabua and Khargone, it was noticed that compensation for religious and Government properties of 10 villages amounting to ₹ 2.36 crore was lying unutilised as shown in **Table 2.3**.

**Table No. 2.3: Unutilised compensation money of Government and religious properties**

(₹ in crore)

Compensation on religious and government properties amounting to ₹ 2.36 crore was lying unutilised in three districts.

Name of district	No. of villages where the properties located	Amount of compensation	Status of compensation money
Badwani	4	0.18	Amount kept in PD account.
Jhabua	2	0.05	Amount kept in PD account.
Khargone	10	2.13	The amount withdrawn from PD account and kept in joint bank account of Collector and SDM.

Action for utilising the compensation money was not taken by the LAOs/Collectors. In the exit conference, the Principal Secretary stated to issue suitable instructions to the Collectors.

## **2.1.8 Allotment of Government Land and Realisation of Revenue**

### **2.1.8.1 Absence of Rational Policy for Allotment of Government Land**

Government land is allotted to private bodies/individuals for various purposes either through auction or without following auction route. During the period covered under audit, no land was allotted through the auction route in the test checked districts. Nazul lands were allotted without auction on case to case basis after getting approval from Inter Departmental Committee (IDC) constituted at the State level headed by the Revenue Minister. Though the RBC prescribes various degrees of concession to be given for allotment of various types of land to the potential applicants, these do not lay down any basic eligibility conditions for such allotments. In the absence of any master plans for urban areas committing use of spare lands for various public purposes in an optimal manner, the current procedure is based on first come first served principle. Land is therefore, not being allotted by open auction nor any advertisements inviting application for allotment of land for specific purposes are issued. Thus in an environment of information asymmetry, probability of the requirement of similarly situated individuals getting overlooked remained high. We also observed that though provisions have been

made for allotting lands at concessional rates, lands were allotted at rates lower than the rates prescribed in RBC. No clear cut criteria have been laid down for determining the eligibility for such concessions. Invariably, such requests from the applicants were referred by the IDC to Cabinet. We also observed that in several cases (see Table 2.4) the Cabinet had accepted such requests without assigning any specific reasons even though Revenue Department and Finance Department recommended their rejection for excessive concessions beyond the provisions of RBC IV-I. The various criteria and actual cases based on which we arrived at the above findings are discussed below:

Paragraph 13 of RBC IV-I prescribes the different circumstances under which the Government land can be allotted without auction. Paragraphs 19, 20 and 25 provide the procedure to be initiated by the District Collector before sending the proposal to Government through the Divisional Commissioner. Premium and ground rent of leased land are to be fixed as per provision contained in paragraph 26 of RBC IV-I as shown in **Table 2.4**.

**Table No. 2.4: Concessional rates prescribed for allotting Government land**

Sl. No.	Name of Institution	Provision in RBC	
		Paragraph/Purpose	Premium and ground rent fixed
1.	Educational Institution	26(6)/Educational	Premium at the rate of 50 per cent of minimum rate <sup>22</sup> and ground rent at two per cent of premium.
2.	Social Institution	26(2)/Social and cultural purpose	Premium at the rate of 75 per cent of market value <sup>23</sup> of land and ground rent at 50 per cent of normal ground rent (five per cent) of premium.
3.	Co-operative Housing Society (Societies)	26(8)/Residential	Premium at 60 per cent of market value of land and ground rent at five per cent of the premium.
4.	Municipal Corporations and municipalities	26(10)/Commercial	Premium at 50 per cent of market value of land and ground rent at 7.5 per cent of premium.

As instructed (March 2000) by the Principal Secretary, Revenue Department, an undertaking for not claiming concession on premium and ground rent is required to be obtained from the bodies/institutions while applying for allotment of land.

Scrutiny of records of Collectorates and Tahsils in test-checked districts revealed that the undertaking for not claiming concession on premium and ground rent were not obtained from bodies/institutions. Also the provisions of paragraph 26 of RBC IV-I were not followed. Consequently, the lands were allotted at lower rates as shown in the **Table 2.5**.

<sup>22</sup> Rate fixed for different cities/towns categorised on the basis of population under paragraph 23 of RBC.

<sup>23</sup> Rate prescribed in Collector guideline applicable for registration of document.

**Table No. 2.5: Allotment of land at lower rates**

Sl. No.	Name of the Society/institution (Purpose)	Land Area / place	Date of Government sanction/ Premium & Ground rent fixed	Audit Observation
1.	Abhibyakti Grih Nirman Samiti (Housing)	6.39 acre / Bawadiakalan, Bhopal	August 2008/ at the rate of ₹ 60 per sq. feet.	Government land measuring 6.39 acre was allotted to the society at ₹ 60 per sq. feet instead of prevailing market rate ₹ 4000 per sq. metre. Premium and ground rent of ₹ 6.52 crore which should have been realised from the allottee as per provision contained in paragraph 26(8) of RBC IV-I was realised at a lower amount of ₹ 1.05 crore. Wrong fixation of premium and ground rent resulted in short realisation of ₹ 5.47 crore and undue benefit to the society. The land was yet to be utilised by the allottee (May 2011).
2.	Rajdhani Patrakar Grih Nirman Samiti (Housing)	11.68 acre/ Nevari, Bhopal	June 2009/₹ 60 per sq. feet	As per allotment order of Government, the land was allotted at the rate of ₹ 60 per sq. feet while the market value of land as per Collector guideline in the village Nevari in 2008-09 was ₹ 2500 per sq. metre. Allotment of residential land at such a lower rate in contravention of provision contained in paragraph 26(8) of RBC IV-I resulted in loss of premium and ground rent of ₹ 4.24 crore. Though the Revenue Department had proposed to allot the land through auction so that the Government could earn more revenue and the Finance Department had endorsed this proposal, yet the land was allotted at a lower rate on the basis of a Cabinet decision dated 25 <sup>th</sup> August 2008.
3.	Jagaran Social Welfare Society (Educational)	78.661 hectares/ Mugaliya Chhap, Tahsil Huzur, Bhopal	August 2008/₹ 4 crore	The land was to be allotted at a premium and ground rent of ₹ 25.90 crore to the Society but was allotted at a premium and ground rent of ₹ 4.08 crore only. The Revenue Department as well as the Finance Department were against any relaxation in the rate prescribed in RBC but the land was allotted on the basis of decision of Cabinet dated 6 <sup>th</sup> August 2008. Application of lower rate by the Government resulted in short-realisation of ₹ 21.82 crore.
4.	Gram Bharati Siksha Samiti, Madhya Bharat, Bhopal (Educational)	8.375 hectares/ Shahapur, Tahsil Huzur, Bhopal	August 2008/5 per cent of minimum rate	Land was allotted to the Samiti at the rate of five per cent instead of at 50 per cent of minimum rate of ₹ 13.50 per sq. feet as per provision of paragraph 26(6) of RBC IV-I resulting in loss of revenue of ₹ 56.51 lakh. Both, Revenue Department and Finance Department were not ready to give the land at concessional rate but the land was allotted at a lower rate on the decision of Cabinet dated 28 <sup>th</sup> July 2008.

**Absence of rational policy and allotment of Government land at lower rates in contravention of provisions of RBC led to loss of revenue of ₹ 33.66 crore.**

5.	Maa Rewa Educational Society (Educational)	87120 sq. feet/ Jalalabad, Hoshangabad	April 2008/nil premium and ground rent of ₹ one.	The earlier allotment order, which was issued (April 2007) as per provision of RBC, was not executed. Another order was issued (April 2008) by the Government to allot the land at nil premium and annual ground rent of ₹ one on the decision of Cabinet as stated by the Principal Secretary in the exit conference. We observed that the land was earmarked for construction of infrastructure related to Satpura Tiger Reserve, Hoshangabad as intimated (July 2006) by the Conservator of Forest, Hoshangabad and the same could not have been utilised for other purpose without change of land use. The land was also not de-reserved as intimated (November 2011) by Revenue Department. An undertaking for not claiming concession in revenue was not produced by the society. The land was allotted arbitrarily without considering the assertion of Forest Department and in contravention of provision of RBC which resulted in loss of premium and annual ground rent of ₹ four lakh.
6.	Shri Digambar Jain Museum Sodh Sansthan Samiti (Educational)	5.00 acre/ Kanadia, Indore	March 2008/at premium of ₹ 245025 and ground rent of ₹ 4901	The village Kanadia is located in the periphery of Indore city, so premium was to be calculated at the minimum rate of ₹ 60 per sq. feet as per provision of RBC. But, the land was allotted at the rate of ₹ 2.25 per sq. feet by the IDC. This resulted in loss of premium and ground rent of ₹ 64.15 lakh.
7.	Municipal Council, Chhindwara (Commercial)	2134.40 sq. metre/ Chhindwara	March 2008/nil premium and ground rent of ₹ one.	Land measuring 2134.40 sq. metre was allotted (December 2006/January 2007) by the department to Municipal Council, Chhindwara for commercial purpose as per provision of paragraph 26 of RBC IV-I. Accordingly, premium and annual ground rent amounting to ₹ 76.72 lakh was to be recovered from the local body. Municipal Council requested (April 2007) for waiver of annual ground rent and agreed to pay the premium amount. Further, another order was issued (March 2008) to allot the land at nil premium and ground rent of ₹ one on the decision of Cabinet as stated by the Principal Secretary in the exit conference. This resulted in loss of revenue of ₹ 76.72 lakh.

8.	Sewa Bharati Mahakaushal, Branch Anuppur (social institution, construction of office building)	0.27 acre/ Anuppur	February 2008/nil premium and ground rent of ₹ one.	In the earlier order (August 2007) issued by Government, the land was allotted at a premium of 75 per cent of market value of land and ground rent at 50 per cent of normal ground rent (5 per cent) of market value. Further, another order was issued (February 2008) to allot the land at nil premium and ground rent of ₹ one on the decision of Cabinet as stated by the Principal Secretary in the exit conference. This resulted in loss of revenue of ₹ 11.63 lakh.
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We also noticed that whereas in some instances<sup>24</sup>, allotment order was issued for educational purposes as per provision of RBC IV-I in cases mentioned in above table, the allotment was made for similar purposes at lower rates in contravention of provision of RBC. Further scrutiny of records at Secretariat/Revenue Department revealed that the allotments were made as per the decision of the Cabinet overruling the opinions of the Departments of Revenue and Finance. In three orders<sup>25</sup> made available to audit out of seven cases, reasons for allotment of land at lower rates in contravention of RBC were not recorded by the Cabinet. In other four cases, reasons for relaxation were not intimated to audit. There were inconsistencies in the allotment orders due to absence of statutory regulations/rational policy.

#### **2.1.8.2 Absence of time limit for final allotment in case of advance possession**

As per standing orders of the department dated 20 November 1980 whenever advance possession of Government land is to be given to the applicant in anticipation of final sanction, the estimated premium calculated at current rate is to be provisionally recovered. After the final allotment from Government, the difference of estimated premium and premium and ground rent mentioned in sanction orders is to be realised. No time limit was, however, prescribed by Government for submission of proposals of allotment for final sanction. The department directed (December 2009) District Collectors to examine lease cases in which Government land was allotted 10 years before and premium & ground rent assessed were not realised. In cases where the allottee had failed to deposit the assessed revenue, a show cause notice was to be issued and cases finalised after providing a hearing to the assesseees. The department had also directed (January 1987 and November 1990) the Collectors to recover interest at the rate of 14/15 per cent on unpaid premium and ground rent from the date of advance possession to the date of allotment. During scrutiny of records of Collectorates and Tahsils in test-checked districts, we noticed that advance possession of Government land was given to different bodies/organisations without realising estimated premium. In several cases listed (see **Table 2.6** below), the allotment cases were not finalised in the absence of final sanction from Government and the due amount on account of

<sup>24</sup> Kevalyadham Yog Prashikshan Kendra, Bawadiakalan, Bhopal and Nilgiri Education Society, Indore.

<sup>25</sup> Cases at sl. no. 2,3 and 4.



provisionally estimated premium and final premium and ground rent, were not recovered.

**Table No. 2.6: Non-realisation of revenue for want of final allotment**

(₹ in crore)

Name of organisation (Purpose)	Land area/place	Date/year of advance possession	Proposed premium and ground rent not realised	Audit Observation
Madhya Pradesh Housing Board (MPHB) (Housing)	446.85 acre/Narela Sankari, Damkheda and Karodhkalan, Bhopal	1975-76 to 1997-98	41.58	In these cases, the proposal was not sent to Government for final allotment.
-do-	207.034 hectares/38 villages in Rajdhani Pariyojna (Nazul), Bhopal	1969-2000	25.13	Cases were not finalised for want of final sanction from Government.
-do-	18.61 acre/Raslakhedi (Tahsil-Govindpura, Bhopal)	1991-92	0.37	Allotment order was issued by Government (July 1995) but the amount was not recovered.
Bhopal Development Authority (BDA) (Housing)	17.19 acre/ Piplani Chamaran, Bhopal	1994-95	8.5	In these cases, the proposal was not sent to Government for final allotment.
-do-	62.15 acre/ Amrawadkhurd, Bhopal	March 1992	0.44	Out of 200 acre land allotted, 137.85 acre was forest land. Collector sent (March 1993) proposal to Government for final sanction of allotment which was not issued. ₹ 27.07 lakh was deposited (December 2006) by BDA in this case.
-do-	396.85 acre/ Shahapura, Bagsewaniya, Barkhedapathani, Pipaliyapendekha, Kasturba Nagar and Maharana Pratap Nagar	Between 1967-68 to 1979-80	20.71	Amount was not realised despite issue of final allotment order from Government and interest was also not recovered. In another two cases, interest of ₹ 2.93 crore was to be recovered for allotment of land 29.67 acre in M.P. Nagar and Maidamill of Bhopal for setting up a press complex.
-do-	177.187/43 villages (Rajdhani Pariyojna (Nazul), Bhopal)	During 1968 -1999	34.34	In the absence of final sanction from Government, cases were not finalised.

Name of organisation (Purpose)	Land area/place	Date/year of advance possession	Proposed premium and ground rent not realised	Audit Observation
Municipal Corporation, Bhopal (JNNURM)	0.95 acre/ Damkheda	October 2008	0.81	As directed by the land reservation committee, the land was to be allotted within two years from the date of reservation i.e. August 2008 failing which the reservation was to be treated as cancelled. The Collector submitted (January 2009) proposal of recovering ₹ 80.77 lakh from Municipal Corporation, Bhopal. The final sanction of allotment was still awaited from Government.
Sasan Power Limited (Private company), Singrauli (Power Project)	135.03 hectares/ Sidhikalan and Tiyara	December 2007 and May 2008	1.03	Proposal was sent by the Collector during 2009-10 for allotting 135.67 hectares land at a premium and ground rent of ₹ 7.29 crore. Provisional premium and ground rent of ₹ 6.26 crore was recovered. Final sanction from Government was awaited. Value of other properties amounting ₹ 1.70 crore was also to be realised.
Chitrangi Power Private Limited, Singrauli (Power Plant)	547.52 hectares/ Khokhawa, Bagaiya, Jamtihwa and Badgai	September 2009	-	Proposal for final allotment was not sent to Government. Advance possession was given realising provisional premium and ground rent of ₹ 11.97 crore.
District Marketing Officer, Chhindwara (Construction of cold storage)	3.51 acre/ Parasia Road, Chhindwara	1981-82	1.58 lakh (premium) and ₹ 11838/- (ground rent per year)	Advance possession was given without realising estimated premium. Proposal was sent (April 2008) to Government but sanction for final allotment was not issued.

The Government should prescribe time schedule to be adhered strictly for submission of cases of advance possession for final allotment to ensure timely realisation of revenue. In the exit conference, the Principal Secretary stated to examine the case and to take action quickly.

### ***2.1.8.3 Lack of monitoring mechanism for execution of sanctions***

As per instructions (September 2010) issued by Revenue Department and standard condition embedded in the sanction orders issued by Government for allotment of Government land, if premium and ground rent is not paid within six months of the issue of sanction, the sanction order would stand cancelled. Scrutiny of records of Collectorates and Tahsils in test-checked districts revealed that allotment orders issued by Government were not executed by district revenue authorities. As a result, land could not be allotted for intended

Non-execution of sanctions by district revenue authorities led to loss of revenue of ₹ 11.87 crore.

purposes and the assessed premium and ground rent could not be realised as shown in the **Table 2.7** below:

**Table No. 2.7: Non-realisation of revenue due to lack of monitoring mechanism**  
(₹ in crore)

Name of district	Name of institution/ purpose	Date of allotment	Area of land/place	Assessed premium and ground rent not recovered
Badwani	Maa Gayatri Siksha Samiti/ Educational	November 2010	27840 sq. feet/ Anjad	1.57
Chhindwara	Income Tax Department (Commercial and Residential)	May 2010 and November 2010	30000 sq. feet/ Chhindwara	2.82
Katni	Ms. Sanghi Industries Limited (Establishing cement industry)	November 2009	193.86 hectares/ Karitalai	5.06
Khargone	Maheshwar Jal Vidyut Pariyojna (Rehabilitation)	August 2010	126.341 hectares/ Laundi, Beejgohan, Peepalgone	2.42 (out of ₹ 2.69 crore)

This showed failure on the part of district revenue authorities to monitor and execute the sanction orders issued by the Government. In the exit conference, the Principal Secretary assured that the matter would be examined and corrective action taken.

#### 2.1.8.4 Absence of time limit for initiation of recovery proceedings

Non-realisation of revenue of ₹ 142.87 crore due to absence of time limit for initiation of recovery proceedings.

Section 155 of MPLRC provides for recovery of dues not paid on or before due date as arrears of land revenue by attachment and sale of movable or immovable property of the defaulters. As per provision contained in paragraph 39 of RBC IV-I, a demand and collection register was to be maintained in respect of the lands allotted on permanent lease, to watch the ground rent due and collected so that the Tahsildar could issue notice to the defaulter lease holders to deposit the ground rent. Similarly, instructions were issued (May 2002) by the department to impose 10 *per cent* interest on outstanding lease rent if the lease holders failed to pay rent in time. In 11 test-checked districts, it was noticed that premium and annual ground rent amounting to ₹ 142.87 crore<sup>26</sup> was not paid by the leasees at the end of March 2011. Proceedings for recovery of dues as arrears of land revenue were not initiated by the respective assessing officers even after considerable efflux of time. Reasons for non-recovery of dues were not furnished to audit. Only Nazul officer, Katni stated that some lease holders had died and some had sold their lands to others who were reluctant to deposit the ground rent. No time schedule was prescribed by the Government to initiate the recovery

<sup>26</sup> Badwani ₹ 0.01 crore, Bhopal ₹ 138.32 crore, Chhindwara ₹ 0.01 crore, Hoshangabad ₹ 1.18 crore, Indore ₹ 0.22 crore, Jhabua ₹ 0.08 crore, Katni ₹ 0.05 crore, Khargone ₹ 0.02 crore, Mandsaur ₹ 0.54 crore, Neemuch ₹ 0.07 crore, Ratlam ₹ 2.37 crore.

proceedings in cases where dues were not deposited by due date. In the exit conference, the Principal Secretary stated that action would be taken after examination.

#### ***2.1.8.5 Non-fulfillment of conditions of allotment of land for medical education purpose***

In pursuance of general instructions (October 2002) of Government, land owned by it could be allotted free of premium and at a nominal ground rent of ₹ one, for establishment of Dental and Medical College by a private institution. In Tahsil M.P. Nagar and Huzur, Bhopal, we observed that government land was allotted to two private institutions for establishment of dental/medical college as indicated in the Table 2.8 below:

**Table No. 2.8: Conditions for allotment of Government land for establishment of dental/medical college**

<b>Name of Institution</b>	<b>Year of Allotment</b>	<b>Area of land/Place</b>	<b>Conditions of Allotment</b>
Institute of Applied Sciences and Fundamental Research Society, Bhopal	September 2006	5 acre/ Misrod	The land was allotted for establishing Dental College. The desirability and feasibility certificates were to be obtained from Medical Education Department and produced while applying for allotment. The construction of college building, hostel and residential quarters for staff was to be completed within two years of allotment of land as per norms prescribed by Indian Dental Council.
Advance Medical Science and Education Society, New Delhi	September 2008	25 acre/ Inayatpur	The land was allotted for establishing Medical College. The construction of hospital was to be completed within two years and Medical College was to be started within five years from the date of allotment. The desirability and feasibility certificates were to be obtained from Medical Education Department and produced while applying for allotment.

We observed that land was allotted by the Revenue Department to these two institutions without obtaining the required certificates. Even after the allotment, the conditions of allotment were not fulfilled by both the institutions.

#### ***2.1.8.6 Renewal of permanent leases of Nazul land***

As per provisions of RBC IV-I, lease cases due for renewal should be ascertained by review of lease deeds executed in earlier years. According to the MPLRC read with RBC IV-I, rent payable for a Nazul plot in urban area held on lease shall be deemed to be due for revision when the lease becomes due for renewal. The revised rent is to be fixed at six times the rent payable immediately before the revision provided the use of land continues to be the same as it was immediately before the revision. The revised assessment is applicable from the financial year following the year in which the assessment is made or from the date of expiry of the earlier lease whichever is later. In

seven test-checked districts, it was noticed that 10234 permanent leases<sup>27</sup> granted for 30 years which fell due for renewal between 2006-07 and 2010-11 were not taken up for renewal by the department. This resulted in loss of revenue of ₹ 97.57 lakh. In the exit conference, the Principal Secretary stated that suitable instructions would be issued to the Collectors.

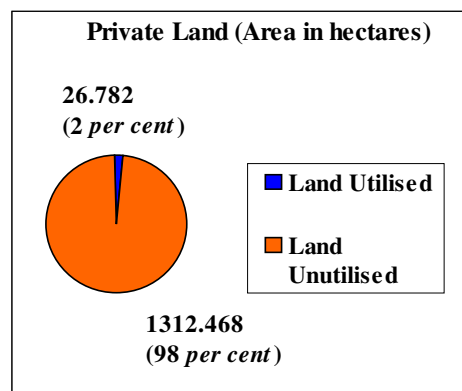
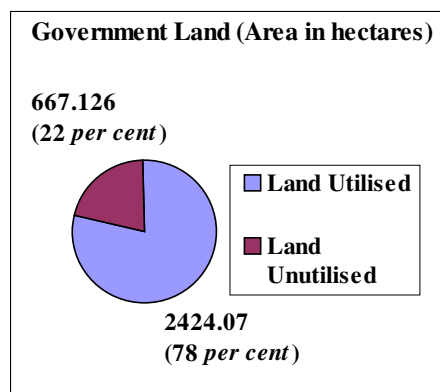
### 2.1.8.7 Maintenance of allotment register

RBC IV-I paragraph 38 provides that the Nazul Officer should maintain a register in which the premium, ground rent & penalty collected related to leased land should be recorded. Similarly, Section 98 (23) of MPLRC prescribes the format in which records of allotment of Government land should be prepared. But, allotment register was not found prepared by the Collectorate/Tahsil offices in eight test-checked districts<sup>28</sup>. In the absence of this record, the required information relating to lease land i.e. name of leasee, area of land, premium and ground rent, amount to be recovered etc. could not be reflected. In the exit conference, the Principal Secretary stated to issue instructions to the Collectors.

## 2.1.9 Utilisation of Acquired/Allotted Land and Management of Government Land

### 2.1.9.1 Utilisation of land acquired by Industry Department

The Industry Department acquires both private and government land in different areas for development of industries. As per information furnished by the department, during 2006-07 to 2010-11, the department had acquired 1339.25 hectares of private land and 3091.196 hectares of government land. Out of 4430.446 hectares of total acquired land, only 55 per cent of land (2450.852 hectares) was actually used for industrial development. Remaining 1979.594 hectares of land remained unutilised. As depicted in the pie chart below, while most of the government land was utilised, private land acquired from farmers was grossly underutilised.



<sup>27</sup> Bhopal (1753, ₹ 21.30 lakh), Chhindwara (3463, ₹ 7.87 lakh), Hoshangabad (4923, ₹ 30.29 lakh), Indore (29, ₹ 28.80 lakh), Khargone (6, ₹ 1.57 lakh), Jhabua (28, ₹ 7.74 lakh) and Ratlam (32, Amount N.A.)

<sup>28</sup> Anuppur, Badwani, Bhopal, Chhindwara, Indore, Jhabua, Mandsaur and Neemuch.

In reference to audit observation, the department stated that most of the land acquired from farmers in recent years was in the process of development. In the exit conference, the Principal Secretary did not specifically explain such imbalance in land use.

In the Tahsil Govindpura (Bhopal), it was noticed that land measuring 141.22 acre was allotted to District Industrial Centre, Bhopal for setting up of the Industrial Area Govindpura in the village Kalua Kalan. During audit, it was noticed that 4 acre of the allotted land was occupied unauthorisedly by a private coloniser (Raj Homes Private Limited, Bhopal). Despite a lapse of five years, the Government was yet to approve proposal sent (December 2006) by the Collector for acquiring 4 acre land of the coloniser in lieu of the encroached allotted land. Though the SDO, Govindpura stated that encroachment had already been removed, no corroborative evidence was shown to audit in support of the vacation. The Principal Secretary, Revenue, during the exit conference, promised to take necessary action.

### ***2.1.9.2 Preparation of land pool and maintenance of Capital Asset Register***

In order to facilitate management and proper utilisation of government land located within the area of municipal corporation/municipalities/notified areas, the department directed (December 1996) the District Collectors/Commissioners to prepare the land pool in each city comprising of Government Nazul land, land declared surplus in Ceiling Act and land released from other department. The details of the land i.e. map and location of land etc. were to be shown in the land pool. While the responsibility for preparing the land pool vested directly on the District Collectors, Commissioners were required to act as the nodal authority for driving the activity for the Division as a whole. Revenue Department further directed (June 2010) District Collectors to maintain Capital Asset Register for transferable government land. The available land resources were to be earmarked and identified and their valuation made on the basis of Collector guideline. Valuable plots of lands were to be recorded in the Capital Asset Register in a descending order of their assessed value. The objective was to utilise the land according to their locational value. Commercial/business viable lands were to be earmarked and recorded and lands declared surplus in Ceiling Acts were to be transferred as per orders/directives earlier issued by Government. In the test-checked districts, it was noticed that no action was initiated by the District Collectors to prepare the land pool or to maintain the Capital Asset Register except in district Jhabua. Hence, the objective of department to secure better management of government land could not be fulfilled. In the exit conference, the Principal Secretary stated that suitable instructions would be issued.

**Non-preparation of land pool and non-maintenance of Capital Asset Register by district authorities.**

### **2.1.9.3 Conducting of physical verification of Government land allotted/transferred**

**Non-conducting of annual physical verification of government land allotted/transferred by revenue authorities.**

Paragraph 31 of RBC IV-I provides that Nazul officers should verify the land transferred or allotted on lease at least once in a year to ensure the observance of the condition of allotment/transfer of government land. If the conditions were found violated by the allottee, the verifying officer should submit his report immediately to Collector. But in test-checked districts such annual verification was not found conducted by the Nazul officers. In the exit conference, the Principal Secretary stated (November 2011) that suitable instructions would be issued to the Collectors. No such instructions appear to have been issued.

### **2.1.9.4 Utilisation of acquired land**

- Award of ₹ 2.57 crore was passed by LAO, Mahu (June 2010) for acquisition of 11.755 hectares of land for establishing Indian Institute of Technology (IIT). Out of the total amount of ₹ 3.42 crore received from IIT, ₹ 2.82 crore was utilised to pay compensation and meet service charges. The balance amount of ₹ 60 lakh was not refunded to the institution. Construction works in the acquired land had not been started by the IIT (May 2011).
- Executive Engineer, Public Health Engineering Indore (PHE) working as construction agency, for Madhya Pradesh Pollution Control Board (PCB) Bhopal, sent a proposal to Collector, Indore (January 1996) to acquire 29.728 hectares of land for establishing a sewage treatment plant in village Sakarkhedi under National River Conservation Plan. Accordingly, award for payment of compensation of ₹ 1.13 crore was passed (September 1998) by Collector Indore. PCB Bhopal deposited (January 1997 and April 1999) ₹ 1.13 crore, but compensation could not be paid due to court proceedings in the case. After the decision of the Court (November 2009), possession of the acquired land was given (December 2009) to Municipal Corporation, Indore without consent of PCB i.e. the acquiring authority. The Board intimated (July 2010) Collector, Indore that PHE had established the sewage treatment plant in another village Kabirkhedi as the case was pending in the court. PCB demanded (December 2010) the refund of unutilised amount deposited earlier for the scheme, as the funds were received from Government of India. The Collector, Indore had sent (January 2011) a letter to Municipal Corporation Indore to give consent on making payment of the award money for the acquired land. But, reason for giving occupation of land to Municipal Corporation was not intimated to audit. The land acquired was not utilised for the intended purpose nor the compensation amount was paid to the land losers.
- During test-check of record of LAO, Indore, it was noticed that award of ₹ 6.71 crore was passed (March 2009) for acquiring 17.012 hectares of private land for developmental scheme of Indore Development Authority (IDA). IDA had not deposited the compensation money and service charges of ₹ 7.38 crore as a result of which neither the compensation amount was paid to the land owners nor the acquired land was occupied by IDA.

In the exit conference, the Principal Secretary stated that instructions would be issued to the Collectors.

#### **2.1.9.5 Failure to resume the unutilised Government land**

**Government land measuring 171.076 hectares remained unutilised was not resumed by Government.**

RBC-IV(1) provides that, if the allotted land or any part thereof is not fully utilised for the purpose for which the same was allotted, then the same has to be resumed by Government. No time period has been prescribed in RBC after which the unutilised land has to be resumed by Government. The department issued clear direction (December 2009) to District Collectors to resume the allotted land found unutilised.

In four districts, it was observed that lease land measuring 171.076 hectares allotted between 1985 to 2010 (**Appendix-2.16**) to different organisations was lying unutilised. Contrary to a clear Government directive, no initiative was taken by the District Collectors to resume the unutilised land.

#### **2.1.9.6 Encroachment on Government land**

**13152 encroachment cases in which fine of ₹ 34.10 lakh imposed were not finalised.**

Section 248 of MPLRC provides that any person who unauthorisedly remains in possession of any government land may be summarily ejected by orders of the Tahsildar. Such person shall also be liable, at the discretion of the Tahsildar, to pay the rent of the land and penalty for the period of unauthorised occupation at prescribed rates. Information collected from 12 test-checked districts revealed that fine of ₹ 34.10 lakh was imposed in 13152 cases of encroachment during the period 2006-11. However, those were neither paid by the defaulters nor recovered by the respective Tahsildars. Till the date of audit, no encroacher had been evicted; nor their structures dismantled. In the exit conference, the Principal Secretary stated to issue suitable instructions to the Collectors.

#### **2.1.9.7 Vacation of encroachment on Government Nistar Land**

The Principal Secretary, Revenue Department instructed (May 2010) the District Collectors to vacate the encroachment on Government Nistar land. In six test-checked districts, it was noticed that encroachment on Government Nistar land measuring 207.577 hectares<sup>29</sup> as on March 2011 had not been vacated. In the exit conference, the Principal Secretary stated to issue suitable instructions to the Collectors.

#### **2.1.9.8 Removal of religious structures on public places**

**13671 religious structures constructed in public places were not removed.**

The Honourable Supreme Court vide order dated 29<sup>th</sup> September 2009 prohibited unauthorised construction of religious structures (Temple, Mosque, Church etc.) on public lands and the District Collectors were directed to remove the religious structures constructed in public places/public streets. Appropriate action to remove unauthorised structures was to be taken by the District Collectors. In 10 test-checked districts, it was noticed that 15068

<sup>29</sup> Chhindwara (7.349 hectares), Hoshangabad (54.353 hectares), Jhabua (1.50 hectares), Katni (96.480 hectares), Mandsaur (7.895 hectares) and Neemuch (40.00 hectares).



religious structures were constructed on public places against which 1397 religious structures were removed/regularised. However, action against the remaining 13671 structures<sup>30</sup> was yet to be taken. No action in this regard was found taken in the district Khargone. In the exit conference, the Principal Secretary stated that suitable instructions would be issued to the Collectors.

### ***2.1.9.9 Conversion of lease land into freehold land***

**Poor implementation of Freehold Right Act.**

Madhya Pradesh Grant of Freehold Right Act in respect of land on lease situated in Urban Areas Rules, 2010 came into force from 21<sup>st</sup> September 2010. The rule is applicable to the lands allotted on lease for the period of 30 years or more for residential and commercial purposes. Any eligible lease holder may apply for grant of freehold right in respect of land held by him in lease hold right. The authorised officer may grant free hold right to the entitled person after getting the required conversion charges. In the test-checked districts, no lease holder had availed of this benefit. Implementation of the Government policy in the matter was poor and required more propagation and awareness among the lease holders. In the exit conference, the Principal Secretary stated that conversion of lease land into freehold land is demand driven.

### ***2.1.9.10 Acquisition and Utilisation of Land declared surplus under Ceiling Acts***

Madhya Pradesh Ceiling on Agricultural Holdings Act, 1960 provides for acquisition of land in excess of ceiling limit prescribed in the said Act in rural areas. Similarly, Urban Land (Ceiling and Regulation) Act 1976<sup>31</sup>, repealed in 1999, provides for similar action in the urban areas. The land declared surplus and vested with the Government was to be distributed/allotted to the eligible beneficiaries i.e. scheduled caste/scheduled tribe agricultural labour, freedom fighters, landless persons etc. and was to be utilised as provided in the said Acts. In six test-checked districts for which the information was made available, it was noticed that out of 8752.393 hectares of land vested with Government under the Ceiling Acts, approximately half of the land measuring 4388.848 hectares was allotted/utilised. The balance 4363.545 hectares<sup>32</sup> of land was still vested with Government. This indicated poor management of government land. In the exit conference, the Principal Secretary assured to examine the matter.

### ***2.1.9.11 Non-production of required certificates by the companies***

Land acquisition proceedings for acquisition of land for companies for establishing industries was to be made after getting approval of State Level Land Acquisition Committee. Revenue Department instructed (January 1985)

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<sup>30</sup> Anuppur 360, Badwani 441, Bhopal 1462, Chhindwara 902, Hoshangabad 561, Indore 1693, Mandasaur 6343, Neemuch 1398, Ratlam 415 and Singrauli 96.

<sup>31</sup> This Act was repealed in Madhya Pradesh by the Urban Land (Ceiling and Regulation) Repeal Act, 1999.

<sup>32</sup> Anuppur (251.166 hectares), Bhopal (2138.758 hectares), Chhindwara (70.284 hectares), Hoshangabad (855.237 hectares), Katni (867.898 hectares) and Khargone (180.202 hectares).

that the required certificates from the Department of Housing & Environment, Director of Industrial Safety, Pollution Control Board and Controller of Explosives of Government of India were to be obtained by the District Collectors from the companies before sending the proposal of land acquisition to Land Acquisition Committee. In the district Singrauli, it was observed that the required certificates were not found available on record for acquisition of 1928.235 hectares private land for different companies as shown in **Appendix-2.17**. In the exit conference, the Principal Secretary assured to examine the matter.

### 2.1.10 Resettlement and Rehabilitation

Resettlement and Rehabilitation (R&R) of all intra-state projects is governed by the provisions of R&R policy of the State formulated for Narmada Project. Sardar Sarovar Project (SSP) is an inter-state project in which the whole gamut of resettlement and rehabilitation is governed by the provisions of Narmada Water Dispute Tribunal (NWDT) Award and the R & R Policy of the State Government. As per provisions of policies applicable to SSP, compensation for agricultural land as well as for houses and other properties was to be paid to the project affected families (PAF) coming under submergence. Residential plots were to be allotted to such rural and urban displaced persons. Cash compensation in lieu of plot could be provided as per norms. In addition to this, other grants viz. rehabilitation grant, employment resource grant to landless oustees and transportation grant were to be paid according to the norms prescribed in the policy. Special Rehabilitation Grant (SRG) was to be paid in two installments to the displaced families to purchase agriculture land at their own choice in the resettlement zone. Second installment was to be paid after production of copy of sale deed of land purchased with first installment of SRG.

In two test-checked districts (Badwani and Khargone), it was noticed that under different NVDA projects, out of 13806 displaced families, 6288 families were not rehabilitated (May 2011). Similarly, rehabilitation grant was not paid to 2525 persons, SRG of ₹ 18.50 crore was not paid to 847 persons and employment resources grant for productive assets of ₹ 56.70 lakh was not paid to 227 landless persons as shown in **Appendix-2.18**. The LA&RO attributed the non-disbursement of SRG to non-production of sale deed of the land purchased by the first installment and non-finalisation of cases by Justice Jha committee. Families were not resettled due to non-completion of building works at resettlement zone.

**7541 project affected families were not rehabilitated under different projects.**

Similarly in the case of establishment of four projects by private companies, out of 2916 project affected families (**Appendix-2.18**), 1663 were resettled. As per information furnished by the LAOs of the district Singrauli, the remaining 1253 families were yet to be rehabilitated (September 2011). Rehabilitation grant of ₹ 1.37 crore to 853 families was yet to be provided. LAOs stated that the rehabilitation was under progress. The action to issue instructions to Collector, Singrauli was awaited.

As per provision contained in para 9 of R&R policy of the State, all landless agricultural labourers and all SC/ST landless oustees were to be paid ₹ 49300 each for productive assets while other landless oustees would get ₹ 33150. Fifty *per cent* amount was to be paid at the time of resettlement and rest 50 *per cent* was to be paid after purchase of the assets. During test-check of records of LAO/RO (SSP), Khargone and Thikri (Badwani), it was noticed that 1461 oustees were paid ₹ 5.01 crore<sup>33</sup> for productive assets but before making payment of second installment, verification of purchase of productive assets by the oustees was not ensured by the LAOs. This showed lack of monitoring and ineffective implementation of R and R policy.

### **2.1.11 Conclusion**

- Database of lands acquired, payment of compensation, and custody and allotment of government land was not maintained at district and State level both.
- Government has not prescribed a uniform and transparent method for calculation of market value of land to be acquired resulting in discrimination in payment of compensation and also prima-facie under/over assessment of compensation.
- The government order to close bank account and keep the amount of compensation in PD Account was not followed.
- There was no comprehensive and transparent policy for allotment of government land which would have facilitated equal opportunities to every entity.
- There is no time schedule prescribed in Act/Rules for final allotment in case of advance possession of government land given to different entities, recovery proceedings against defaulters and resumption of unutilised leased land resulting in delay in realisation of revenue.

### **2.1.12 Recommendations**

The Government may consider implementation of the following recommendations:

- Computerised database of lands owned and acquired as well as land leased for various purposes should be maintained at district and State level.
- There is an imperative need to formulate a comprehensive and transparent policy for allotment of Government land to private and public institutions and purposes for such allotment clearly defined. Government needs to pass reasoned order, if it intends to give more concessions while allotting land for different purposes.
- Uniform and transparent method for determining the market value of land acquired should be prescribed by Government.

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<sup>33</sup> Badwani (1396 oustees, ₹ 4.70 crore), Khargone (62 out of 65 oustees were paid both installments, ₹ 31.21 lakh)

- Government should also ensure that funds provided by the requisitioning authorities are properly accounted for in Government account and not parked in saving accounts/term deposits in banks.
- Government should prescribe time schedule in the Act/Rules for submission of cases of advance possession for final allotment, initiation of recovery proceedings against the defaulters and resuming the unutilised leased land.
- Suitable mechanism should be put in place to monitor the encroachment/unauthorised occupation for better management of Government land.

## Horticulture and Food Processing Department

### 2.2 National Horticulture Mission

#### Executive Summary

National Horticulture Mission was launched in 2005-06 as Centrally Sponsored Scheme to enhance horticulture production, improve nutritional security and provide income support to farm households by adopting area based and regionally differentiated strategies. NHM was implemented in 39 out of 50 districts in various phases.

An assistance of ₹ 42.92 crore (100 per cent) was released by Central Government during 2006-07. Assistance of ₹ 201.82 crore (85 per cent) and ₹ 41.41 crore (15 per cent) was released during 2007-11 by GOI and State Government respectively.

Baseline survey to assess the potentiality and demand of the horticulture products had not been conducted in the State by the State Horticulture Mission. Perspective plan and action plan had also not been prepared by the SHM. The DHMCs had prepared AAPs on *ad hoc* basis. As a result of this, it failed to utilise even the limited funds made available by Government of India (GOI) and the State Government.

To meet the requirement of improved variety of plants to cover different horticulture crops in targeted area, model nurseries were to be established in public and private sector. Out of total expenditure of ₹ 2.18 crore meant for creation of infrastructure in public sector nurseries, ₹ 1.05 crore was diverted and spent on wages, electricity bills etc. which resulted in poor output (zero to 27 per cent). In private sector nurseries, an assistance of ₹ 2.01 crore was paid but no monitoring system for establishment, quality and quantity of production by such nurseries was in place. As such the actual use of assistance, production from such nurseries could not be examined in audit.

As per instructions of GOI preference was to be given to perennial fruit crops to ensure sustained growth of horticulture. The SHM could utilise ₹ 68.89 crore against available fund of ₹ 81.43 crore in expansion of perennial crops. On the other hand they spent ₹ 89.69 crore on spices and flowers crops against available fund of ₹ 74.50 crore.

Proper identification of eligible beneficiaries for expansion of area of fruits, spices and flowers and rejuvenation of senile plantation programme was essential to achieve the ultimate objective of the mission. Due to non-production of applications of beneficiaries and required details of eligibility, audit could not verify as to whether the assistance of ₹ 14.63 crore and ₹ 3.24 crore for expansion of area of fruits, spices and flowers and rejuvenation of senile plantation programme respectively during 2006-11, was paid to the genuine eligible beneficiaries.

Timely supply of required number of plants to cover the targeted area is another important aspect for optimum production. Supply of plants below norms in number and also delayed supply i.e. after plantation/sowing season resulted in sub optimal use of resources and skewed benefits to cultivators.

Post harvest management and marketing infrastructure were not created as per target fixed which needs to be addressed to ensure full benefits to cultivators.

In spite of incurring expenditure of ₹ 285 crore on area expansion of fruit crops, spices, flowers, rejuvenation, etc, the mission objective of enhancing areas, production and productivity and thereby increasing the income of farm households could not be achieved.

### 2.2.1 Introduction

The National Horticulture Mission (NHM) was launched in the State in 2005-06 as a Centrally sponsored scheme. The mission was intended to enhance horticulture production, improve nutritional security and provide income support to farm households through holistic growth of the horticulture sector. To achieve these objectives, area based and regionally differentiated strategies such as research, technology promotion and extension, post harvest management, processing and marketing were to be adopted. To achieve the objectives of NHM, the activities to be undertaken, *inter-alia*, were:

- Preparation of Perspective Plan after base line survey
- Establishment of nurseries and Tissue Culture Laboratories to ensure production and distribution of best quality planting material
- Area expansion of fruit (perennial/non-perennial) crops, spices and flowers
- Promotion of INM/IPM<sup>34</sup>
- Organic farming
- Protected cultivation
- Rejuvenation of senile plantations, and
- Post harvest management and creation of market infrastructure.

NHM was initially implemented (2005-06) in 20 districts<sup>35</sup> and was extended (2007-11) to 19 more districts<sup>36</sup>. NHM is implemented in 39 districts of the State by the Madhya Pradesh State Horticulture Mission (SHM) a society registered under Madhya Pradesh Society Registration Act, 1973. As no base line survey had been conducted, the details of area, production and productivity of fruits, vegetables, spices and flowers for the year 2004-05, before the commencement of NHM were not available. Consequently audit could not verify the extent of achievement in expansion of area, production and productivity of these crops.

The accounts of SHM and 10 selected districts<sup>37</sup> for the period 2006-07 to 2010-11 were audited during September 2010 to September 2011 to assess the implementation of various programmes/activities as per the objectives of the scheme. Entry conference was held with Mission Director (MD), SHM on 7<sup>th</sup> September 2010. An exit conference was held on 11 November 2011 with the Mission Director, State Horticulture Mission (Government representative

<sup>34</sup> Integrated Nutrition Management/Integrated Pest Management

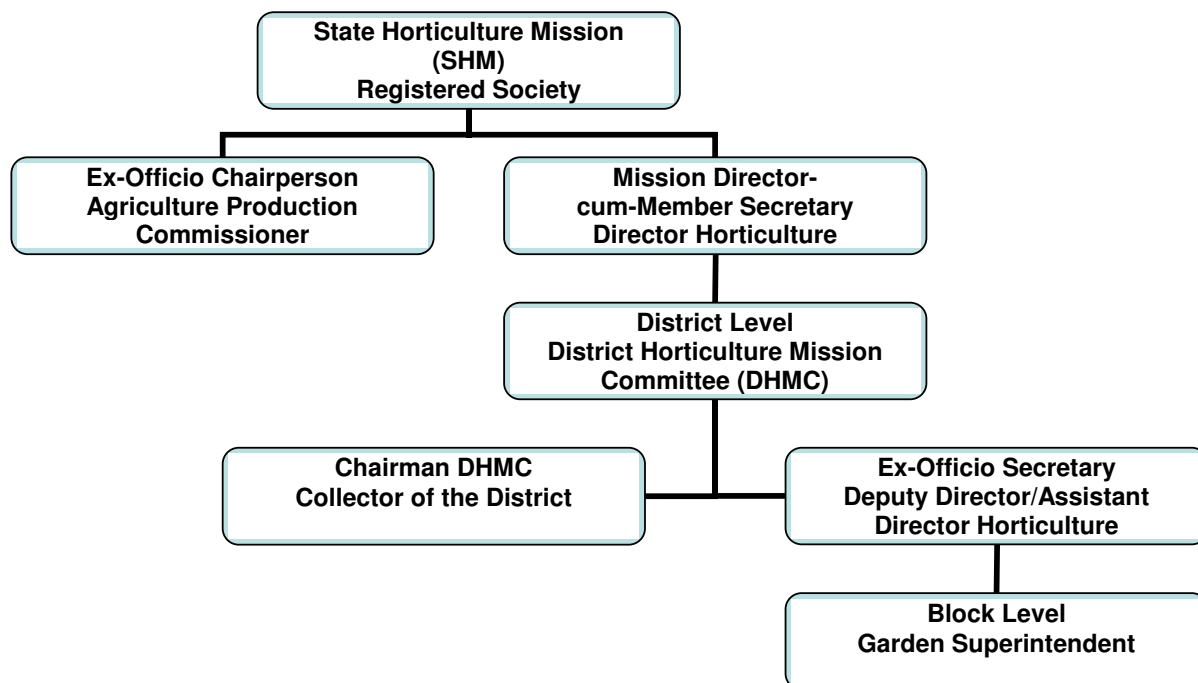
<sup>35</sup> Badwani, Betul, Bhopal, Burhanpur, Chhindwara, Dewas, Dhar, Dindori, Hoshangabad, Indore, Jabalpur, Jhabua, Khandwa, Khargone, Mandla, Mandsaur, Ratlam, Sagar, Shajapur and Ujjain.

<sup>36</sup> 2007-08: Chhatarpur, Guna, Gwalior, Harda, Neemuch, Rajgarh, Rewa, Satna, Sehore and Vidisha, 2008-09: Sidhi, 2009-10: Alirajpur, Ashoknagar, Raisen and Singrauli, 2010-11: Damoh, Datia, Panna and Tikamgarh.

<sup>37</sup> Badwani, Betul, Bhopal, Burhanpur, Chhindwara, Hoshangabad, Indore, Khandwa, Shajapur and Ujjain

Horticulture and Food Processing Department). The results of these discussions have been incorporated in the Report at appropriate places.

### 2.2.2 Organisational Setup



### 2.2.3 Financial Management

Till the completion of tenth five year plan (up to 2006-07) the NHM was fully funded by GOI. The funding pattern in the 11<sup>th</sup> five year plan (2007-08 to 2011-12) was changed to provide for 15 *per cent* share of funding by the State Government. GOI released for the SHM ₹ 42.92 crore during 2006-07 (100 *per cent*) and ₹ 201.82 crore during 2007-11 towards Central share (85 *per cent*). The State Government released ₹ 41.41 crore during 2007-11 as its share. The requirement of funds as per annual action plan (AAP) and funds released by the GOI/State Government as well as its utilisation during 2006-11 are shown in **Table-2.9**.

**Table 2.9**

(₹ in crore)

Year	Requirement as per AAP	O.B.	Receipts				Total availability (OB+ Receipt)	Funds utilisation/ percentage of spending	C.B. / unspent/ balance (%)
			GOI	State Govt.	Total receipt during the year	Percentage to requirement as per AAP			
2006-07	74.27	24.28	42.92	---	42.92	58	67.20	47.36 (70)	19.84 (30)
2007-08	138.72	19.84	55.37	12.00	67.37	49	87.21	47.85 (55)	39.36 (45)
2008-09	124.42	39.36	60.00	9.00	69.00	55	108.36	67.26 (62)	41.10 (38)
2009-10	80.00	41.10	35.45	9.16	44.61	56	85.71	71.77 (84)	13.94 (16)
2010-11	100.00	13.94	51.00	11.25	62.25	62	76.19	51.06 (67)	25.13 (33)
<b>Total</b>	<b>517.41</b>	<b>138.52</b>	<b>244.74</b>	<b>41.41</b>	<b>286.15</b>			<b>285.30</b>	

(Source: Data made available by Mission Director SHM)

It is evident from above that the actual receipt of funds ranged between 49 to 62 *per cent* of the amount projected in the AAPs, while overall spending efficiency of available funds in the State ranged between 55 to 84 *per cent* during 2006-11. It is also seen that the total release of funds by Central and State Governments during 2006-11 was ₹ 286.15 crore (55 *per cent*) against the requirement of ₹ 517.41 crore assessed in the AAPs. However, the expenditure actually incurred was only ₹ 285.30 crore which was about 55 *per cent* of the requirement assessed in AAP. Thus, the requirement of funds assessed in AAPs was not realistic and was inflated.

The position of physical targets fixed in the AAPs, budget and actual achievements are mentioned in **Appendix-2.19** which revealed that achievements of physical targets vis-à-vis budgeted targets were very low in respect of establishment of Tissue Culture Lab in public sector (38 *per cent*), Vegetable Seed Infrastructure (50 *per cent*), Vegetable growing poly house (2 *per cent*), Flowers growing poly house (1 *per cent*), Bio Control Lab (public) (33 *per cent*), Leaf tissue Analysis Lab (29 *per cent*), Horticulture Mechanisation (47 *per cent*), Bee Keeping (3 *per cent*) and Technology Dissemination (69 *per cent*). The physical targets achieved in case of Phyto-sanitary Lab and Disease forecasting unit were nil. Due to less achievement of physical targets mentioned above, funds could not be utilised to the extent of ₹ 7.85 crore [**Appendix-2.20 (A)**].

₹ 45.41 crore were spent on 16 components by diversion of funds from other components without approval of GOI.

An excess expenditure of ₹ 45.41 crore was incurred on 16 components of the scheme against ₹ 147.15 crore received for these components from Central and State Governments during 2006-11 [**Appendix-2.20 (B)**], by diverting funds received for other components of the scheme without the approval of GOI. The department stated, in exit conference, that funds received from GOI were not components specific. In each financial year, total funds received under the AAP, were used to complete certain specific components while other components were deferred. Therefore, no diversion of funds had taken place.

Reply of the department is not tenable as AAP of NHM approved by GOI contained component specific allocations received from GOI and State Government.

#### **2.2.4 Audit Findings**

Test check of the records of SHM and 10 districts (selected on Simple Random Sampling Without Replacement (SRSWOR) method) revealed following irregularities:

##### **2.2.4.1 Perspective Plan not prepared**

GOI guidelines required that the State Government should prepare perspective plan that would make projections for the X<sup>th</sup> and XI<sup>th</sup> five year plan periods after conducting base line survey and feasibility studies in different parts of the State, determining the status of potentiality and demand for horticultural



**Baseline survey was not conducted and Perspective Plan was not prepared.**

products. The perspective plan would also form the basis for preparation of AAP. It was noticed that neither any baseline survey was conducted in the State nor any mission document for perspective plan was prepared. AAPs at district level had been prepared on ad-hoc basis without obtaining information/data from block level.

As a result, planning at State as well as at district levels was ad-hoc due to which, crop specific approach was adopted instead of area based approach. Thus, objectives of NHM could be achieved only to a limited extent as mentioned in succeeding paragraphs. The Department assured that perspective plan on the basis of base line survey would be prepared in future.

#### 2.2.4.2 Establishment of nurseries

To bring additional areas under improved varieties of horticultural crops, NHM envisaged assistance to establish model nurseries in both public and private sectors to raise nurseries for that purpose. Assistance was provided for raising nurseries in public and private sector as shown in **Table 2.10**

**Table 2.10**

Type of nursery	Required area of nursery	Plants to be produced by nursery per year	Amount of assistance payable	
			Public sector	Private sector
Big model nursery	4 ha	4 lakh	₹ 18 lakh	(50 per cent of cost subject to maximum limit of ₹ 9 lakh)
Small model nursery	1 ha	0.50 lakh	₹ 3 lakh	(50 per cent of cost subject to maximum limit of ₹ 1.5 lakh)

The assistance to private nurseries was to be released after obtaining completion certificate of their establishment from field staff (garden superintendent).

#### (i) Assistance to Public Sector Model Nurseries

**Production of planting material was 0 to 27 per cent of norms in nurseries.**

Records of the selected districts revealed that against total release of ₹ 2.28 crore, an expenditure of ₹ 2.18 crore was incurred during the year 2006-11 on establishing 26 nurseries (10 big and 16 small nurseries) in public sector. Expenditure incurred on 10 big model nurseries was ₹ 1.75 crore whereas ₹ 43 lakh were spent on 16 small nurseries. These funds were to be utilised for creation of infrastructure such as polycover of 500 m<sup>2</sup>, insect proof propagation house, net house, sprinkler irrigation facilities, pump house and water tank and soil sterilisation in these nurseries. Out of total expenditure of ₹ 2.18 crore only, ₹ 89.53 lakh was incurred for infrastructure in 10 big nurseries (**Appendix-2.21**) and ₹ 23.68 lakh in 16 small nurseries. The balance ₹ 1.05 crore was diverted for payment of wages, electricity bills etc. which were to be met out of regular budget of the department. These diversions affected development of infrastructure in nurseries in public sector and led to poor production (0 to 11 per cent) of plants in big model nurseries as well as

in small nurseries (0 to 27 *per cent*) for which a norm of 4 lakh and 0.50 lakh plants per year respectively had been laid down (**Appendix-2.22 and 2.23**).

At the exit conference, the department stated that assistance was given for infrastructure development including creation of mother blocks necessary for plant production. Since fully grown mother plants come up only in about 5-6 years, so the production of plants could happen only thereafter, which also depends upon the demand.

Reply is not tenable as the nurseries were established in Government gardens which were already having fully grown mother plants which could have been utilised for production of planting material by enhancing infrastructure facilities in the nurseries. Poor production of planting material in nurseries was due to inadequate infrastructure facilities in the nurseries.

**(ii) Assistance to Private Sector Model Nurseries**

It was also noticed that an assistance of ₹ 2.01 crore (**Appendix-2.24**) was released to 38 private nurseries without ensuring completion of their establishment. Reasons for release of assistance without completion certificate were not intimated by the DHMCs. The department stated, during exit conference, that a monitoring system would be established for private nurseries.

**2.2.4.3 Establishment of tissue culture unit in Private Sector**

NHM guidelines effective from 2010-11 envisaged release of credit-linked back ended subsidy @ 50 *per cent* of the cost of the project for establishment of a tissue culture unit subject to maximum of ₹ 50 lakh for private entrepreneurs. The empowered committee of NHM approved (November 2010) the project proposed by a private entrepreneur of Betul district for ₹ 127.38 lakh with a maximum subsidy of ₹ 50 lakh.

According to the condition stipulated in the sanction by MD, the loan was to be released within 2 weeks of issue of sanction. Infrastructure was to be created as per norms and payment of assistance was to be made according to the progress of work after inspection/verification from time to time by a joint committee. Mission Director, SHM formed a committee of Joint Director and Deputy Director from the Directorate of Horticulture and Farm Forestry, Bhopal, representatives of Collector, Betul, financing bank and Secretary, DHMC, Betul for joint inspection of the unit. The subsidy was to be released on receipt of the report of the committee. However, Secretary DHMC, Betul paid (February 2011) to the entrepreneur twice the sanctioned amount (₹ 25 lakh) in two installments without inspection of joint committee which was irregular. Moreover, establishment of tissue culture unit was still incomplete (October 2011).

Secretary DHMC, Betul intimated (October 2011) that at the instance of audit subsidy of ₹ 25 lakh retained by him in form of banker's cheque in favour of the entrepreneur was credited to NHM account in May 2011.

Reply was not tenable as the subsidy was payable only on receipt of report of joint inspection of the committee formed by Mission Director and was to be commensurate with loan released by the bank as well as progress of construction. In any case ₹ 25 lakhs drawn in 2010-11 had inflated the expenditure on the Mission during that year. The department assured that joint inspection before releasing second installment would be conducted in future.

#### **2.2.4.4 Expansion of area under fruits, spices and flowers**

As envisaged in the guidelines of the SHM, beneficiaries were required to submit applications for assistance in the prescribed form along with the certificates from revenue authorities (copies of Khasra, Khatoni) confirming fulfillment of eligibility of beneficiaries like possession of land, total availability of land, sources of irrigation, etc. along with recommendation of field staff of the department. The assistance was to be given on approval of DHMC.

**Assistance of ₹ 14.63 crore was released without maintenance of applications of beneficiaries.**

During test-check, it was noticed that records of applications submitted by beneficiaries for availing assistance for expansion of area under fruits, spices and flowers were not maintained in two (Khandwa and Indore districts) out of 10 districts. In Khandwa and Indore districts, we observed that DHMCs had released assistance of ₹ 3.22 crore and ₹ 11.41 crore, respectively, to the beneficiaries for area expansion of fruits, spices and flowers during 2006-11 without maintaining applications of beneficiaries. The list of beneficiaries was not furnished to audit at Indore district whereas incomplete list was maintained in Khandwa. As a result of this, legitimacy of beneficiaries and expenditure incurred to provide them financial assistance couldnot be verified by us.

On being pointed out in audit, the DHMC Khandwa intimated that these records were maintained at Garden Superintendent level. DHMC Indore stated that records had been maintained and had been shown to Audit. However, records relating to applications of beneficiaries along with their lists were not produced to Audit in Indore district. The reply of Khandwa district was not tenable, as the district level officer who was releasing assistance to farmers should have maintained the relevant record.

Due to non-production of case files of beneficiaries, Audit couldnot verify whether the beneficiaries to whom assistance was released actually possessed land, irrigation facilities, etc. and were eligible for assistance. The department assured Audit that the matter would be investigated.

#### **2.2.4.5 Area expansion of perennial fruit crops**

**Preference was not given for perennial fruit crops.**

(a) According to the instructions of GOI<sup>38</sup>, in preparing AAPs preference was to be given to perennial fruit crops to ensure sustained growth of horticulture. It was observed that against the funds of ₹ 81.43 crore released

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<sup>38</sup> GOI- F. No. 33-21/2009/Hort. Dt. 28 May 2009 and GOI F. No. 33-20/2009/Hort. Dt. 9 June 2009.

by GOI and State Government, during 2006-11 an expenditure of ₹ 68.89 crore was incurred on expansion of perennial fruit crops including INM/IPM and organic farming. On the other hand, expenditure on area expansion of spices and flowers including INM/IPM and organic farming (short term crops) was ₹ 89.69 crore against the releases of ₹ 74.50 crore which revealed that required preference was not given to perennial fruit crops.

The department stated that the State was not a traditionally fruit growing State and its strength was on short duration horticulture crops like vegetables and spices. Selection of crops also depends on Agro climatic zone. Moreover, AAPs were also driven by farmers' demand.

Reply is not tenable as no deviation from instructions of GOI in favour of short duration crops was either indicated in the AAPs or intimated to GOI.

**(b) Excess payment of assistance of ₹ 2.34 crore in violation of norms**

Assistance of ₹ 2.34 crore was paid in excess of norms.

The NHM envisaged coverage of large areas under improved varieties of horticulture crops like orange, Aonla, mango, custard apple, guava and pomegranate. Farmers were to be encouraged to set up new gardens of perennial fruit crops through the assistance to the extent of 75 per cent of the project cost of ₹ 30,000 per ha to be released in ratio of 50:20:30 in the first, second and third year, respectively. The subsidy of 20 per cent was to be released subject to minimum survival of 75 per cent plants at the end of first year. Similarly, 30 per cent subsidy was to be given at the end of second year subject to survival rate of 90 per cent being attained. Maximum assistance payable per ha was restricted to ₹ 22,500 per ha. We noticed that assistance actually paid to farmers in the entire State was in excess of the above norms as indicated in the **Table 2.11**

**Table 2.11**

Installment	Assistance payable			Assistance paid actually	Excess assistance paid
	Area (ha.)	Rate	Amount		
Ist	13489.60	11250 (50 per cent)	1517.58	1517.58	-
IIrd	13489.60	4500 (20 per cent)	607.05	904.88	(+) 297.83
IIIrd	9786.70	6750 (30 per cent)	660.60	596.63	(-) 63.97
		<b>22,500.00</b>	<b>2785.23</b>	<b>3019.09</b>	<b>233.86</b>

We also noticed that instead of paying the 2<sup>nd</sup> and 3<sup>rd</sup> installments at the rates of ₹ 4,500 and ₹ 6,750 per hectare, the DHMC had paid assistance at higher rate in 2<sup>nd</sup> installment. Also, different rates were paid for different crops as shown in **Appendix-2.25 and 2.26**.

**Survival of plantation in 10924.64 ha with the assistance of ₹ 10.43 crore was below prescribed norms.**

**(c) Expenditure on plantation survival below prescribed norms**

Records in 10 districts selected by us for test check showed that plantation was carried out in 20802.94 ha at the cost of ₹ 30.99 crore during 2006-11 (**Appendix-2.27**). We noticed that:

- (i) 4.06 lakh plants costing ₹ 49.99 lakh meant to be planted over an area of 2066 ha. were supplied in eight districts<sup>39</sup> (**Appendix-2.28**) after the planting season (July-September) was over.
- (ii) In four districts<sup>40</sup> inputs costing ₹ 1.01 crore in respect of 1495.27 ha. were supplied to the farmers after a delay of 3 to 12 months (**Appendix-2.29**).
- (iii) Similarly, for orchards in three districts (Chhindwara, Shajapur and Ujjain), payment of different installments of assistance of ₹ 12.05 crore for inputs to 18967.60 ha was delayed by 4 to 24 months (**Appendix-2.30**).
- (iv) In Badwani, Betul, Khandwa and Ujjain districts assistance of ₹ 69.73 lakh was paid for maintenance of 969.05 ha plantation for which plants were not supplied (**Appendix-2.31**).

Due to above reasons, survival of more than 41 *per cent* plants in 8775.93 ha remained below the prescribed norms of 75 *per cent* at the end of first year. Similarly, at the end of second year, survival of plants in 2149.15 ha was below the norms of 90 *per cent*. Assistance of ₹ 10.43 crore spent on such plantations was thus, used inefficiently (**Appendix-2.27**).

Secretaries of DHMC, Badwani, Betul, Khandwa and Shajapur districts attributed low survival to lack of irrigation facilities and improper maintenance of plantations by beneficiaries.

The reply is not tenable because low survival of plants was largely a result of delay in supply of plants and inputs and delay in payment of assistance. Moreover, since availability of irrigation was a pre-condition for selection of beneficiaries, the reply confirms the fact that such selection was not done with due care.

**(d) Irregular expenditure on Medicinal Plants**

According to the instructions issued (April 2009) by GOI, a separate mission for medicinal plants was launched by the National Medicinal Plants Board and Aonla plant was included in the list of medicinal plants. However, NHM incurred an expenditure of ₹ 50.13 lakh during 2009-10 on the establishment of gardens of Aonla plants, which was excluded from Mission objective. Thus, the expenditure was irregular.

Mission Director could not intimate the reasons for not deleting the provisions of Aonla plants from NHM. The department stated that Aonla was horticulture crop with medical value. Aonla was approved in AAP.

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<sup>39</sup> Badwani, Betul, Bhopal, Burhanpur, Indore, Khandwa, Shajapur and Ujjain.  
<sup>40</sup> Bhopal, Burhanpur, Indore and Ujjain

Reply is not tenable as Aonla was included by the National Medicinal Plants Board as medicinal plant in April 2009. Thus, expenditure of ₹ 50.13 lakh should not have been incurred from NHM fund.

#### 2.2.4.6 Area expansion of non-perennial fruit crop (Banana)

Mission envisaged payment of assistance @ 50 per cent of the cost of cultivation subject to a maximum of ₹ 15000/hectare limited to 4 ha per beneficiary in three installments of 50:20:30 during first, second and third year subject to survival rate of 75 per cent in second year and 90 per cent in third year up to 2009-10. From 2010-11, the assistance admissible on banana (Tissue Culture) was 50 per cent of cost of cultivation subject to a maximum of ₹ 41602 per ha payable in two installments of 75:25 during first and second year subject to survival rate of 90 per cent in the second year.

Assistance of ₹ 1.30 crore was paid for third installment for 3616.989 ha when crop was not in existence.

Banana, a non-perennial fruit crop, which has a maximum lifetime of 15-18 months, is cultivated in six districts<sup>41</sup> of the State. An expenditure of ₹ 10.89 crore was incurred during 2006-11 on providing assistance for raising 6719.95 ha banana crop in the State.

Audit observed that third installment of assistance was given in respect of 3616.989 ha of banana plantation in Burhanpur (₹ 1.22 crore) and Badwani (₹ 7.71 lakh) districts during 2007-11 for plantation carried out during 2005-09 i.e. after 18 months when the crop would not be in existence. This resulted in irregular payment of ₹ 1.30 crore. In exit conference, the department assured Audit to examine the matter.

#### 2.2.4.7 Area expansion of spices

According to the norms laid down by the department, seeds were to be supplied to the farmers prior to sowing season. However, it was observed that 440 kg. chilli seeds costing ₹ 1.10 crore and inputs such as pesticides and fertilizers costing ₹ 98.73 lakh were purchased after the period of sowing Kharif (May-June) and Rabi (December-January) was over (**Appendix-2.32**). Similarly, 139.95 quintals of coriander seeds to be sown over 699.75 ha along with necessary input, costing ₹ 85.66 lakh were provided in November by which time the sowing season was over (**Appendix-2.32**).

Seeds worth ₹ 1.25 crore were purchased when sowing season was over.

Thus, due to late supply of seeds and inputs, an unfruitful expenditure of ₹ 2.94 crore was incurred on seeds and inputs.

#### 2.2.4.8 Area expansion of flowers

Purchase of 2.68 crore bulbs at cost of ₹ 3.72 crore after period of plantation was not justified.

(a) As per NHM guidelines, farmers were to be encouraged to cultivate loose bulbous and cut flowers. For this purpose, assistance at the rate of 50 per cent of the cost of cultivation of flowers in case of small and marginal farmers and 33 per cent to other farmers was to be provided. The assistance was subject to maximum ceiling of ₹ 45,000 and ₹ 29,700 per ha for bulbous flowers, ₹ 35,000 and ₹ 23,100 per ha for cut flowers and ₹ 12000 and ₹ 7920

<sup>41</sup> Badwani, Burhanpur, Dhar, Hoshangabad, Khandwa and Khargone

per ha for loose flowers respectively. As per ICAR norms 1.11 lakh bulbs must be planted per ha. Bulbous flowers are cultivable between September and November.

Audit scrutiny of NHM records indicated that:

- In Indore district 219.31 lakh bulbs were procured at an aggregate cost of ₹ 3.44 crore including the cost of inputs amounting ₹ 9.87 lakh. 40.55 lakh gladiolus bulbs were provided to farmers for cultivation over an area of 132.89 ha which was sub normal. The remaining 178.76 lakh gladiolus bulbs costing ₹ 2.66 crore were supplied to farmers after the plantation season had ended.
- In Ujjain district, 60.22 lakh bulbs procured at a cost of ₹ 63.23 lakh were supplied to farmers in 2007 in the off season (March 2007).
- In Bhopal district, out of 77.75 lakh bulbs purchased at a cost of ₹ 96.21 lakh during 2008-11, 28.75 lakh bulbs costing ₹ 43.13 lakh were supplied during December 2008 to January 2009 and January-February 2010 after the plantation period.

Thus, purchase of 267.73 lakh bulbs at a cost of ₹ 3.72 crore after the period of plantation was not justified. The department assured to examine the matter.

**(b)** Area under cultivation of gladiolus flowers was to be expanded by 1200 ha in Bhopal, Indore, Shajapur and Ujjain districts. For this purpose, 13.33 crore bulbs were required to be supplied to the farmers as per ICAR norms.

We observed that only 3.73 crore bulbs which could normatively cover an area of 336.125 ha were supplied to farmers. Thus, the expansion of area under cultivation of gladiolus flowers in these districts remained short of target by 863.875 ha (**Appendix-2.33**).

**Coverage of an area of 579.36 ha made without supply of cut plants (Rose).**

**(c)** As per norms laid down in the SHM guidelines, 10,000 rose cut-plants were required to be planted over 1 hectare. We noticed that 24.06 lakh rose cut-plants costing ₹ 2.64 crore were purchased for coverage of an area of 820 ha in Bhopal, Indore and Shajapur districts. These plants were sufficient to cover only an area of 240.640 ha. Thus, the area of plantation was not used optimally resulting in skewed benefit to the farmers. (**Appendix-2.34**).

**(d)** Records of Betul, Chhindwara and Hoshangabad districts revealed that assistance was granted to 249 big farmers (other than small and marginal) @ 50 per cent instead of 33 per cent of the cost of cultivation laid down in the norms. This resulted in excess payment of ₹ 13.80 lakh.<sup>42</sup>

Secretaries DHMCs Betul and Hoshangabad assured to make payment as per norms in future while Secretary, DHMC, Chhindwara stated that payments were made as per norms. However, the assertion of the latter was not based on facts. The department assured Audit to examine the matter.

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<sup>42</sup> 123 farmers: ₹ 6.10 lakh, 72 farmers: ₹ 5.42 lakh, 54 farmers: ₹ 2.28 lakh

### 2.2.4.9 Irregular utilisation of funds for control of Gummosis

**Expenditure of ₹ 2.14 crore incurred on purchases not recommended by NRCC Nagpur was irregular.**

As per recommendation of the scientists of National Research Centre for Citrus, Nagpur (NRCC), approval was given (October 2007) by GOI for an assistance of ₹ 2.93 crore for control of Gummosis on project basis in 1950 ha orange orchards in Chhindwara district. For this purpose the NRCC recommended use of “Redomil” and “Bavistin” at the rate of 7.50 kg. and 2.75 kg. per ha respectively. Though as per these norms, 14625 Kg of Redomil and 5362.5 Kg Bavistin were required for 1950 ha, Secretary, DHMC Chhindwara spent ₹ 79 lakh (April 2010) for purchasing Redomil (5242 Kg.) and Bavistin (4016 Kg.) which was 36 and 75 *per cent* of the requirement. The resultant saving of ₹ 2.14 crore was utilised (April 2010) for purchase of micronutrients, other pesticides, sprayers and equipment which were not recommended by NRCC. Moreover, 50 *per cent* share of the value of pesticides supplied to farmers (₹ 39.24 lakh) was also not recovered. Besides, the expenditure was incurred more than two and a half years after the need was felt to take Gummosis control measures in project mode. This not only casts a doubt on the utility of such expenditure but also its genuineness.

In the exit conference, the department stated that the expenditure was incurred as per recommendation of the technical committee constituted for assessing the effect of Gummosis in the orchards of the farmers which included scientists. Farmers share was adjusted against the labour work done by the farmers.

Reply is not tenable as the project for control of Gummosis sent to GOI was based on the recommendations of same technical committee as mentioned in the department’s reply.

### 2.2.4.10 Organic Farming

**Expenditure of ₹ 10.26 crore on organic farming was irregular due to non-adherence of area specific approach.**

The programme envisaged additional financial assistance of ₹ 10,000 per ha over and above the assistance under area expansion programme for cultivation of fruits, spices and flowers crops. GOI enhanced (May 2008) the period of assistance at least for a period of three years. From June 2009, organic farming was linked with the certification of organic horticulture production through an agency accredited by Agriculture and Processed Food Products Expert Development Authority (APEDA). SHM was supposed to guide DHMCs as per directions of GOI. The Secretary, DHMC was to conduct inspections. During the period 2006-09 an amount of ₹ 10.26 crore was spent to promote organic farming over an area of 10,457 ha.

A test check of records of SHM indicated (August 2011) that the area covered under organic farming was only 46 *per cent* of the targeted area of 22712 ha involving an expenditure of ₹ 22.71 crore provided in the AAPs (2006-09). Contrary to the NHM strategy of providing area specific organic farming SHM in its guidelines made it crop specific in the State and linked it to some selected crops viz. orange, mango, chilli, garlic and coriander which was irregular. We noted that SHM had also not issued any instructions to the districts to implement the programme in contiguous areas and continuously for 2-3 years to achieve the optimal organic status as per norms. No reasons were



on record for above deviation from the NHM strategy. The department stated that the matter was discussed with GOI and GOI was ready to review the policy and that a committee has been set up by GOI for reviewing its strategy.

#### **2.2.4.11 Irregular expenditure on rejuvenation of senile plantation**

NHM envisaged a programme for rejuvenation of senile plantation with the objective of rejuvenating guava, orange and mango gardens to enhance productivity of such gardens. This was to be achieved by removing senile or diseased plants by filling gaps and by adopting scientific management of gardens. The assistance for rejuvenating senile plantation was 50 per cent of the cost subject to a maximum ceiling of ₹ 15000 per ha limited to 2 ha per beneficiary. As per SHM guidelines, the minimum age of the old orchard eligible for such assistance was fixed at 12 years for orange and guava and 25 years for mango plants. An expenditure of ₹ 18.33 crore was incurred on rejuvenation of senile plantation of orange, guava and mango orchards in 12372.75 ha in the State during 2006-11.

Out of 10 districts test checked during 2006-11, rejuvenation of 8975.50 ha old orchards was carried out in five selected districts<sup>43</sup> with an assistance of ₹ 12.30 crore. Records of these districts revealed the following:-

(i) Field level studies regarding senile plantation, number of disease affected plants, etc. to assess the extent of rejuvenation/ replacement and the inputs required were not conducted.

(ii) No proof of age of the orchards was available with the societies. No certificates were obtained from revenue authorities to ascertain the age of orchards.

(iii) Scrutiny of applications of beneficiaries in Betul and Hoshangabad districts revealed that there was no proof of age of orchards in respect of which assistance was allowed. This resulted in extending irregular assistance of ₹ 3.24 crore for the orchards not eligible for assistance under norms. The department assured to examine the matter.

(iv) The availability of mango, orange and guava gardens in Betul, Bhopal, Hoshangabad and Shajapur districts in 2004-05 as per Revenue Department and the assistance given for rejuvenation of old orchards by DHMCs during 2006-11 is as shown in the **Table 2.12:**

**Assistance of ₹ 3.24 crore was spent on rejuvenation of old orchards which were not eligible for assistance.**

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<sup>43</sup> Betul 1439.50 ha (₹206.83 lakh), Bhopal 70 ha (₹ 9.75 lakh), Chhindwara 5127 ha (₹ 729.54 lakh), Hoshangabad 939 ha (₹ 117.23 lakh) and Shajapur 1400 ha (₹ 166.90 lakh).

Table-2.12

Sl. No.	District	Fruit Crop	Position of availability of Orchards (Area in ha)	Assistance provided for rejuvenation of orchards	
				Area (in Ha.)	Expenditure (₹ in lakh)
1.	Betul	Mango	17	380.50	53.49
		Orange	374	1059	153.34
2.	Bhopal	Orange	2	20.00	3.00
		Guava	9	20.00	3.00
3.	Hoshangabad	Orange	260	310	35.41
4.	Shajapur	Orange	1131	1400.00	166.90
<b>Total</b>			<b>1793</b>	<b>3189.50</b>	<b>415.14</b>

From the above it is evident that against the availability of 1767 ha orange orchards in Betul, Bhopal, Hoshangabad and Shajapur districts, rejuvenation of senile plantation in respect of orange was reported to have been carried out during 2006-11 in 2789 ha at a cost of ₹ 3.59 crore. Similarly, in Betul district, ₹ 53.49 lakh was spent on rejuvenation in 380.50 ha of mango orchards against the availability of merely 17 ha of orchards and in the Bhopal district, ₹ 3 lakh was spent on rejuvenation of 20 ha guava orchards against the availability of 9 ha orchards.

Assistance (₹ 1.82 crore) for rejuvenation was given for 1396.50 ha orchards not in existence.

The proportionate assistance provided for rejuvenation of senile plantation on orchards of 1396.50 ha which were apparently non-existent worked out to ₹ 1.82 crore.

While responses of the Secretaries, DHMC in different districts varied from disclaimers to attributing the discrepancy to the field staff or to extending assurances to avoid repeat of such mistakes in future, the department intimated (November 2011) that the problem of under reporting of horticulture crops by Revenue Department was being looked by a committee under the chairmanship of the Assistant Production Commissioner.

#### 2.2.4.12 Irregular expenditure on Protected Cultivation

(a) Under the Protected Cultivation component, shade net was to be provided to the beneficiaries for creating green houses. Assistance in this regard was limited to rupees seven per sq. m. (50 per cent of cost) subject to maximum of ₹ 3,500 for 500 sq. m. up to the year 2009-10. From 2010-11 onwards, the assistance admissible was raised to ₹ 150 per sq.m. limited to five units of 200 sq.m. each.

We noticed that in the DHMC Indore:

(i) The society had not maintained the lists of applications received from the beneficiaries and the quantity of shade nets supplied to them.

(ii) An expenditure of ₹ 47.76 lakh was incurred during 2009-10 on providing shade net over an area of 1.52 lakh sq. m. The maximum assistance admissible at the prescribed rate of rupees seven per sq. m. was ₹ 10.64 lakh only. The remaining amount of ₹ 37.12 lakh was recoverable from the

Non-adherence to norms resulted in excess expenditure of ₹ 37.12 lakh.

beneficiaries before supply of shade nets to them which was not done. Thus, non-adherence to the norm resulted in excess expenditure of ₹ 37.12 lakh.

The Secretary, DHMC Indore stated (June 2011) that quantity of shade net was provided to farmer up to limit of subsidy payable and the remaining quantity of shade net was purchased by farmers themselves.

The reply is not tenable as the genuineness of beneficiaries and the quantity of shade net purchased by farmers themselves were not verifiable due to non-maintenance of records.

Assistance of ₹ 35 lakh was paid in excess of norms.

(b) In Badwani district, 224936 sq.m. shade net was purchased at a cost of ₹ 70 lakh in June 2010 and was distributed to 1734 beneficiaries<sup>44</sup>. The society had incurred the expenditure of ₹ 70 lakh without obtaining the 50 per cent share from beneficiaries. Thus, the assistance of ₹ 35 lakh was paid in excess of norms. Secretary, DHMC Badwani stated that the cost would be recovered from beneficiaries in future.

#### **2.2.4.13 Post Harvest Management (PHM) and Marketing Infrastructure**

Expenditure on PHM and marketing infrastructure was less than 6 per cent. Expenditure on marketing infrastructure (₹ 9.34 crore) and ₹ 2.66 crore on grading waxing plants were idle.

PHM involves processes like packaging, grading, transportation, curing, ripening and storage. These processes were essential for increasing marketability of horticulture produce. With a view to achieving holistic growth of horticultural sector in the State, GOI, at the time of approval of annual action plans, had issued instructions which, *inter-alia*, stipulated that expenditure on area expansion should be limited to 35 to 40 per cent of total provision and expenditure on PHM should be up to 20 per cent of the total outlay. However, out of the total expenditure of ₹ 323.13 crore incurred under the scheme during 2006-11, expenditure on area expansion of fruits, spices and flowers, INM/IPM, organic farming and creation of water sources (₹ 229.28 crore) was about 71 per cent. Expenditure under PHM and marketing infrastructure was ₹ 9.83 crore and ₹ 9.34 crore respectively which was less than 6 per cent of total expenditure during 2006-11. (Appendix-2.35). Aggregate physical achievement in respect of pack houses, refrigerated vans, rural markets under PHM was 2.30 per cent. No achievements were reported in respect of market intelligence, terminal market, mobile processing units, pre cooling chambers, low cost preservation unit, retail market and marketing extensions. Further, against the provision of ₹ 9.50 crore for eight wholesale markets, assistance of ₹ 9.19 crore was advanced for construction of a market at Bhopal which was incomplete as of August 2011. Twelve grading and waxing units were established during 2008-09 in eight districts at a cost of ₹ 2.66 crore against the approved cost of ₹ 1.50 crore. None of these units could commence work due to non-availability of power supply and trained staff. Not only assets created with an investment of ₹ 2.66 crore were lying idle, the farmers were deprived of intended benefits. Thus, for all practical purposes, facilities provided under PHM were negligible. Mission Director could not intimate the reasons for above failure.

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<sup>44</sup> 266 beneficiaries @ two units and 1468 beneficiaries @ one unit

The department stated that PHM infrastructure becomes necessary only when there is production of crops in sufficient volume. Over the years, as production has gone up, focus on PHM infrastructure in the AAP was growing. Grading and waxing unit setup in Shajapur has been operationalised in the financial year 2010-11.

Reply is not tenable because projection of PHM requirement in AAPs and their approval by GOI underlined their current requirement. Hence failure to meet these confirmed requirements was self-evident.

#### **2.2.4.14 Impact of the scheme**

Inspite of assistance provided during 2006-09 for area expansion, organic farming and INM/IPM in respect of fruits crops, spices and flowers, no significant increase was achieved in expansion of area, production and productivity in horticulture. Further, inspite of assistance for rejuvenation of fruit orchards, the total area of fruits had decreased during 2006-09.

Details of area, production and productivity for 2004-05 in respect of fruits, vegetables, spices and flowers were not available in the SHM as the base line survey was not conducted. For 2008-09, details of only area in respect of fruits were available whereas details of production and productivity were not available. Details in respect of vegetables were also not available for 2008-09. Details in respect of area production and productivity of spices and flowers during 2008-09 as intimated to audit are shown in **Table-2.13**

**Table-2.13**

<b>Name of crop</b>	<b>Area (Hundred ha)</b>	<b>Production (Hundred MT)</b>	<b>Productivity (10 Kg/ha)</b>
Chilli	617.68	65098.897	106
Garlic	508.01	213365.19	420
Coriander	1361.81	43577.964	32
Flowers	37.26	22932.92	615.5

Details of area of cultivation, production and productivity of major crops prior to commencement of NHM (2004-05) and for the year 2008-09 after implementation of NHM (2006-09) as per revenue records are shown in **Table-2.14**. Details for 2009-10 and 2010-11 were not available with Revenue Department.

**Table-2.14**

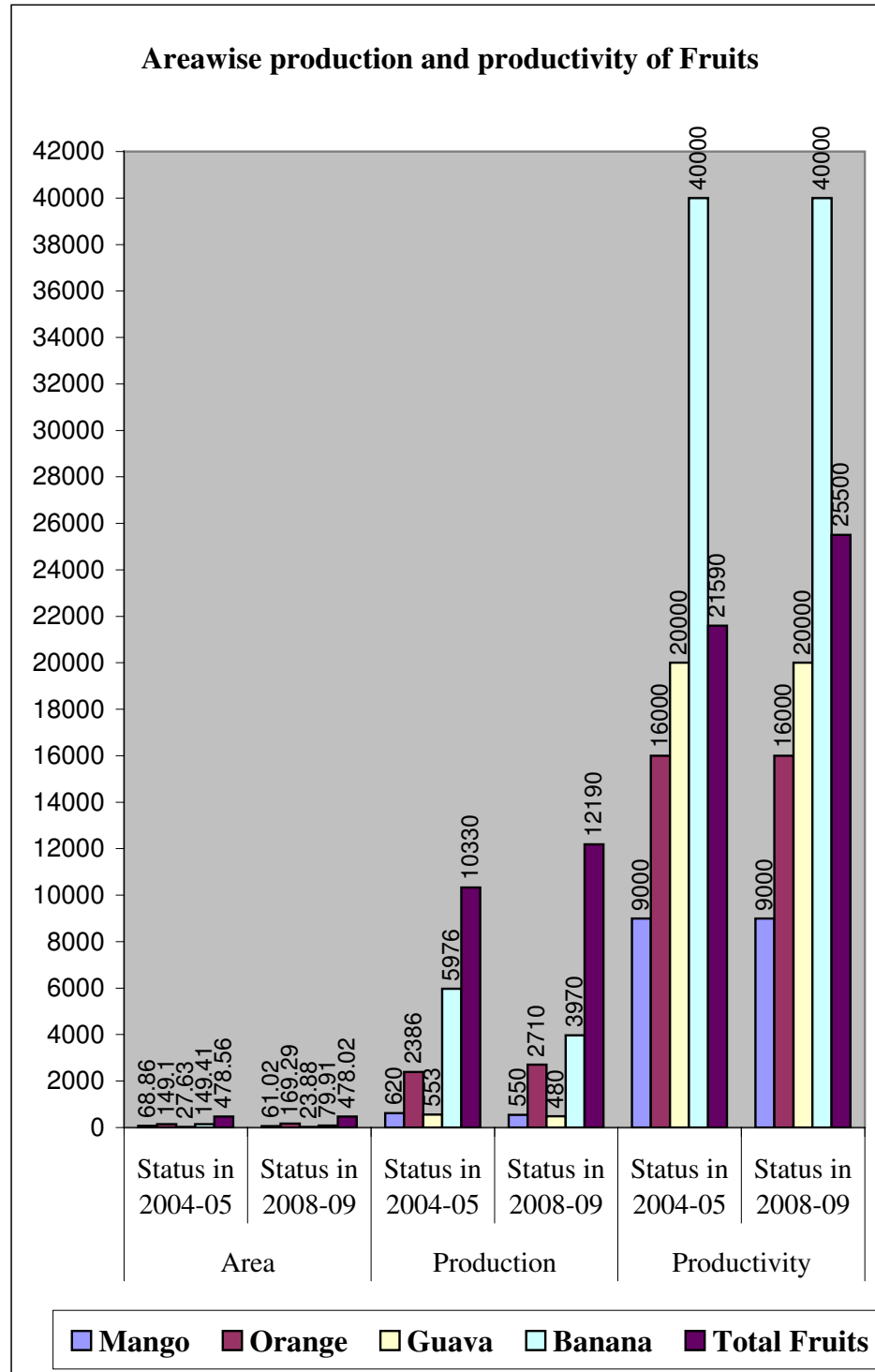
Name of crop	Area (hundred hectares)		Production (hundred MT)		Productivity (Kg/Ha)	
	2004-05	2008-09 <sup>45</sup>	2004-05	2008-09 <sup>45</sup>	2004-05	2008-09 <sup>45</sup>
<b>Fruits</b>						
Mango	68.86	61.02	620	550	9000	9000
Orange	149.10	169.29	2386	2710	16000	16000
Guava	27.63	23.88	553	480	20000	20000
Banana	149.41	79.91	5976	3970	40000	40000
<b>Total all Fruits</b>	<b>478.56</b>	<b>478.02</b>	<b>10330</b>	<b>12190</b>	<b>21590</b>	<b>25500</b>
<b>Vegetables</b>						
Potato	476.02	563.33	7140	6500	15000	11540.0
Onion	357.04	401.89	5713	5820	16000	14490.0
Tomato	182.54	209.95	2738	3150	15000	15000.0
<b>Total all Vegetables</b>	<b>1849.50</b>	<b>2048.95</b>	<b>26210</b>	<b>26800</b>	<b>14170.0</b>	<b>13080.0</b>
<b>Spices</b>						
Chilli	470.91	475.84	430	590	910.0	1230.0
Garlic	422.92	491.18	1780	2070	4220.0	4220.0
Coriander	1363.88	1414.30	530	590	390.0	420.0
<b>Total all Spices</b>	<b>2658.11</b>	<b>2761.96</b>	<b>3150</b>	<b>3645</b>	<b>1190.0</b>	<b>1320.0</b>
<b>Flowers</b>	<b>17.47</b>	<b>26.31</b>	<b>10</b>	<b>15</b>	<b>600.0</b>	<b>600.00</b>

(Source: Supplied by the Mission Director, Bhopal and Commissioner, Land Record, Gwalior)

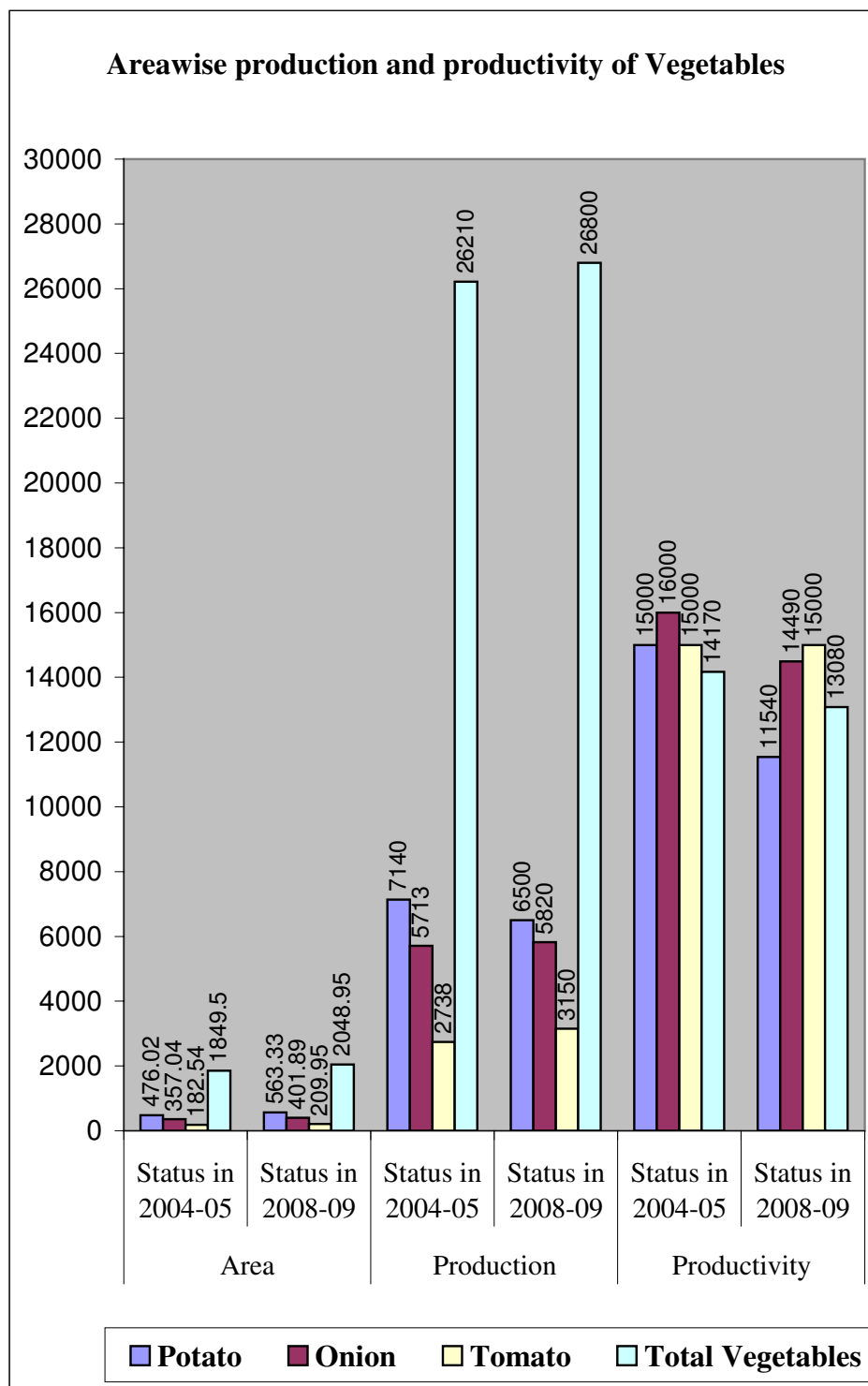
From the above table it is seen that:-

<sup>45</sup> Figures in respect of area of cultivation, production and productivity available in Revenue Department only up to 2008-09

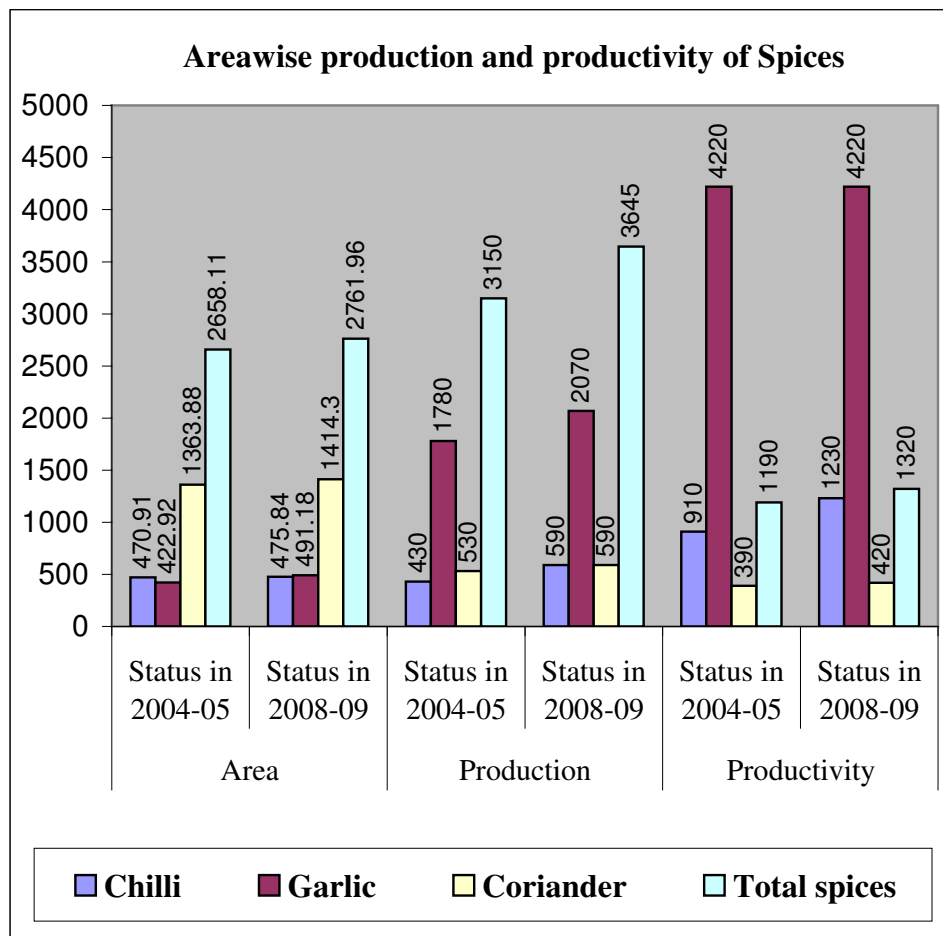
(i) Total area of all fruits crop as well as area of mango, guava and banana had decreased while there was marginal increase in area of orange. Productivity of banana, orange, mango and guava remained constant showing the INM/IPM measures and rejuvenation were not effective as shown below:



(ii) Though area of potato, onion and tomato increased, productivity of potato and onion decreased considerably. Despite production of vegetables increasing marginally, productivity decreased by about 8 per cent as shown below:



(iii) Though area of chilli, garlic and coriander increased, the increase of 12361 ha was about 26 per cent of area assisted (46860.75 ha) under NHM showing that expansion was not effective. While productivity of chilli increased considerably, increase in case of coriander was marginal and productivity of garlic was constant as shown below:



(iv) As against the assistance given for 5457 ha for flowers total area was only 2631 ha with an increase of 884 ha which was 16 per cent of area for which assistance was given.

(v) Additional areas brought under horticulture crops were areas already under cultivation and there was no increase due to creation of water sources.

Thus, the main objective of enhancing areas, production and productivity and thereby increasing the income of farm households couldnot be achieved. The department had accepted the facts.

### 2.2.5 Conclusion

For the success of objectives of the NHM, an assessment of the potentiality and demand of the horticultural products by conducting baseline survey in different parts of the State was essential. Accordingly, a perspective plan and



an action plan should have been prepared by the Horticulture Department. In the absence of that, the DHMCs had prepared AAPs on ad hoc basis. As a result of this, it failed to utilise even the limited funds made available by GOI and the State Government for the SHM.

To bring additional area under improved variety of horticultural crops, the establishment of model nurseries in public and private sector, one of the important activities was to meet the requirement of plants. In public sector nurseries, the funds meant for development of infrastructure were diverted to establishment expenditure (Wages, electricity bills etc.) which resulted in poor output, ranging from a low of zero to a high of 27 per cent. The assistance to private sector nurseries was paid without ensuring their completion. There was no monitoring mechanism in place to measure and evaluate success of these nurseries. As such the exact impact of the nurseries on the over all level of achievements under NHM was not verifiable.

Instead of giving preference to perennial fruit crops for ensuring sustained growth, preference had been given to short-term crops, i.e., flower and spices.

The beneficiaries had not been properly identified, Further, the lesser number of plants to cover areas targeted for cultivation of fruits, spices and flowers resulted in sub-optimal use of resources and skewed benefits to cultivators. Post harvest management and marketing infrastructure were not created as per target.

#### **2.2.6 Recommendations**

- Baseline survey should be conducted to assess the potentiality and demand of horticulture productions in different agro climatic areas of the State and for preparing AAPs on realistic basis.
- Model nurseries need to be geared up properly to ensure supply of improved variety of fruit plants to plantations.
- Assistance to farmers should be paid after their due verification and necessary records thereof maintained.
- The various activities undertaken under the mission need to be monitored closely to ensure their efficient implementation.
- In the cases where the assistance on the basis of cost of the project is provided to the farmers, some monitoring system/social audit system should be in place to ensure continued growth in production.
- Post harvest management and marketing facilities should be developed to extend full benefit to the farmers and for proper utilisation of horticultural production in the State.

## Narmada Valley Development Department

### 2.3 Construction of Bargi Diversion Project

#### Executive summary

The Bargi Dam is the first major reservoir across the Narmada river, built during 1971-1990 with a live storage capacity of 2.58 MAF<sup>46</sup> sufficient to irrigate 1.57 lakh hectare through left bank canal and 2.45 lakh hectare through right bank canal. The work related to right bank main canal (RBMC) was renamed as the Bargi Diversion Project (BDP) in September 1979. The BDP included construction of 197.4 km long main canal, 254.14 km long branch canals, 2700 km distribution network and 3625 structures some of which would link Narmada basin with Sone-Tons basin. The project was not taken up for execution till 2001 due to variety of reasons including paucity of funds. In 2001-02, the Government of Madhya Pradesh (GOMP) decided to take up the execution of the project at a cost of ₹ 1101.23 crore for completion by June 2014 to irrigate 56597 hectare of Narmada basin and 1.88 lakh hectare of Sone-Tons basin. Till March 2011, by incurring ₹ 1407.54 crore on the project, 61.59 *per cent* of canal network and 34.97 *per cent* structures have been completed, in five phases. Against the created irrigation potential of 38691 hectare, the actual irrigation provided so far (March 2011) is only 710 hectare.

Performance audit of Bargi Diversion Project in the State covering the period 2006-11 indicated that:

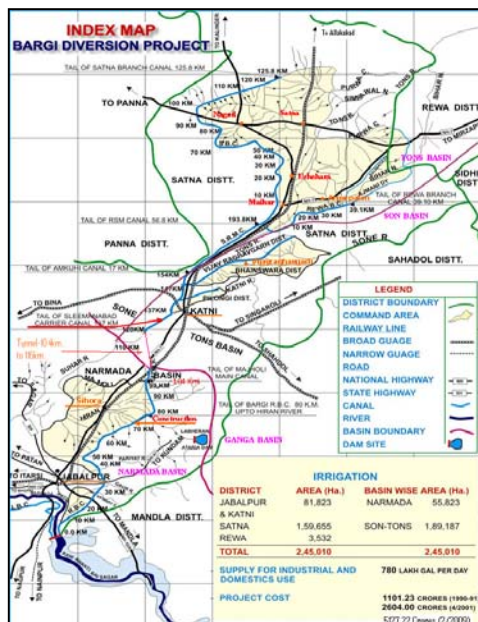
- Available water, in Bargi dam would not be adequate to provide irrigation to the entire command area proposed to be covered under the BDP.
- Unplanned and unnecessary provision of additional cross regulators not only resulted in extra cost but also carries distinct possibility of retarding the flow of water in the canal resulting in non- realisation of planned irrigation potential.
- The inaccurate estimation and unplanned execution in main canal work resulted in abnormal increase in the quantities executed, delayed the completion of work by six years besides increasing the cost of work by ₹ 35.88 crore.
- There were instances of excess payments to contractors (₹ 16.48 crore), execution of unwarranted items (₹ 7.98 crore), non-levy of penalty (₹ 8.20 crore) etc. contributing to cost over run.

<sup>46</sup>

MAF: Million Acre Feet

### 2.3.1 Introduction

Bargi Diversion Project (BDP) is a major trans valley gravity canal irrigation project taken up in 2001-02. The project envisaged construction of 197.4 km long right bank main canal (RBMC) from Bargi Dam and 254.14 km branch canals and 2700 km of distribution network to provide irrigation to 2.45 lakh<sup>47</sup> hectare (ha) area in Jabalpur, Katni, Satna & Rewa districts as well as domestic & industrial water supply of 1.632 MAF to Jabalpur and Katni towns. RBMC with a designed discharge of 227.438 cubic metre per second (cumec) at the head is envisaged to carry water to Jabalpur district falling in the Narmada basin and thereafter cross the high ridge in Sleemanabad to serve the areas of Satna and Rewa districts falling under Sone and Tons basins. This project involves trans valley diversion of water of Narmada river to Sone-Tons valley as detailed in the



Source: Index map provided by NVDA

table below:

Table 2.15

Name of District	Length of main canal in km	Length of distributaries and minors in km	Designed irrigation potential in lakh ha
Jabalpur – Katni (Narmada basin)	RD 0 to RD 104	970	0.57
Rewa – Satna (Sone-Tons basin)	RD 104 to RD 197.4	1730	1.88
<b>Total</b>	<b>197.4</b>	<b>2700</b>	<b>2.45</b>

Source: Status report of AIBP

### 2.3.2 Organisational set-up

The Narmada Valley Development Authority (NVDA) which is implementing the project has been constituted in July 1985, to prepare and formulate a perspective plan for utilisation of allotted share of Narmada water in the State as per Narmada Water Dispute Tribunal (NWDT) award as well as for execution of various projects on Narmada river. NVDA is headed by the Chairman, who is assisted by Vice Chairman and six full time members (Engineering, Finance, Power, Planning, Environment and Forest & Rehabilitation). Each project taken up by NVDA is executed through a Chief Engineer who functions under the supervision of Member Engineering. The

<sup>47</sup> Jabalpur 60,000 hectare, Katni 21,823 hectare, Rewa 3,532 hectare and Satna 1,59,655 hectare.

BDP is being executed by the CE, Upper Narmada Zone (UNZ), Jabalpur who is assisted by four Superintending Engineers (SEs), 12 Executive Engineers at the field level.

### **2.3.3 Audit objectives**

The objectives of audit were to assess whether:

- the project was well planned and the works were executed as per milestones, standard design and specification;
- funds were available and utilised effectively; and
- the contract management and monitoring mechanism were effective.

### **2.3.4 Audit criteria**

The audit findings were based on the criteria drawn from:

- Provisions of the Works Department Manual, Indian Standard codes, Financial Rules, instructions issued by the State Government, GSI and the Central Water Commission (CWC),
- Approved designs and specifications prescribed by the Engineer-In-Chief (E-in-C) for construction of canals.

### **2.3.5 Audit scope and methodology**

The performance audit is restricted to the construction of right bank main canal (RBMC) and its distribution system and covers the period from 2006-07 to 2010-11. Records of offices of the Member Engineering (NVDA), CE, Upper Narmada Zone (UNZ), Jabalpur, SEs and six out of 12 divisions were reviewed between June 2011 and August 2011.

The audit objectives, criteria and methodology were discussed with NVDA during entry conference (May 2011).

In exit conference (August 2011) held with the Vice Chairman, NVDA, audit findings were discussed and the response of the NVDA elicited. The Vice Chairman appreciated the usefulness of the report and stated that the same would be used for strengthening the system of planning and execution.

Audit acknowledges the co-operation extended by the department during the course of performance audit.

### **2.3.6 Funding pattern of the project**

The investment clearance for the project was accorded (July 1998) by the Planning Commission for an initial cost of ₹ 1101.23 crore at 1991 price level with scheduled completion by March 2014. The project cost has been revised (December 2009) to ₹ 5127.22 crore. Of this, an amount of ₹ 2755.69 crore was to be provided by GOI under Accelerated Irrigation Benefit Programme (AIBP), an amount of ₹ 1157.46 crore through a loan from NABARD and the balance ₹ 1214.07 crore by the State Government through annual budgetary support. Out of total expenditure of ₹ 1407.54 crore on the project up to 2010-11, ₹ 469.93 crore was incurred during the years preceding to 2005-06

and balance amount of ₹ 937.61 crore has been incurred during the five years period covered under this audit from 2006-07 to 2010-11, as shown in the table below:

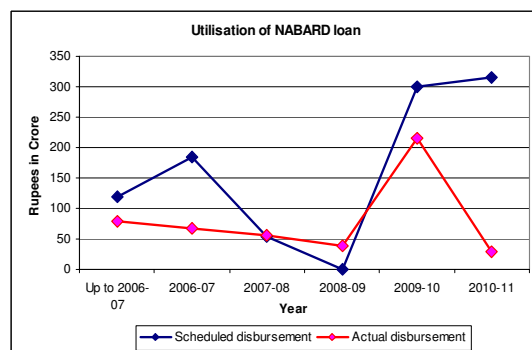
**Table 2.16**

Year	Phase	Budget Provision (₹ in crore)	Expenditure (₹ in crore)				Percentage of utilisation
			AIBP	NABARD	State Govt.	Total	
Up to 2005-06	Initial phase, Phase I and II	498.70	199.90	78.60	191.43	469.93	94.23
2006-07	Phase I and II	292.43	2.06	68.18	50.29	120.53	41.22
2007-08	Phase III	223.91	35.39	55.85	114.42	205.66	91.85
2008-09	Phase IV	167.07	49.50	39.15	74.33	162.98	97.55
2009-10	Phase IV	227.50	31.61	215.47	(-20.60) <sup>48</sup>	226.48	99.55
2010-11	Phase IV	228.38	0	28.88	193.08	221.96	97.19
<b>Total</b>		<b>1637.99</b>	<b>318.46</b>	<b>486.13</b>	<b>602.95</b>	<b>1407.54</b>	

Source: Information provided by NVDA

The project has been able to absorb, substantially, the funds earmarked for its execution except during 2006-07 when expenditure was less than half mainly due to slow progress of work, abnormal increase in quantities to be executed and resultant abandoning of such works by contractors, obstruction to blasting by the villagers near the canal, continuous seepage at various reaches of main canal owing to high level of underground water, etc. (see paragraphs 2.3.7.2 and 2.3.8.4)

**2.3.6.1 Short utilisation of NABARD loan due to slippage in project execution**



Source: Information provided by NVDA

Submission of command area plan for the same to NABARD by GOMP was to precede actual drawal of funds.

Loans aggregating ₹ 1157.46 crore were sanctioned by NABARD up to the third phase of the project. According to the schedule of disbursement of the

<sup>48</sup> Negative figure during 2009-10 was due to recoupment of funds released in excess of its share by the State Government during 2008-09.

loan, ₹ 975.31 crore were to be disbursed by the end of 2010-11 by way of reimbursing expenditure already incurred by the project authorities. It was seen that the department could, however, claim reimbursement of only ₹ 486.13 crore as of March 2011. Shortfall of 50 *per cent* in utilisation of the loan was accepted by CE UNZ, Jabalpur, who attributed (July 2011) it to slow progress by contractors, works left incomplete by the contractors and litigation in land acquisition.

### 2.3.7 Planning

According to provisions of the MPWD Manual, proper planning and correct estimation are the prerequisites of any project before awarding the work contract. Although the Central Water Commission (CWC) had approved this project in 1992, it was taken up for execution in 2001-02. The GOMP accorded (February 2011) revised Administrative approval of ₹ 5127.22 crore with stipulation for completion in five phases by June 2014.

The deficiencies in the project planning are discussed below:

#### 2.3.7.1 Deficient availability of water

**Availability of water in Bargi dam was deficient for BDP.**

The Bargi dam is the first reservoir across the Narmada River with a live storage capacity of 2.58 MAF and dead storage of 0.60 MAF. The DPR (1970) for construction of Bargi dam was based on the inflow data for preceding 21 years (1949-1970) period.

We noticed that while preparing the DPR (1988) for construction of BDP, the department considered the same inflow data which had been considered for construction of Bargi dam. During the intervening period from 1971 to 1988 changes in the rainfall pattern and reduction in the catchment area due to deforestation had resulted in significant reduction of live storage of water in Bargi dam. It was observed that the available usable water in the Bargi dam in last 10 years except 2009-10 was 1.548 MAF (60 *per cent* of total live storage) during normal rainfall as reported by CWC (August 2011), whereas the total requirement from Bargi dam for BDP, LBC and medium and minor pumping schemes was assessed in the DPR as 2.7074 MAF<sup>49</sup>. Looking to the preceding 10 years rainfall data (2001 to 2010), the dam is less likely to have enough water to provide full irrigation potential proposed in the Detailed Project Report (DPR). Besides, as the level of head regulators of BDP canal is RL 411.48 metre and LBC is RL 403.55 metre, in case of insufficient water in Bargi dam, water would not be available for BDP.

The Vice Chairman stated (August 2011) in exit conference that the feeders of Bargi dam at Raghavpur, Rosra and Basania were in advanced stage of planning which would augment the inflow of water to Bargi dam.

The reply is not acceptable as the department should have been aware of the deficient availability of water in Bargi dam, and the execution of upstream reservoirs at Raghavpur, Rosra and Basania should have been taken up

<sup>49</sup> 1.632 MAF for BDP, 1.004 MAF for Left Bank Canal and 0.0714 MAF for medium and minor pumping schemes.

simultaneous to the execution of BDP so as to achieve the intended goal of the project to irrigate 2.45 lakh ha through BDP.

### **2.3.7.2 Non observance of recommendations of GSI**

**Non observance of recommendations of GSI led to extra cost of ₹ 21.59 crore and time overrun.**

The construction of RBMC between RD 34 km and RD 37 KM was undertaken contrary to the advice of GSI which had surveyed the alignment (1982). As the strata was loose and fragile in nature and fraught with possibility of soil slippage, the GSI suggested construction of a 2.30 km long tunnel from RD 33.30 km to 35.60 km. The department instead, provided in the DPR (1983), a shorter tunnel of 1.20 km long (between RD 35.075 km and RD 36.275 KM) and open cut canal in the remaining distance on the upstream and downstream of tunnel. The decision to curtail the length of tunnel by constructing open cut canal was taken by the department without consulting GSI. During the execution of works, slippage of strata and over burden occurred in the canal due to deep cutting up to 30 metre. CWC who were consulted in the matter (March 2007), suggested construction of cut and cover structure in place of open cut canal. The department withdrew (February 2008 and April 2008) the incomplete work of 'open cut canal' and awarded (July 2008) the work of construction of 'cut and cover structure'. The work<sup>50</sup> scheduled to be completed by August 2009, was still incomplete (June 2011) and an amount of ₹ 53.06 crore was paid (February 2011) to the contractor.

We observed that construction of cut and cover structure instead of the tunnel of 2.3 km length by ignoring the earlier recommendations of GSI resulted in time overrun of about six years and denial of benefits of project construction. Also, it resulted in cost over run of ₹ 21.59 crore. In addition, an amount of ₹ 4.39 crore was irregularly paid (February 2011) to the contractor for earthwork and lining in excess of estimated quantity without prior approval from the NVDA as detailed in **Appendix-2.36**.

The EE, ND Dn. No 4 Jabalpur stated (June 2011) that it was decided to construct open canal in upstream and downstream on economic consideration and for problem free running of canal.

The reply is not tenable as construction of tunnel was not carried out in accordance with the recommendations of GSI which eventually delayed the project and construction of cut and cover canal also proved expensive.

### **2.3.7.3 Unplanned and unnecessary provision of additional cross regulators**

**Additional cross regulators resulted in avoidable extra cost of ₹ 7.60 crore.**

According to the design criteria of the distribution system, DPR of BDP provided for construction of a cross regulator cum escape each at RD 25.100 km and RD 64.415 km of RBMC, to irrigate the command through the minors off-taking from upstream of the cross regulator. Three additional cross regulators were, however, constructed at RD 11.40 km, RD 18.80 km and RD 49.10 km by reducing bed width of canal and construction of abutment and piers in the centreline of the canal.

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<sup>50</sup> Agreement No. 01 DL/08-09

On scrutiny of records, we observed that the cumulative discharge of minors and distributaries serviced by the three additional cross regulators was less than 33 per cent of the discharge of main canal which, as per technical instruction of Water Resources Department (WRD), was the minimum criteria for constructing a cross regulator at any point downstream of the canal head.

In view of the technical instruction of WRD and the planned design of the distribution system, there was no requirement of additional cross regulators at RD 11.40 km, RD 18.80 km and RD 49.10 km. Thus, expenditure of ₹ 7.60 crore<sup>51</sup> incurred on additional cross regulators was avoidable.



View of additional cross regulator at RD 49.10 km of RBMC obstructing the Water way

In exit conference, the CE, UNZ stated that when the plans were brought to site, changes were made considering local issues raised by the public which were not disclosed.

The reply was not acceptable as the cross regulators should have been planned before starting the execution of works, to avoid retarding water flow in the canal. Moreover, it is evident that additional cross regulators would have been superfluous with a full supply depth of 5.5 metre.

## 2.3.8 Programme management and implementation

### 2.3.8.1 Targets and achievements

The progress of main canal and distribution system as of March 2011 is detailed in the table below;

**Table 2.17: Physical progress of BDP**

Phase / starting year	Reach in km	Designed irrigation in ha	Target date	Type of canal	Land acquisition	Earth work	Lining	Structures
					(in per cent)			
Initial phase 2001-02	0 km to 16 km of main canal	3504	March 2004	Main/ Branch Distribution	Completed in March 2007			
Phase I 2002-03	16 km to 63 km of main canal	21194	March 2012	Main/ Branch Distribution	100	98.18 <sup>52</sup>	100	100
Phase-II 2002-03	63 km to 104 km of main canal	31899	March 2012	Main/ Branch Distribution	100	96.46	95.34	96.36
Phase-III 2007-08	104 to 154 km of main canal	26000	March 2013	Main/ Branch Distribution	100	83.74	56.95	36.67
Phase-IV 2008-09	Km 154 to 196 and Nagod- Satna Branch canal (0 to 55 km) and Rewa Branch canal (0 to 24 km)	47660	March 2013	Main/ Branch Distribution	89.29	62.48	23.11	21.22
Phase-V Yet to be started	Nagod- Satna Branch canal (55 to 125.77 km) and Rewa Branch canal (24 to 39.1 km)	114723	Target not fixed	Main/ Branch	5.79	3.49	0	3.96
					Survey work completed and drawing/ design and estimates were being prepared			

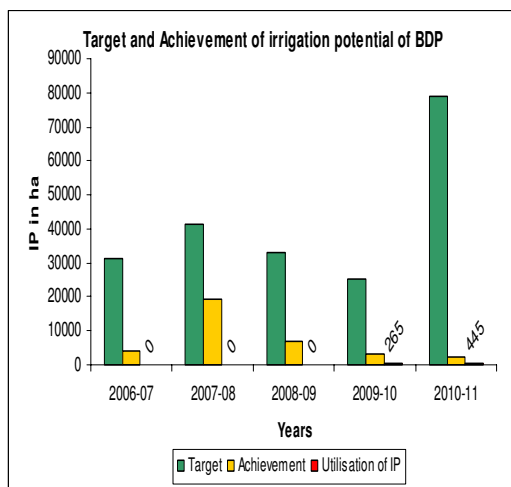
Source: Progress report of AIBP and Status report of BDP

<sup>51</sup> Agt no 6DL/2008-09, 13<sup>th</sup> and final bill = ₹ 506.87 lakh and in 2DI/2008-09, ₹ 253.51 lakh = ₹ 760.38 lakh

<sup>52</sup> Shortfall in earthwork due to non execution of earth cushion over cut and cover structure in between RD 34 km and 37 km



Chart: 1



The department could achieve IP of only 36032 ha up to 2010-11 against the targeted IP of 79194 ha leaving a shortfall of 54.50 per cent. Year wise details of targets, achievements and utilisation of IP during the period from 2006-07 to 2010-11, shown in chart, indicate that while shortfall in achievement in IP continued unabated year after year, the actual utilisation of the IP created was either nil (2006-07 to 2008-09) or negligible (2009-10 to 2010-11).

Source: Reports of AIBP

We observed that the effectiveness of the physical progress of the project was compromised by a number of bottlenecks in implementation, which are discussed below:

- The progress of works in distribution system was not synchronised with the works in main canal due to faulty estimation, as the scheduled quantities of work were breached, contractors left the works incomplete and delay occurred in fixing the agencies for the balance or debitible<sup>53</sup> works.
- In phase III, neither the land needed for distribution system was acquired nor an agency was fixed (July 2011) for execution of Vijayraghgarh branch canal (off-taking) from RD 152.4 km of RBMC, and its distribution network over 26000 ha CCA.
- In phase IV, while about 90 per cent land was acquired for main canal it was meagre in case of distribution system. In Rewa branch canal, construction agencies have been fixed only for creation of IP of 12000 ha against the IP of 47660 ha.
- Work on phase V of the project with IP of 114723 ha is yet to be taken up.

It is evident from above that the department did not place due emphasis on simultaneous execution of distribution system along with commissioning of main canal.

**Non-synchronised execution of canal network resulted in meagre utilisation of 710 ha. Consequently, IP created over an area of 35322 ha at a cost of ₹ 481 crore<sup>54</sup> remained largely unexploited.**

<sup>53</sup> Debitible works: The works in which the original contractor bears all liability at his risk and cost for completion of the work in case the work is completed by another agency.

<sup>54</sup> Cost of development of irrigation potential @ ₹ 1.36 lakh per ha as per DPR (July 2009)

The EE ND Dn No 4 Jabalpur stated (June 2011) that the target was not achieved due to litigation in acquiring land and slow progress of works by contractors in the works of phase I and phase II.

The reply of the EE is not acceptable as slow progress of works was mainly due to unrealistic estimation of quantities which abnormally increased during execution and not due to litigation. Besides, slow progress of the works by contractors which resulted in overall delay and cost overrun of the project was a controllable factor.

### 2.3.8.2 *Abnormal variation in quantities due to their inaccurate estimation*

According to orders of the Government in December 1995, the Chief Engineer, Superintending Engineer and Executive Engineer shall have powers to sanction excess quantities at an escalating financial scale upto ₹ 50 lakh. Quantities executed in excess of ₹ 50 lakh required the sanction of Government.

Records revealed that the contractor executing the work of RBMC, from RD 33 km to RD 35 km, taken up in June 2002 left the work incomplete due to increase in quantity. The balance work of excavation and earthwork, CC lining estimated to cost ₹ 2.77 crore was awarded (March 2006) as debit work at ₹ 4.28 crore to another contractor. The work to be initially completed by June 2003 was to be executed within 6 months (September 2006) from the date of issue of the work order. The work was belatedly completed in July 2007 and the final bill for gross value of work done of ₹ 6.71 crore was paid to the contractor in March 2008.

**Inadequate estimation increased the cost by ₹ 2.30 crore and there was excess payment of ₹ 70.42 lakh due to not following order of CE.**

We observed that the executed quantities had increased abnormally due to inaccurate estimation of quantities, which increased the cost of the work by ₹ 2.30 crore. The division had allowed execution of excess quantities without obtaining the approval of NVDA. CE, UNZ had directed (December 2006) the SE and EE for limiting payment of excess quantities beyond 10 *per cent* at 90 *per cent* of the rates proposed<sup>55</sup> by the division or the rates of the contractor whichever were less. Ignoring these directions, the EE, paid the contractor at rates proposed by the division without imposing any limitation of payment. This resulted in excess payment of ₹ 70.42 lakh to the contractor as detailed in the **Appendix-2.37**.

The EE ND Dn No 4 Jabalpur stated (June 2011) that payments would be regularised after obtaining sanction.

The reply is not acceptable because the contractor's bill was finalised even as execution of excess quantities remains unregularised since March 2008.

**Incorrect computation of rate of earthwork led to extra cost and undue financial benefit to contractor of ₹ 1.55 crore.**

### 2.3.8.3 *Incorrect computation of rate of earthwork*

In work of construction of RBMC from RD 154.00 km to RD 197.40 km, earthwork for bund which included watering and compaction, was to be paid at the clubbed rate of ₹ 76.55 per cu m. In arriving at the clubbed rate for this

<sup>55</sup>

Estimated rate, plus or minus overall tender premium.

work, lump-sum transportation charges of ₹ 7.07 crore for transportation of 8.63 lakh cu m of excavated earth were added instead of USR rate of ₹ 64.34 per cu m<sup>56</sup> for all lead and lift including watering and compaction. This resulted in increase of cost of the work as well as undue financial benefit of ₹ 1.55 crore<sup>57</sup> to the contractor who had excavated 12.71 lakh cu m.

The EE stated in reply that since bund specification was not required in the entire reach of canal, neither the item was provided nor lead charges for carting of earth included in the estimates.

The reply is not acceptable as cheaper rate of ₹ 64.34 for earthwork for bund is based on USR-2007, which is inclusive of all aspects of work. Also, since the work is related to a lined canal, watering and compaction of the bund were essential components of construction work.

**2.3.8.4 Excess payment due to inaction and extra cost due to adoption of richer specification**

Construction of Madna Distributory and its distribution system awarded to a contractor (November 2004) was withdrawn (July 2007) by the department due to slow progress of work of the contractor.

The balance work including earthwork and CC lining was awarded (February 2008) to another contractor at a cost of ₹ 32.48 crore. The work was scheduled for completion in 16 months (September 2009) excluding the rainy season but was still incomplete. The contractor has been paid ₹ 29.66 crore through 41 RA bill (April 2011). The following deficiencies were noticed:

**Inaction of the department led to excess payment of ₹ 84.92 lakh.**

- According to para 4.036 of the WD manual, while withdrawing the contract final measurements of the work was to be taken, which were not done. The final bill of the initial contractor was paid (July 2007) without taking the final measurements. These measurements when taken (May 2008) indicated that the contractor had been paid ₹ 84.92 lakh in excess as detailed in the table below;

**Table 2.18**

Sl no	Item	Quantity paid to contractor without final measurement (cu m)	Quantity measured and payable (cu m)	Inflated quantity paid (cu m)	Rate in ₹	Amount in ₹
1	Earthwork	1392368.96	1197135.01	195233.95	27.00	5271317
2.	CNS	106759.332	77745.743	29013.58	111.00	3220507
					<b>Total</b>	<b>8491824</b>

<sup>56</sup> Rate of earth work ₹ 56 per cu m as per the USR 2007 plus watering and compaction including lead of water for the quantity given in the clubbing statement which worked out to ₹ 64.34 per cu m.

<sup>57</sup>

Quantity executed as per 29 <sup>th</sup> RA bill	1271040.90 cu m
Rate paid per cu m ₹ 76.55 – Rate payable per cu m ₹ 64.34	₹ 12.21 per cu m
Excess amount paid	₹ 15519409.38

The CE UNZ Jabalpur stated (July 2011) that award of balance work to another agency was done after taking realistic final measurements and therefore, there was no irregularity.

The reply is not acceptable as the work order for the debit work was issued in February 2008 and final measurement of the rescinded contract was taken in May 2008, which ultimately, resulted in excess payment.

**Adoption of richer specification led to extra cost of ₹ 42.58 lakh.**

- In the balance work awarded (February 2008) to another contractor, the specification for CC lining was changed from cast *in situ* lining M-10 (nominal mix 1:3:6) cement concrete to CC 1:2:4 with 20 mm graded metal. The change in specification was contrary to technical circulars for channels carrying more than three cumec discharge issued (1984) by E-in-C, WRD, and resulted in extra cost of ₹ 42.58 lakh<sup>58</sup>.

EE stated that as per canal lining specification, for a canal having discharge more than three cumec and water depth more than one metre, CC 1:2:4 lining shall be provided. It was further stated that since the discharge was 13.03 cumec and water depth was 1.6 metre, CC 1:2:4 lining had been provided.

The reply is not acceptable as even in the main canal, where the discharge was more than 150 cumec<sup>59</sup> the department had adopted CC lining using CC 1:3:6.

### 2.3.8.5 Inclusion of unwarranted items of work in turnkey contracts

Clause 100.5 of the terms and conditions of turnkey agreements provide that the contractor shall prepare “Bill of Quantities” (BOQ) based on the detailed estimates for assessment of value of work to be done. After its approval by CE, this BOQ shall form part of the agreement. During scrutiny of turnkey contracts, we noticed instances of inclusion of unwarranted items of works in BOQ which are discussed in following paragraphs:

**Inclusion of unwarranted item of additional lift led to undue benefit of ₹ 4.87 crore.**

- In works contracts, lead provided includes lift up to 1.5 metre. Once lead is provided, additional lift beyond the initial lift of 1.5 metre is not allowed. In two turnkey contracts, it was noticed that additional lift was provided and paid for quantities for which lead had already been included. This resulted in undue financial aid of ₹ 4.87 crore to the contractor as detailed in the table below;

<sup>58</sup> Cost of CC 1:2:4 as per 41RA bill 7637.868 cu m @ ₹ 3285.93 = ₹ 25097500/-  
Cost of CC 1:3:6 as per provision of TC and earlier agreement 7637.868 cu m @ ₹ 2728.37 = ₹ 20838930/- (Difference ₹ 4258570/-)

<sup>59</sup> Turn key contract for the work of Sleemanabad carrier canal from RD 104 km to RD 129 km

**Table 2.19**

Sl no	Name of work	Agt no	Quantity transported with lead and additional lift <sup>60</sup>	Difference in rate of earthwork <sup>61</sup>	Amount in crore
1	Sleemanabad Carrier canal from RD 104 km to RD 129 km	1 DL/ 2007-08	937616 cu m earth	23.61 per cu m	2.21
2	Work of main canal from RD 129 km to 154 km	2 DL/ 2007-08	328393 cu m DR/ HR <sup>62</sup>	81 per cu m	2.66
		<b>Total</b>			<b>4.87</b>

**Inclusion of unwarranted item of CNS, watering and compaction led to undue benefit of ₹ 1.56 crore.**

The Vice Chairman, NVDA during exit conference directed the field formations to regulate the payment as per actual execution.

- In two contracts, in the item for providing CNS<sup>63</sup> material in lining work, lead of CNS material and lead of water used for laying CNS were included to arrive at the clubbed rate payable to the contractor. Records revealed that though the item of excavation of hard moorum was already included in the BOQ, unwarranted provision of providing and laying the CNS resulted in undue financial benefit of ₹ 1.56 crore to the contractors as detailed in the table below;

**Table 2.20**

Sl no	Name of work	Agt no	Quantity executed for CC lining	Rate paid	Rate payable <sup>64</sup>	Amount in crore
1	Sleemanabad Carrier canal from RD 104 km to RD 129 km	1 DL/ 2007-08	45954.259 cu m	4592 per cu m	4367.433 per cu m	1.03
2	Work of main canal from RD 154 km to RD 197.650 km	4 DL / 2008-09	41820.88 cu m	3904.53 per cu m	3778.13 per cu m	0.53
		<b>Total</b>				<b>1.56</b>

The Vice Chairman during exit conference agreed to look into the matter and circulate instructions to field formations for regulating the payment schedule as per actual execution.

### **2.3.8.6 Incomplete left over work resulted in under utilisation of IP**

According to technical circulars issued by the WRD, head regulators are constructed to regulate the flow of water into the distribution canals. Bilgawan and Kund distributary off-taking from RD 54.045 km and RD 62.86 km of the main canal are designed to irrigate CCA of 1951 ha and 5874 ha, respectively. An expenditure of ₹ 30.20 crore was incurred on these works (May 2009).

<sup>60</sup> Position as on July 2011.

<sup>61</sup> The rate difference has been worked out by excluding the rate of inadmissible additional lift.

<sup>62</sup> DR/HR: Disintegrated rock/ Hard rock

<sup>63</sup> Cohesive non swelling

<sup>64</sup> The rate payable has been worked out by excluding the amount of unwarranted provision for providing and laying of CNS.

**Non completion of works of distributaries resulted in unfruitful expenditure of ₹ 30.20 crore.**

We observed from records that out of seven sets of one canal gate and one head regulator required to be constructed for Bilgawan distributary, only one set was completed. Similarly, for Kund distributary none of the 25 required head regulators was completed. Owing to the slow progress of the work, department withdrew the work from the contractor (December 2008 and August 2009). Balance work remains to be awarded even after lapse of two years. This has deprived the farmers of the intended benefits and also resulted in the expenditure of ₹ 30.20 crore<sup>65</sup> remaining unfruitful.

The CE during exit conference stated (August 2011) that tenders for the balance work were being invited.

The reply which does not explain why the department failed to ensure completion of balance work of head regulators and gates at the earliest and to utilise the created IP at the earliest possible, is unacceptable.

### **2.3.9 Contract Management**

Contract management is the process of systematically and efficiently managing contract creation, execution, implementation and analysis for the purpose of maximising financial and operational performance and minimising risk. The works contracts in Phase I and II of BDP were initially executed either on item rate contracts or on lump sum basis. Later, in Phase III to V, the department switched over to turnkey contracts. Issues noticed in audit of item rate contracts and turnkey contracts are discussed in succeeding paragraphs.

#### **2.3.9.1 Creation of indefinite liability in turnkey contract of consultancy**

Clause 204 (1) of the Financial Rules of the Government stipulate that the terms and conditions of the contract must be precise and definite and without any ambiguity. The terms should not involve an uncertain or indefinite liability.

The consultancy contract for the work 'Slemanabad carrier canal from RD 104 km to RD 129 km of RBMC' awarded (May 2009) to a firm at a cost of ₹ 10.28 crore was to be completed in 45 months (February 2013) including the rainy season. The contract provided payment of escalation at the rate 10 *per cent* per annum of the quoted rates for the works carried out after expiry of 45 months. Total value of consultancy work done and paid through 11 RA bill was ₹ 1.38 crore (February 2011).

**An appropriate clause was not included in interlinked contracts to meet liability arising from another contract.**

The work of the consultant was linked to the progress of construction of Sleemanabad carrier canal awarded to another contractor. As per the contract with the consultant, any delays caused by the contractor in the construction work beyond the scheduled completion period of 45 months would automatically result in payment of escalation to the consultancy contractor. While the consultancy contract provided for payment of escalation, corresponding penal provisions were not incorporated in the construction

<sup>65</sup> ₹ 8.20 crore and ₹ 22.00 crore

contract to ensure that the department does not suffer additional liabilities on account of failure of the construction contractor.

We noticed that the above work was scheduled to be completed by July 2011. Only 14.28 *per cent* had been executed till July 2011. The scheduled period of consultancy contract ends by February 2013. In the absence of an enabling clause, the escalation charges payable to the consultant on account of delay in completion of the project will have to be borne by the Government. Thus, entering into contract with uncertain/indefinite liabilities was against the provisions of financial rules and not in the interest of the Government.

The Vice Chairman during the exit conference admitted the lopsidedness in the two contracts but promised no specific action.

### ***2.3.9.2 Irregular return of performance security, security deposit and bank guarantee***

According to clause 4.3.17.2 of the item rate contract, the security deposit and performance security of the contractor shall not be refunded before the settlement and payment of final bill. Clause 3.28 further stipulates that the approving authority will have the power to retain the amount of Additional Security Deposit (ASD) till the finalisation of the work.

According to clause 113.6 of turnkey contracts, employer would make advance payment to contractor against an unconditional bank guarantee (BG) and the BG shall continue to be enforceable till all dues have been fully paid by the contractor.

**Performance security/ bank guarantee for ₹ 11.85 crore were prematurely released to contractors.**

On scrutiny of records, we observed that in case of three item rate contracts and two turnkey contracts for construction of main canal, the performance security/ASD of ₹ 3.35 crore and bank guarantee of ₹ 8.50 crore were refunded/released as detailed in **Appendix-2.38** despite the fact that the works were delayed and incomplete. Irregular refund of performance security/ASD and release of bank guarantee not only resulted in undue financial aid but also exposed the department to financial risk in the event of contractors leaving the work incomplete.

The Vice Chairman, during the exit conference, accepted the facts of premature release of various guarantees and assured that orders for resubmission of guarantees would be issued.

### ***2.3.9.3 Inaction of the department led to non-recovery of debitable amount***

According to clause 14 of lump-sum tender document, the Engineer in Charge shall have power to take action in the event of delay in completion or suspension of the work and his decision shall be final and binding on the contractor.

**Debitable amount of ₹ 7.65 crore was not recovered from defaulting contractor and there was an excess payment of ₹ 2.01 crore due to inflated measurement.**

The work of construction of canal siphon cum two lane road bridge at RD 92.667 km on Belkund river awarded (October 2005) at a lump sum amount of ₹ 9.27 crore was delayed by the contractor and the contract was rescinded (December 2010). Till the time of rescinding the contract, an amount of ₹ 6.43 crore had been paid (June 2010) to the contractor.

Though the work was rescinded (December 2010) under debit clause of the contract, final bill of the contractor had still (July 2011) not been settled as the contractor was not present for taking final measurements of executed quantities. The final measurements of the rescinded contract were carried out only in June 2011 and it was noticed that the measurements adopted for payment were inflated and excess payment of ₹ 2.01 crore had been made to contractor as detailed in **Appendix-2.39**. Meanwhile, the balance work of ₹ 2.84 crore was awarded (June 2011) to another contractor at ₹ 10.49 crore. Thus, in addition to excess payment, debit cost of ₹ 7.65 crore was recoverable from the contractor, against which SD of ₹ 81.29 lakh only was available with the department.

The Vice Chairman assured to take action for recovery from the contractor on account of inflated measurements, after verification.

#### **2.3.9.4 Short recovery of mobilisation and machinery advance**

Clause 113.6 B and C of the turnkey contract agreement provided that mobilisation advance shall be recovered through percentage deduction from interim payments, commencing when the total interim payments reaches 10 *per cent* of the contract price. The deduction shall be made at the rate 12.5 *per cent* of the amount of interim payments until the whole amount has been recovered.

Similarly, equipment advance must be recovered from the interim payments of the contractor at the rate of 6.25 *per cent*, after completion of 10 *per cent* of value of work (contract price).

**Short recovery of mobilisation and machinery advance led to undue financial aid of ₹ 13.28 crore.**

On scrutiny of agreement for execution of RD 104 km to RD 129 km of main canal, we noticed that the contractor was paid mobilisation and machinery advance to the extent of ₹ 119.85 crore. At the end of March 2011, up to 14.28 *per cent* of the work valued at ₹ 144.14 crore was completed by the contractor. It was seen that against the recoverable amount of ₹ 21.40 crore, the department had recovered an amount of only ₹ 8.12 crore from the RA bills of the contractor. This resulted in undue financial aid to the tune of ₹ 13.28 crore to the contractor.

EE stated that if the recovery of ₹ 13.28 crore is done in one stroke, there would be no payment due to the contractor in many forthcoming RA bills, which could hinder the progress of work and result in legal difficulties. It was further stated that the recovery at the rate 14.30 *per cent* as against 12.50 *per cent* for mobilisation advance and at the rate 7.15 *per cent* for equipment advance has been started to compensate the short recovery.

The reply, however, did not explain why the irregularities were allowed in the first place and how its recurrence would be prevented.



### 2.3.9.5 Irregular modification of escalation clause

Standard tender document provided that the whole-sale price index as published by Government of India, Ministry of Industry, office of the Economic Advisor would be the basis for computation of price escalation. According to this index, the whole-sale price index (WPI) of all commodities was taken for computation of escalation against cement, steel and other material. According to the rule 21 of Madhya Pradesh Financial Code Vol I, Chapter 2, Section IV, any change in any clause of Standard Bidding Document (SBD) required prior approval from Law and Finance department.

Our examination of the records revealed that at the demand of contractors for rational price escalation, the department proposed (January 2008) to modify<sup>66</sup> the multiplying factor and variables<sup>67</sup> of the price escalation formula in the SBD in conformity with the formula as adopted by Construction Industries Development Council (CIDC) as suggested by the contractor.

**Irregular modification in SBD led to extra expenditure of ₹ 5.97 crore.**

The proposal to amend the escalation clause in the SBD was sent to the Government for approval in January 2008. The Government on 4 October 2008 issued an order, approving modification of the escalation formula in the SBD.

Even before the approval of the Government was available, the department invited bid and entered (February/ March 2008) into the contracts with amended escalation clause whereby the multiplying factor was altered from 0.75 to 0.85, in three works under three divisions. The indices of cement were also replaced (February 2009) by the whole-sale prevailing market rates instead of the WPI published by Ministry of Industry. Invitation of bids and award of contracts on the basis of SBD containing revised escalation clause at a stage when these did not have the approval of Government was irregular as the SBD as amended, was unauthorised. It also cast a extra financial burden of ₹ 5.97 crore on the Government, as detailed in **Appendix-2.40**.

The Vice Chairman during the exit conference ordered investigation of the case.

### 2.3.9.6 Non imposition of penalty for delay

According to the contractual clauses, in the event of any shortfall in the progress of work by more than 20 *per cent* of scheduled programme, penalty shall be imposed on the contractor at the rate 0.1 *per cent* per day of the shortfall value during the period of respective six month. The cumulative penalty for all the six monthly periods shall, however, be limited to 10 *per cent* of the contract value. In terms of clause 115.2 of turnkey contracts, besides levy of penalty as stated above, total delay in excess of 100 days

<sup>66</sup>	<p><b>Provision as per SBD</b>  <math>V = 0.75 * P_s * R * (X - X_o) / X_o</math>                      Where <math>P_s</math> = percentage of component i.e. Labour, POL, Material, Cement, Steel  <math>R</math> = Value of work done during respective quarter  <math>V</math> = increase or decrease in the cost of work due to material, POL, cement</p>	<p><b>Modified Clause</b>  <math>V = 0.85 * P_s * R * (X - X_o) / X_o</math></p>
<sup>67</sup>	<p><math>X</math> = average price index of all commodities for respective three months  <math>X_o</math> = Base index of all commodities at the time of opening of tender</p>	

**There was a loss of ₹ 8.20 crore due to non imposition of penalty for delay.**

would be a cause for termination of the contract as well as forfeiture of the security and performance deposits.

During scrutiny of records of three out of four ND divisions executing the works on item rate tenders, it was noticed that penalty for delay ranging between 118 days and 439 days in execution of works was not imposed by the divisional officers according to the provisions of agreements. Non-imposition of penalty resulted in loss of ₹ 8.20 crore to the Government as shown in **Appendix-2.41.**

EEs stated (June 2011) that matter for delay would be scrutinised and penalty recovered before finalisation of work.

Further, in turnkey contracts of RD 104 km to RD 129 km and RD 154.05 km to RD 196.65 km the contractors had completed only 14 *per cent* and 62 *per cent* of the work respectively even after expiry of their stipulated period of completion. The department neither assessed the penalty recoverable as per the provisions of the agreement nor taken any initiative for termination of contract in terms of clause 115.2.

EEs stated that action would be taken after calculating the delay attributable to the contractors.

The replies were not convincing as penalties should have been assessed and recovered every six months according to the provisions of contract.

#### ***2.3.9.7 Undue favour to the contractor due to injudicious provision of excess quantity***

The agreement for the work of excavation and construction of main canal from RD 102 km to RD 104 km was awarded (August 2004) to a contractor. The contractor could not complete the work and the balance work was awarded (December 2010) to another contractor as a debit work. The work was in progress (July 2011). According to specifications of canal lining for major irrigation projects, for channels carrying more than 3 cumec discharge, both the bed and side slopes should be lined with cast *in situ* M-10 (nominal mix 1:3:6) cement concrete.

**Undue favour to the contractor due to provision of excess quantity.**

While awarding the work to another contractor, the item of CC 1:3:6 (M-10) was excluded from BOQ by substituting in its place the specifications CC 1:2:4 (M-15). The quantity was simultaneously increased from 8512 cu m (M-10) to 13756.35 cu m (M-15). Change in original specifications precluded the department from recovering from the original contractor the extra cost of ₹ 4.39 crore<sup>68</sup>. Besides, as the canal section, bed width, full supply depth and free board remained the same as in the earlier contract, increase in the quantity

<sup>68</sup>

Quantity of lining provided in later contract in CC 1:2:4	13756.35 cu m
Amount to be paid as per later contract at ₹ 4706.62 per cu m	₹ 64745912
Quantity payable as per previous contract for CC 1:3:6	8512 cu m
Amount payable at the rate of ₹ 2450 per cu m for CC 1:3:6	₹ 2,08,54,400
Extra cost	₹ 4,38,91,512

of lining from 8512 cu m (M-10) to 13756.35 cu m (M-15) was not warranted and it created an inbuilt provision for recording inflated measurements and possible excess payment to the second contractor to tune of ₹ 2.47 crore<sup>69</sup>. On being pointed out, EE stated that the item was substituted according to the direction of CWC because there was huge seepage in these reaches.

The reply is not acceptable as the recommendations of CWC were for construction of RCC open duct with adequate drainage arrangements and not for adopting a richer specification for CC lining. Further, in this work adequate drainage arrangements had already been provided to eliminate the hydrostatic pressure below the canal lining and this objective had been achieved by substantially increasing the quantities (271 to 10009 per cent) of some items as detailed in table below:

**Table 2.21**

Sl no	Particulars of item	Quantity as per previous agreement	Quantity as per later agreement	Percentage variation
1.	Pressure release valves	442 nos	1200 nos	271
2.	PVC drain pipes	4400 metre	12564 metre	286
3.	Sand as filter material	2994.20 cu m	8362.40 cu m	279
4.	Filter blanket	176 cu m	17616.81 cu m	10009

Thus, changing the specification for CC lining was neither on the basis of technical circulars nor CWC recommendations and decision to forego the opportunity to recover the extra cost has resulted in undue favour to the defaulting contractor.

**2.3.9.8 Violation of contractual provisions led to excess payment**

Once an agreement is entered into between the contractor and the employer, the contractor is solely responsible for executing the work as per the contractual provisions.

**Irregular and excess payment of escalation of ₹ 53.27 lakh was beyond the scope of agreement.**

Records of balance work of main canal from RD 42 km to 50 km and execution of Panagar and Matamar distributary system revealed that the tender did not provide for payment of escalation. Hence the entire payment of ₹ 53.27 lakh towards escalation was beyond the scope of the agreement and therefore, irregular.

The EE ND Dn 2 Panagar stated (June 2011) that the payment of escalation was made as per the directives of SE who, as the first arbitrator, had power to relax any clause of the agreement.

The reply is not acceptable as SEs do not have power to change the provisions of agreement, in a manner that increases the liability to the Government. The power of arbitrator, in case of matters referred to arbitration, is limited to interpretation of the terms of agreement.

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Quantity of lining provided in previous contract in CC 1:3:6	8512 cu m
Quantity of lining provided in later contract in CC 1:2:4	13756.35 cu m
Difference	5244.35 cu m
Rate in ₹ per cu m	4706.62
Amount in ₹	2,46,83,162/-

### 2.3.9.9 Hard rock not accounted for

USR of WRD provides that in case measurement of rock in pit excavation is not possible, measurement shall be taken as stack measurement. The excavated material shall be stacked for the purpose of measurement but no separate payment is admissible for stacking.

Excess payment of ₹ 61.55 lakh was made for work not done.

Records of construction of main canal from RD 129 km to RD 154 km revealed that the contractor had excavated about 7.45 lakh cu m of hard rock. The excavated HR was neither stacked nor taken in MAS account of sub engineer. This resulted in excess payment of ₹ 61.55 lakh to the contractor as detailed in **Appendix-2.42**.

EE stated that instructions had been issued for stacking the useful material and for taking it into MAS account but did not explain why these instructions had not been complied with by the sub engineer.

### 2.3.10 Other points of interest

#### 2.3.10.1 Non utilisation of excavated Hard Moorum as CNS material

Non utilisation of excavated CNS led to extra cost of ₹ 37.83 lakh.

According to technical circular issued by CE, UNZ, useful quantity of excavated hard moorum should be utilised as a substitute for CNS material in the work as per requirement.

On scrutiny of records, we observed that as main canal RD 42 km to RD 50 km passed through the part of alignment that was moorum rich, 3.56 lakh cu m quantity of excavation of moorum was included in the estimates. No separate provision for providing CNS material was made in the estimates because the excavated moorum was to be utilised as CNS material wherever required. Contrary to the above, a separate provision for 'providing and laying' 74708.62 cu m CNS material at the rate of ₹ 81 per cu m was made in the schedule of quantity of the agreement. Based on that, payment was made for 46709.861 cu m CNS. This led to extra cost of ₹ 37.83 lakh.

The EE ND Dn 2 Panagar stated (June 2011) that though the 3.56 lakh cu m quantity of excavation of moorum was included in the estimates, during excavation no CNS material was found.



View of availability of CNS material at RD 46.750 km of RBMC

The reply is not acceptable as 2.29 lakh cu m in all type of hard moorum was excavated and paid for. The moorum thus excavated was to be utilised as CNS material as per technical circular issued by CE, UNZ. Besides, the provision of CNS in the schedule of quantity even before the excavation of hard moorum was questionable.

### **2.3.10.2 Unwarranted execution of tamping and trimming**

According to Irrigation specifications, work of tamping soil should be undertaken only in those reaches where compaction cannot be carried out through mechanical means.

**Unwarranted execution of tamping and trimming led to extra cost of ₹ 42.68 lakh.**

Records revealed that in four agreements under two ND divisions, tamping and trimming in canal bed and side slopes including saturation up to 30 cm depth for preparation of sub grade were executed and paid for as shown in the **Appendix-2.43**. It was further noticed that laying of CNS over the canal bed and side slope including its watering and compaction using mechanical means, were also included in these agreements. Therefore, a separate provision for tamping and trimming of soil was unwarranted and resulted in extra cost of ₹ 42.68 lakh.

The EE stated (June 2011) that the tamping in canal bed and side slope was made for preparation of earthen sub grade before laying lining.

The reply is not acceptable as the watering and compaction on CNS was already provided in the estimate to provide uniform line and grade to the section. As far as the trimming for preparation of earthen sub-grade was concerned, trimming was not allowed separately as the item of dressing was already included in all the items of earthwork.

### **2.3.11 Conclusion**

The Bargi Diversion project scheduled to be completed by June 2014 has not fulfilled the objective due to non synchronisation of work of distribution system and field channels with main canal as only 710 ha out of the created IP of 36032 ha has been utilised. Neither land acquisition for distribution network of 1.75 lakh ha out of the targeted 2.45 lakh ha in Sone-Tons basin was done nor were the agencies fixed for its execution till March 2011. The deficit of water in Bargi reservoir would hamper realisation of projected irrigation through BDP until the proposed three feeder reservoirs are completed. Abnormal delay in execution of Sleemanabad Carrier Canal (tunnel of 12 km) would be a major bottleneck in achieving the objective of irrigating 1.88 lakh ha in downstream of the tunnel.

During the period of 2006-07 to 2010-11, NVDA did not face any significant financial constraints in implementation of the project as programmed. The canal construction work, however, could not be completed within the targeted date due to slow progress of works. Instances of deficiencies in execution of works due to ill planning, non observance of technical specifications, execution of unwarranted items in turnkey contracts, premature release of guarantees and deficient contract management etc. occurred and resulted in excess and irregular payments as well as financial aid to contractors to the extent of ₹ 133.81 crore.

### **2.3.12 Recommendations**

Government may consider;

- adopting an appropriate work executing strategy and monitoring mechanism to synchronise main canal works with creation of distribution network with a view to exploit the created potential with minimum time lag,
- ensuring that before taking up works of large magnitude proper survey is conducted before preparation of estimates so as to avoid abnormal variation between estimated quantities and actual execution at later stages.
- adopting the recommendations of CWC and GSI promptly to avoid any kind of failure, increase in the cost and time over run of the project,
- rules governing contract management should be followed strictly so as to avoid excess payment/ undue benefit to the contractor.

## Rural Development Department

### 2.4 Planning, implementation and System effectiveness of “Pradhan Mantri Gram Sadak Yojana”

#### Executive summary

The Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched by Government of India (GOI) in December 2000 with the object of providing connectivity by way of all weather roads (AWRs) to un-connected rural habitations with a population of 1000 persons or more by the end of March 2003 and those between 500 and 999 persons by March 2007. The Government of Madhya Pradesh (GOMP) on 23 December 2000 established Madhya Pradesh Rural Road Development Authority for implementation of the scheme of the State. Between April 2006 and March 2011, GOI sanctioned ₹ 9989.84 crore, which included a loan component of ₹ 1321.39 crore from Asian Development Bank for construction of 8459 roads (37021 Km).

- As against a target of 8459 roads, only 6229 roads were constructed during 2006-07 to 2010-11 resulting in shortfall of 25 *per cent*.
- In 1083 out of 3287 roads taken up in 2007-08, length was reduced at implementation stage resulting in reduction of aggregate road length approved under the DPRs by 557.84 km and over drawal of Central assistance under PMGSY to the extent of ₹ 103.20 crore
- The Project Implementation Authority gave priority to up-gradation of existing roads resulting in under achievement of targets set for adding new roads, as also of the projected extent of connectivity.
- Forty-two roads measuring 161.19 km, proposed to be constructed with PMGSY funds, were abandoned due to various reasons. An amount of ₹ 1.60 crore spent on partial construction of these roads, to be borne by the State Government, proved to be wasteful.
- Out of 153 packages terminated, in 130 packages, recovery amounting to ₹ 76.83 crore was pending against contractors whereas the department had only ₹ 22.22 crore available in the form of deposits from these contractors.
- The Project Implementation Authority made excess payment of ₹ 6.99 crore to contractors due to inflated measurement of works.
- Insurance cover to works amounting to ₹ 598.86 crore was neither provided by the contractor nor insisted upon by Programme Implementation Units (PIUs) resulting in undue financial aid of ₹ 1.19 crore to contractors.
- Plantation of fruit bearing trees along the road side had not been carried out as per the guidelines of the PMGSY.

### 2.4.1 Introduction

Rural road connectivity is a key component of rural development as it secures access to economic and social services thereby generating increased agricultural incomes and productive employment opportunities that help ensuring sustainable poverty reduction. Notwithstanding the efforts made, over the years, at the State and Central levels, through different programmes, about 40 *per cent* of the habitations in the country are still not connected by all-weather roads. With a view to redress the situation, Central Government, in December 2000, launched the Pradhan Mantri Gram Sadak Yojana to provide all-weather access to unconnected habitations.

In Madhya Pradesh, about 17 *per cent* of the habitations were not connected by all-weather roads by the end of March 2011.

### 2.4.2 Organisational set-up

Ministry of Rural Development (MoRD), GOI assisted by National Rural Road Development Agency (NRRDA), is the prime authority and the co-ordinating Ministry to frame the policy and guidelines for implementation of the programme. The planning and implementation of the individual schemes is the responsibility of the State Government. Government of Madhya Pradesh (GOMP) established (December 2000) Madhya Pradesh Rural Road Development Authority (hereinafter referred to as the Authority) as a Society registered under MP Society Registration Act, 1973. It is headed by a Chief Executive Officer (CEO) who is assisted by five Chief General Managers (CGM). At the field level, the construction of road works is being executed through Project Implementation Units (PIUs) each headed by a General Manager (GM). The Authority also engaged consultancy services for (i) survey/investigation and preparation of detailed project reports (DPRs) and (ii) supervision and quality control of civil works.

### 2.4.3 Scope of audit and methodology

This report covers the period from 2006-07 to 2010-11. Information and data was also collected from office of the Chief Executive Officer (CEO) of the Authority. Based on criteria embedded in PMGSY guidelines issued by GOI, provisions of operation Manual, instructions and guidelines issued by Authority/National Rural Road Development Authority (NRRDA), records related to planning, implementation and effectiveness of system of supervision at the apex level were scrutinised. The aspects of execution, financial management, quality control, internal control and other related issues obtaining at the lower level formation i.e. the programme implementation units (PIUs) have not, however, been covered in this study.

### 2.4.4 Funding Pattern

The PMGSY is a 100 *per cent* Centrally Sponsored Scheme in which direct funding through GOI is supplemented, since 2004-05, by a loan from Asian Development Bank (ADB). The cost of implementation of the programme viz.



establishment & administrative expenses, formulation of block /district-wise Master Plan, DPRs, work of supervision and quality control, cost overrun, if any, and tender premium etc, however, is to be borne by the GOMP. Against an aggregate sanction of ₹ 9989.84 crore, the expenditure on the implementation of PMGSY between April 2006 and March 2011 was ₹ 7136.30 crore including ₹ 705.50 crore from ADB funds.

### 2.4.5 Audit Objectives

The objectives of the audit were to assess whether,

- Targets set were achieved,
- Planning of the project was done effectively; and
- Contractual management was effective.

### 2.4.6 Audit findings

#### 2.4.6.1 Targets and achievements

The target and achievements during the five years period from 2006-07 to 2010-11 was as under:

**Table: 2.22**

Sl. No	PMGSY Phase/A DB Batch	Sanctioned			Completion up to March 2011			Shortfall			Works not taken up/completed
		No of Roads	Length (km)	No. of Habitations	No of Roads	Length (km)	No. of Habitations	No of Roads	Length (km)	No. of Habitations	
1	Phase VI	1243	5653	1612	1155	5374	1536	80	262	76	8
2	Phase VII	1182	4935	1152	977	3962	1011	192	926	141	13
3	Phase VIII	1332	5158	1328	1087	4376	1082	236	696	246	9
4	Phase IX	1579	6903	109	1446	6623	102	106	280	07	27
5	Phase X	1935	8918	80	1009	5293	48	926	3625	32	-
6	LWE <sup>70</sup> Affected Dist.	138	418	81	13	93	12	125	325	69	-
7	ADB Batch-IV	546	2501	663	506	2488	526	35	-4	137	5
8	ADB Batch-V	504	2535	689	36	385	42	468	2150	647	-
<b>Total</b>		<b>8459</b>	<b>37021</b>	<b>5714</b>	<b>6229</b>	<b>28594</b>	<b>4359</b>	<b>2168</b>	<b>8260</b>	<b>1355</b>	<b>62</b>

(Source- Progress report from O/o the CEO MPRRDA)

**As against a target of 8459 roads, only 6229 roads were constructed during 2006-07 to 2010-11 resulting in shortfall of 25 per cent.**

The guidelines of PMGSY stipulates that at the time of preparation of DPR, the PIU will hold consultations with the local community to determine the most suitable alignment and sort out issues of land availability including forestland. A certificate that land is available must accompany the proposal for each road work.

The GOI had fixed the targets in a phased manner. Phases VI (2006-07) to X (2008-09), including batches which contemplated execution of 8459 roads, having a length 37021 km of ADB funded schemes during the same time frame, in specific periods are still ongoing despite expiry of their completion

<sup>70</sup> LWE: Left Wing Extremist

dates. Only 6229 roads with road length 28594 km had been completed. The shortfall was twenty five *per cent*. As of March 2011, 5714 habitations were planned to be connected whereas only 4359 habitations were actually provided road connectivity under PMGSY. The construction works were lagging behind schedule mainly due to lack of planning, incorrect selection of roads, local hindrances on account of land disputes, forest clearances and slow progress of works.

The Authority accepted the above reasons for shortfall.

#### 2.4.6.2 Programme planning- deficiencies in selection of roads

##### (i) Preparation of DPRs not in consonance with guidelines

The Operation Manual of the PMGSY stipulates that the DPR should be based on detailed survey and investigations, design and technology choice etc. and should be of such detail that the quantities and costs are accurate and no changes take place necessitating cost variation, scope of work or quantities there under at the time of execution.

**Reduction in road length against that proposed in DPRs resulted in inflated project cost amounting to ₹ 103.20 crore.**

A review of the available data of the work taken up during year 2007-08 selected for test check in audit, revealed that out of 3287 roads for which DPRs valuing ₹ 3678.03 crore were sanctioned by NRRDA, length of 1668 roads was either increased or decreased. In 585 roads, length was increased by 144.06 Km resulting in extra cost of ₹ 42.54 crore. In 1083 roads (33 *per cent*) length was reduced by 557.84 km. In 317 of these roads, reduction ranged from 0.5 to 5 km (299 roads), 5.1 to 10 km (15 roads) and 10.1 to 18 km (03 roads). The cost saving due to reduction of length was ₹ 145.74 crore. The net variation of the aggregate project cost by ₹ 188.28 crore (6.6 *per cent*), was significant enough to indicate inadequate survey before preparing the DPRs. It also resulted in inflation of overall project cost during respective phases and over drawal of central assistance to the extent of ₹ 103.20 crore.

Inflated DPRs also provided a cushion to absorb the increase in the cost of execution due to price increase, variation in quantities, etc. which, as per PMGSY guidelines, were to be met by the GOMP.

The Authority replied (June 2011) that in such a voluminous and scattered programme, some deviations were unavoidable and negligible. It further stated that the deviations were due to villagers' unwillingness to donate land, change of alignment, etc.

The reply is not acceptable. Reduction in road length of 557.84 km out of 13377 km (4.17 *per cent*) in 2007-08 alone cannot be considered negligible. Moreover, DPRs were to be prepared only after considering the availability of land, willingness of villagers, etc.

**(ii) Non observation of priority in selection of roads**

Though the targets were set for both-new connectivity as well as upgradation of roads, MPRRDA gave priority to upgradation of existing roads.

The guidelines of PMGSY envisaged connectivity in the following order of priority.

- Priority -1 Unconnected habitations having population of 1000 and above.
- Priority - 2 Unconnected habitations having population 500-999.
- Priority - 3 Unconnected habitations having population 250-499.
- Priority - 4 Upgradation of roads.

The Central Government launched Bharat Nirman scheme in year 2005-06, to cover under PMGSY all unconnected eligible habitations in the country by the year 2009. It was also proposed to upgrade existing associated roads to ensure farm to market connectivity.

We observed that despite existence of 6333 unconnected habitations in priority 1 to 2 areas, (as of 31 March 2011) 44.85 *per cent* of the total expenditure of ₹ 7136.30 crore incurred under PMGSY during 2006-07 to 2010-11 was utilised for upgradation of 3358 roads. The target achievement in upgradation of these roads was 91 *per cent* as against 74 *per cent* in the case of new roads. Thus the order of priority set under PMGSY was unsettled in favor of improving existing roads connectivity at the cost of leaving a large number of habitations inaccessible.

The Authority replied (June 2011) that the upgradation work was got carried out as per targets fixed by NRRDA under Bharat Nirman.

The reply is not acceptable because under Bharat Nirman scheme also, provision was given for connecting unconnected habitations which should have been completed by the year 2009.

**(iii) Abandoning of roads covered under core network**

Non adjustment/ refund of sanctioned amount of abandoned roads to NRRDA and Unfruitful expenditure of ₹ 1.60 crore on abandoned roads.

The guidelines envisage various steps in the planning process and the role of different agencies for preparation of Core Network which is the minimal Network of roads (routes) that is essential to provide basic access to essential social and economic services to all eligible habitations in the selected areas through at least a single all-weather road connectivity.

The impediments like non availability of land, land dispute and forest clearance etc. were required to be sorted out and resolved before inclusion of roads in the Core Network.

The Core Network was to be finalised considering all the aspects like panchayat level permission, block level permissions, views and concerns of local elected representatives including MPs and MLAs.

It was observed (May 2011) that:

- Forty four roads from phase I to IV including some ADB funded works were abandoned. As per guidelines, the amount sanctioned and released for construction of 190.41 km of these roads was ₹ 33.15 crore. As per the instructions of the NRRDA, the sanctioned amount should have been surrendered, which was not done.
- It was further observed (May 2011) that after phase IV, 42 roads measuring 161.19 km were abandoned due to non-availability of land, land disputes, forest land and roads taken by other agencies. An amount of ₹ 1.60 crore was spent on partial construction of these roads, which resulted in wasteful expenditure to this extent.

Despite the instructions of NRRDA, details of all the roads abandoned after Phase-IV and ADB batch-III were not communicated to NRRDA by the Authority.

The Authority replied (June 2011) that hurdles like land disputes, forest land, and roads taken up by other agencies, executed roads of PMGSY through other schemes were noticed at the time of actual execution and that selection of road works was guided by State Government's own priorities. The Authority also stated that decision on dropping the roads was yet to be taken and the expenditure of ₹ 1.60 crore on these works was not final.

The reply was not acceptable as DPRs were to be prepared after consultations at panchayat level to District level, after considering all the aspects and to eliminate all impediments upfront. The argument of Authority that State Government had its own priorities under which its roads were taken up for construction through other schemes was unacceptable because once core network had been approved by NRRDA and funds were sanctioned for the works covered under the network, there was no scope for any change therein.

#### 2.4.6.3 Contract Management

##### (i) Inaction in recovery of dues from defaulting contractors

**MPRRDA failed to recover dues amounting to ₹ 54.61 crore from defaulting contractors.**

The clause 52 of the standard bidding document empowers the employer to terminate the agreement due to fundamental breach of the contract. In addition, clause 53 provides that any amount recoverable from the contractor shall be recovered from the security deposit and performance security of the contractor. If any amount is still left un-recovered, it will be a debt payable by the contractor to the employer.

Scrutiny of the data made available to audit revealed that out of 153 packages terminated, recovery amounting to ₹ 76.83 crore was pending in 130 packages against contractors. The department had recovered only ₹ 22.22 crore from all the contractors available in the form of Security Deposit, performance securities, miscellaneous deposits and adjustment of some withheld amounts. In 30 cases, letters were written to Collectors for issuing revenue recovery certificate (RRC) against the defaulting contractors whereas 14 cases were under litigation. No action was taken to recover balance amount of ₹ 54.61 crore from the remaining 86 defaulting contractors. This fact was not disclosed

in the consolidated accounts of the Authority for the year ended 31 March 2010.

The Authority confirmed the recoverability of above dues and stated (June 2011) that the figures of recovery were tentative and that RRCs have been issued in 61 out of 153 cases. It was, however, noticed that authority's efforts had not resulted in realisation of its dues even after a lapse of 6 years.

**(ii) Loss to Government due to inflated measurement**

**Contractors were paid on inflated measurement resulting in loss to Government of ₹ 1.47 crore.**

The Operational Manual of NRRDA envisaged that the value of work executed shall be determined on the basis of measurements by the Engineer. Further, for effective Quality Control, various categories of tests are to be carried out in the presence of the JE (50 per cent), AE (20 per cent) and EE (five per cent). In absence of satisfactory tests, payment cannot be made to the contractors.

From the final measurements taken after rescinding of 52 packages, we observed that in the penultimate running account bills, payments were made for inflated quantities. Even after respective PIUs adjusted amounts payable against final bills, there was still an excess payment of ₹ 6.99 crore to contractors. Scrutiny of 10 out of 52 terminated packages of four<sup>71</sup> PIUs revealed that even quantity of finished items of road works viz. CC pavements and other CC structures, finished BT Surfaces, hume pipe works, excavation of hard rock and fixing of sign boards paid in previous running bills were reduced in the final bills to the extent of ₹ 1.47 crore as detailed in **Appendix-2.44**.

This indicates that bills were not being passed after due scrutiny and final quantities of work were being shown in the bills without carrying out validation tests resulting in payments being made for inflated quantities.

The Authority in its reply (June 2011) advanced the following reasons for the excess payments:

(a) Deterioration of roads due to traffic in the period between termination of contract and final measurement. (b) Payment was regulated on the basis of final measurement of the deteriorated roads. (c) Recovery of amounts for the below specification works.

The reply was not acceptable as (a) There was reduction in quantities in final bill even for finished pavement course, which are not susceptible to rapid deterioration. (b) The payment made till penultimate bill was therefore based on inflated measurements. (c) Payment for work should have been made only after the required quality control tests. Payments for below specification works was, therefore, *ab initio* incorrect.

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<sup>71</sup> Jabalpur, Shahdol, Sehore and Ratlam

**(iii) Short levy of liquidated damages**

The agreement executed by Authority with contractors for execution of PMGSY and ADB works clearly stipulated that if the contractor fails to achieve the milestones prescribed in the agreement, he would be liable to pay liquidated damages at the rate of one *per cent* per week for the periods of delay, subject to a maximum of 10 *per cent* of the contract value. As per directions (August 2006 and January 2008) issued by the General Administration Department, sanctions of all-time extension were required to be issued as a 'speaking order' duly analysing the reasons in support of decision.

**Short levy of penalty due to delay in completion of works resulting in financial aid of ₹ 3.63 crore to the contractors.**

In eight packages with aggregate contract price of ₹ 40.59 crore, the contract clearly specified completion of work in nine months, excluding three months of rainy season. The contractors failed to achieve the prescribed milestones. The G.Ms. of the PIUs, after analysing the reasons, attributed the delays to contractors and proposed grant of extension of time after levy of penalty/liquidated damages as prescribed in the agreement. Hence, liquidated damages of up to ₹ 4.06 crore were leviable in these cases for the delay attributable to the contractors.

Contrary to the above, the Chief Executive Officer of the Authority, however, imposed penalties at the rates ranging from 0.25 *per cent* to two *per cent* as against penalty of 10 *per cent* as provided in contracts without issuing any speaking order in support thereof. In doing so, the CEO had overlooked the proposals made by the GMs of PIUs that provided for levy of penalty as per the terms of agreement.

This resulted in short levy of liquidated damages in eight cases to the tune of ₹ 3.63 crore as shown in **Appendix 2.45**.

On being pointed out, the GMs stated that quantum of penalty was decided by the CEO after hearing both the parties.

Reply was not acceptable because the penalties were reduced without justifying the reason for imposing lower penalties. Arbitrary reduction of the quantum of penalties was not in the interest of Government. Besides, as per instructions of Finance Department (May 2009) while exercising discretion for determination of quantum of penalty, the minimum penalty should not be less than 80 *per cent* of the penalty as prescribed in contract document.

**(iv) Works not insured by contractors**

Clause 13 of the agreement executed with the contractors provided that the contractor at his cost shall provide insurance cover to loss or damage to work, plants, materials and personal injuries from the start date to the date of completion in the joint names of the employer and the contractor.

**Non insurance of works amounting to ₹ 598.86 crore resulted in undue financial aid to contractors of ₹ 1.19 crore.**

The agreement also provided that if the contractor fails to comply with this provision, such failure shall be a fundamental breach of agreement making the contract liable to be terminated.

Scrutiny of 133 packages revealed that in all packages, neither the contractors submitted the insurance policies to PIUs nor they were insisted upon by the latter. Non enforcement and violation of this important provision of the agreement resulted undue financial aid of ₹ 1.19 crore<sup>72</sup> to contractors being insurance premium that contractors did not pay. Token amounts deducted by PIUs from the contractors in some package did not serve the purpose as works costing ₹ 598.86 crore (133 works) executed between 2004 and 2010 remained uninsured against loss or damage (**Appendix 2.46**).

On being pointed out, the GMs accepted the audit observation and stated that instructions were being issued to contractors for insuring the works.

#### **2.4.6.4 Non-plantation of trees**

The guidelines provide planting of fruit bearing and other suitable trees on both sides of the roads, with a view to improving green cover and to conserve soil. The expenditure thereon was to be borne by the State Government. NRRDA had also directed (June 2006) the State agencies to ensure plantation on PMGSY roads by utilising resources available under Sampoorna Rozgar Gramin Yojana (SRGY) and Mahatama Gandhi National Rural Employment Guarantee Scheme (MNREGS) and to make coordinated efforts at State level so that large scale plantation can be taken up during the ensuing monsoon (June 2006).

We observed that no plantation work was got carried out on PMGSY roads, as the Authority failed to coordinate with their counterparts in SRGY and MNREGS which was entrusted with the work of plantation alongside PMGSY roads. As a result, the rural roads constructed under the programme were left without green cover though envisaged under the programme.

The Authority stated (June 2011) that the plantation works alongside PMGSY roads was entrusted with MNREGS. The fact remains the PMGSY roads were without green cover.

### **2.4.7 Conclusion**

The targets set for construction of roads/habitations coverage were not met mainly because of lack of planning, incorrect selection of roads, land disputes, forest clearance and slow progress of work. The planning for the roads work was deficient as DPRs were not prepared according to the guidelines of PMGSY and main thrust of the Authority was on upgradation of existing roads instead of new roads. The Authority failed to enforce mandatory insurance of all works by the contractors and there was inaction in recovery of dues from defaulting contractors. There were instances of inflated measurements of works and consequential overpayment to contractors and short levy of liquidated damages for delays. The sanctioned amount of abandoned roads was neither adjusted nor refunded to NRRDA. Plantation of fruit bearing trees

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<sup>72</sup> 0.2% of contract amount (0.2% of 598.86 crore)

along the road side had not been carried out as per the guidelines of the PMGSY.

#### **2.4.8 Recommendations**

- The Authority should determine suitable alignment in consultation with local community and ensure land availability including forest clearance during preparation of DPRs and before taking of new roads for execution under PMGSY.
- The Authority should ensure insurance of works as per terms of agreements and correct measurement of works to avoid any over payment to contractors.
- The Authority should adjust or refund the sanctioned amount of abandoned roads to NRRDA.
- The Authority should ensure plantation of fruit bearing trees along the roadside.



## Water Resources Department

### 2.5 Performance of Lift Irrigation Schemes

#### Executive Summary

Lift Irrigation Scheme (LIS) is one of the key components of rural development strategy as it promotes irrigation and generates economic opportunities through increased agricultural yield. LIS provides irrigation in high altitude lands that are not irrigable through normal gravity canals. Our examination of performance of 196 implemented LISs in Madhya Pradesh during 2005-06 to 2010-11 indicated that as many as 73 per cent schemes were non-functional. Execution and functioning of the schemes were found affected by factors like non-utilisation of irrigation potential, excess payment, irregular expenditure, non-recovery of liquidated damages and undue benefit to the contractors. Important findings on performance of LIS are given below:

- In 49 schemes (completed up to 2006) costing ₹ 44.71 crore, designed to irrigate 20397 hectare per year, actual irrigation fell from 3566 hectare in 2007-08 to 2876 hectare in 2010-11.
- Twelve minor schemes, constructed between 2006-07 and 2010-11 with irrigation potential of 3253 ha were reported non-functional since completion due to various reasons, rendering the investment of ₹ 14.24 crore unfruitful.
- The department incurred ₹ 6.05 crore on repair and maintenance of 78 non-functional schemes during the five years period from 2006-07 to 2010-11.
- Execution of work of Chambal LIS without clearance under Forest Conservation Act 1980, resulted in unfruitful expenditure of ₹ 27.85 crore.
- Irregular payment of ₹ 1.20 crore was made without erection and commissioning of rising main which resulted in loss of interest ₹ 6.88 lakh.
- Due to incorrect adoption of base rate for steel, the department made excess payment of ₹ 9.54 crore to the supplier for price variation.
- Payment of ₹ 9.21 crore was made for below specification work resulting in excess payment of ₹ 78 lakh.

#### 2.5.1 Introduction

Lift Irrigation Schemes (LISs) are focused on promoting intensive agriculture in areas that have traditionally seen security crop cultivation because of absence of dependable irrigation and been characterised as less developed. Therefore, the Government of Madhya Pradesh have employed LISs as a key component of its rural development strategy as by enhancing the irrigation potential, it generates greater economic opportunities and pushes the indices of socio economic development in the targeted areas/population. It involve lifting of water by electrical and mechanical means, either from rivers, canals or from reservoirs to irrigate high altitude fields which are not irrigable through a

normal gravity canal. It is a combination of a device installed close to the water source for lifting water, which delivers water through rising mains to the distribution chamber, where water is taken to command area for irrigation through a normal canal system.

In Madhya Pradesh, till 1982, LISs were constructed and run by Madhya Pradesh Lift Irrigation Corporation. After winding up of the Corporation (1982), the LISs were transferred to Water Resources Department.

## **2.2 Organisational set up**

Water Resources Department (WRD) is headed by the Principal Secretary who is assisted by two Engineers-in-Chief (E-in-C). The E-in-Cs are assisted by eight Chief Engineers (CE), one Commissioner Bansagar Project, one Project Director (World Bank Projects) and one Director Command Area Development, 36 Circles headed by Superintending Engineers (SEs), 142 Divisions headed by Executive Engineers (EEs). Chief Engineer (Electrical/Mechanical) is responsible for overall operation and maintenance of LISs through Light Machinery Tube wells and Gates (LMTW&G) divisions.

## **2.3 Audit Objectives**

We conducted a limited scope thematic study of LISs in the State with a view to ascertain that:

- adequate funds were available and properly utilised,
- the process of planning was efficient and effective, the schemes were executed as planned and performance were as envisaged.

## **2.4 Audit Criteria**

The criteria used in the course of our examination have been sourced from:

- Madhya Pradesh Works Department Manual and Irrigation specifications issued by the WRD, GOMP
- Rules and orders issued by the GOMP, WRD and contract documents of various LISs works executed by WRD.

## **2.5 Scope and methodology**

The audit report covering the period of 2006-07 to 2010-11, has been prepared on the basis of our findings relating to execution and operation of LISs of 35 WR Divisions and further information collected between April 2011 and June 2011. Audit coverage includes 213 schemes, of which 180 schemes were constructed up to 2006-07 and 33(16 completed and 17 ongoing) schemes were taken up after 2006-07. Our audit findings were discussed with Principal Secretary, Water Resources Department in a meeting held in August 2011. We

acknowledge the cooperation given by WRD in the conduct of this thematic study.

## **2.5 Financial Management**

Allotment for medium and major Lift Irrigation Schemes is made by the E-in-C separately. There is no separate budget provision for minor LISs and required funds for construction and maintenance are allocated by the CEs of the respective basins. Budget provision for schemes under command area of major irrigation projects is allotted under major head of each project.

## **2.5 Performance of the S**

Performance related issues have been divided into two parts viz. performance of the schemes constructed up to March 2006 and schemes constructed after the period of March 2006 (April 2006 to March 2011) as schemes constructed up to March 2006 needs repair and maintenance only.

### **2.5.7.1 Performance of the schemes constructed up to March 2006**

Audit scrutiny of performance of 180 schemes having irrigation potential 63,740 ha and implemented up to 2006 in 35 Water Resources (WR) Divisions, indicated that only 49 schemes were functional (March 2006). The remaining 131 schemes were non-functional. Our examination revealed the following:

- 131 schemes with irrigation potential of 43343 ha were reported as non-functional due to insufficient water (19), disconnection of electricity (25) and other reasons (87) such as damage of canal, silting of canal, non-functioning of pump, paucity of funds etc., as detailed in **Appendix-2.47**
- During the period from 2006-07 to 2010-11, 49 functional schemes costing ₹ 44.71 crore, designed to irrigate 20397 hectare per year have only irrigated 14 *per cent* of the targeted area at an average of 3020 ha per year. It was further noticed that actual irrigation fell from 3566 ha in 2007-08 to 2876 ha in 2010-11. Between March 2006 and March 2011, 23 of these 49 had been rendered non-functional as detailed in **Appendix-2.48**, due to insufficient water (15) and disconnection of electricity (08).
- For maintenance of dam and canal, WRD fixed (August 2004) a normative expenditure of ₹ 100 per ha per year. Of this, ₹ 80 per ha per year would be used for canal maintenance work through Water Users Associations under the Participatory Irrigation Management (PIM) and the balance ₹ 20 per ha per year would be used for maintenance of head work (dam) by the department. It was noticed that against the admissible expenditure of ₹ 1.66 crore on maintenance and repair of 78 non-functional schemes during 2006-11, as detailed in **Appendix-2.49**, the department had recorded an expenditure of ₹ 6.05 crore (₹ 5.21 crore departmentally and ₹ 84 lakh through PIM) which was far in excess of norms even when majority of these schemes had been rendered non-functional.

**Forty nine schemes found functional and irrigated 300ha per year only against the designed irrigation of 209 ha.**

Thus, out of 63740 ha of irrigation potential created up to March 2006 through 180 LISs, only 2876 ha was utilised in 2010-11, which was just 4.50 *per cent* of the targeted potential. The intended objective of creating socio-economic impact through better agriculture yield to the farmers through LIS had thus remained unfulfilled. As 95.50 *per cent* of LISs were not functioning, the proportionate investment of ₹ 74 crore<sup>73</sup> had been rendered unfruitful.

The department accepted (September 2011) the facts and informed that GOMP had also instructed the WRD to find out solution to revive the idling LISs.

### 2.5.7.2 Performance of the schemes constructed after March 2006

During the period from 2006-07 to 2010-11, 33 schemes (one major, three medium and 29 minor) were taken up by 16 out of 35 WR divisions test checked. While 31 schemes (one medium and 30 minor) were targeted for completion by March 2011, only 16 schemes had actually been completed. Scrutiny of related records by us revealed that:

- Four minor schemes costing ₹ 7.89 crore, designed to irrigate 1654 hectare CCA per year had actually irrigated on an average, only 315 ha per year during the past five years. This resulted in unfruitful investment of ₹ 6.39 crore<sup>74</sup> made for creating irrigation potential that remained unutilised. An expenditure of ₹ 99.83 lakh was incurred against the admissible amount of ₹ 6.62 lakh on repair and maintenance of three (out of four) schemes, resulting in excess expenditure of ₹ 93.21 lakh over norms as detailed in **Appendix-2.6** .
- Twelve minor schemes (**Appendix-2.6** ) completed between 2006-07 and 2010-11 were reported non-functional since their completion due to various reasons e.g. insufficient water, non-connection of electricity, theft of transformer etc. Thus, the irrigation potential of 3253 ha from these schemes remained unutilised rendering the investment of ₹ 14.24 crore on these schemes unfruitful. Besides, expenditure of ₹ 71.78 lakh was also being incurred towards repair and maintenance of seven (out of 12) non-functional schemes.

Twelve schemes designed to irrigate 323 ha were found non-functional since completion.

The department accepted (September 2011) the facts and replied that non-utilisation of irrigation potential of the schemes is mainly due to interrupted power supplies.

Reply of the department is not acceptable as the schemes became non-functional mainly because of insufficient water, non-connection of electricity, theft of transformer etc. and availability of water and electricity should have been ensured before taking up schemes for execution.

<sup>73</sup> {77.49 – 77.49 x 2876/63740} = ₹ 74 crore

<sup>74</sup> {7.89 – 7.89 x 315/1654} = ₹ 6.39 crore

## 2.5 Execution

### 2.5.8.1 Irregular excess expenditure over administrative approval

According to Madhya Pradesh Works Department Manual (Para 2.005), revised approval of the competent authority should be obtained in case of works where the expenditure has exceeded or is likely to exceed more than 10 per cent of the approved cost.

Excess expenditure of ₹ 14.7 crore was incurred without obtaining revised administrative approval.

Test check conducted by us indicated that out of 33, in 15 schemes (eight completed and seven ongoing) against the administrative approval of ₹ 5.66 crore, an expenditure of ₹ 20.40 crore had been incurred. Revised administrative approval from the competent authority has not been obtained for such excess expenditure so far. This has resulted in irregular expenditure of ₹ 14.74 crore as detailed in **Appendix-2.5** .

The department had not submitted any specific reply in this regard.

### 2.5.8.2 Irregular payment without erection and commissioning resulted in loss of interest

Payment for erection and commissioning of rising main pipe line was made in excess of the actual erection and commissioning.

The work "Supply, erection, commissioning including Civil work of Rising main of construction of Banetha medium LIS" was awarded (March 2008) to a contractor for completion in nine months (up to December 2008). Seventeenth Running Account Bill for the gross value of work done ₹ 14.11 crore including price adjustment of ₹ 2.47 crore was paid (March 2011) to the contractor.

Special terms and condition of the agreement provided that payment against supplies shall be 85 per cent and that the remaining 15 per cent shall be payable after erection and commissioning of the pipe line (rising main).

We noticed that out of 3960 metre pipes supplied, only 990 metre pipe was erected by the supplier. Yet the erection and commissioning charges for the entire set of 3960 metre pipes supplied, was paid (March 2011) to the supplier. This resulted in irregular payment of ₹ 1.20 crore<sup>75</sup> for work not done and consequential loss of interest (₹ 6.88 lakh<sup>76</sup>).

<sup>75</sup>

90 per cent of erection and commissioning charges paid, 3960 metre X 23768 X 15 per cent	=₹ 1,27,06,673
Price variation paid 100 per cent, 24710604x15/100	=₹ 37,06,591
	=₹ 1,64,13,264
Payable for 990 m 3529548(990x23768x15/100)+926648(24710604x15/100x990/3960)	=₹ 44,56,196
Irregular and Excess payment (1,6413264 - 4456196)	=₹ 1,19,57,068

<sup>76</sup>

At the rate of 12 per cent (prime lending rate)of ₹ 9177125 for 110 days (28/3/11 to 15/7/11)	=₹ 3,31,885
For escalation excess paid ₹ 2779943(June 2010) 2779943x12 per cent (390days)	=₹ 3,56,442
Total interest	=₹ 6,88,327

The Engineer-in-Chief assured (September 2011) that disciplinary action would be taken against the officers responsible for these irregularities.

### 2.5.8.3 Excess payment to the supplier for price variation

**Excess payment on account of price variation due to incorrect adoption of base rate of steel.**

Supply, erection and commissioning of rising main work of three LISs<sup>77</sup> was awarded through Madhya Pradesh Laghu Udyog Nigam (MPLUN), under four agreements (July 2008 and February 2009) to a supplier of Indore at an aggregated cost of ₹ 81.48 crore. The completion period of the works was from nine to 24 months. The EEs of these divisions made a provision in the agreement for payment of price variation on supply of steel based on the difference between the base rates of steel of Steel Authority of India Limited (SAIL) as prevailing on the date of inviting tenders (September 2006 or December 2007), and that on the date of actual supply. Price variation of ₹ 12.49 crore was paid by the concerned Executive Engineers (August 2008/March 2009) without verification of the base rates from SAIL. Our scrutiny revealed that the base rate of steel on the dates of supply considered<sup>78</sup> for payment were higher than the actual base rates<sup>79</sup> of SAIL steel on relevant dates. The price variation actually payable for 4229.008 MT of steel plates, worked out to ₹ 2.95 crore as against ₹ 12.49 crore paid. Thus, computation of price variation by adoption of incorrect base rate for steel resulted in excess payment of ₹ 9.54 crore, as detailed in **Appendix-2.3** .

The Engineer-in-Chief assured (September 2011) that disciplinary action would be taken against the officers responsible for irregularities.

### 2.5.8.4 Unfruitful expenditure, below specification work and irregular payment without erection and commissioning in Chambal Lift Irrigation Scheme

The works of “design, supply, installation, erection, commissioning and execution of piping work” and “construction of intake well, intake channel, Jack well, approach bridge, distribution chamber, earth work for rising delivery main for Chambal LIS were awarded (January 2008 and September 2008) to two contractors for ₹ 37 crore and ₹ 53.54 crore, respectively. Both the works were to be completed within 24 months. Audit of these works revealed that:

**Unfruitful expenditure of ₹ 22.32 crore as work was started without wild life clearance.**

- Before floating Notice Inviting Tender (NIT) for work, it is to be ensured that sufficient fund for the schemes is available, required land has already been acquired by the department and the site of scheme is free from encumbrances. However, both the works were awarded by the department without obtaining forest clearance. After incurring expenditure of ₹ 22.32 crore on piping work and ₹ 5.53 crore on civil work, the works were stopped in 2008 as some area of the scheme fell under ‘Chambal National Wild Life Sanctuary’. As forest clearance from

<sup>77</sup> Chambal, Banetha and Teonthar LIS

<sup>78</sup> ₹ 52200 per MT (March 2008), ₹ 53800 per MT (January 2009) and ₹ 45200 per MT (March 2009)

<sup>79</sup> ₹ 34500 per MT (March 2008), ₹ 32000 per MT (December 2008) and ₹ 29000 per MT (March 2009)

GOI had not been received till September 2011, the work has not been resumed.

Pipe of lesser thickness against the specification were accepted without full recovery from the contractor.

➤ According to specification, 10 mm thick 1600 mm diameter mild steel welded pipe were to be used in rising main. As per Chief Technical Examiner's report, the contractor had instead used 8.8, 9.4, 9.35, 9.3, 9.25 and 10 mm pipes. This resulted not only in acceptance of sub standard work of ₹ 9.21 crore but also resulted excess payment of ₹ 78.40 lakh<sup>80</sup> to the contractor for supply of 2325 metre of pipe.

Security deposit of ₹ 3.70 crore was not obtained from the contractor.

➤ According to clause 13 of terms and conditions of contract, at the time of signing of agreement, the contractor/supplier shall have to deposit security equal to 10 per cent of contract/indent value with the department. It was, however, observed that security deposit of ₹ 3.70 crore (10 per cent of ₹ 37 crore) had not been deposited by the contractor. This resulted in undue financial aid to the contractor.

The department stated (September 2011) that (i) declaration of river course as Ghadiyal sanctuary by the Government had created a hurdle in the execution of work and that proposal for securing forest clearance of the project has been submitted to the standing committee of National Board for Wild Life, Paryavaran Bhawan, New Delhi. (ii) an amount of ₹ 54.96 lakh had been recovered (June 2011) and disciplinary action would be taken against the officers responsible for irregularities.

Reply of the department is not acceptable because the sanctuary was set up in 1979 much before start of the work, an aspect that was, obviously, not considered while finalising the project. Besides, the matter had been referred to National Board for Wild Life (June 2011) three years after stoppage of the work in 2008.

#### 2.5.8.5 Non recovery of penalty for the delay

Liquidated damages were not levied from the contractors for non completion of work within stipulated time.

According to clause 4.3.2 of the agreement, the time allowed for carrying out work as mentioned in the contractor's tender shall be strictly observed by the contractor, and shall be reckoned from the date on which order to commence work is given to the contractor. Throughout the stipulated period of the contract, the work shall be proceeded with all due diligence and the contractor shall pay as compensation an amount equal to one per cent or such smaller amount at the rate EE/SE may decide on the amount of the estimated cost of the unperformed work, for every day of delay subject to maximum eight per cent of the estimated cost.

80

(8.8+9.4+9.35+9.3+9.2+9.25+10)/7 = 9.33 mm Av , 2325*39612*6.7 per cent	= ₹ 6170559
From escalation 922.608MT*27000*6.7 per cent	= ₹ 1668998
	= ₹ 7839557
Recovered @ 7 per cent for 1560 m	= ₹ 5495614
Short recovery	= ₹ 234393

In two (Banetha and Mardanpur) schemes, there were delays of five to 33 months on the part of the contractors. In terms of contracts of the two schemes, the respective contractors were liable to pay a maximum compensation of ₹ 2.23 crore (**Appendix-2.3** ). No action was initiated by the department against the contractors.

The Engineer-in-Chief assured (September 2011) that disciplinary action would be taken against the officers responsible for irregularities.

### **2.9 Monitoring and Quality Control**

According to MPWD Manual, the Chief Engineer concerned is responsible for monitoring the progress and supervision of the schemes. It was noticed that since inception (January and March 2008) Chambal (Major) and Banetha (Medium) schemes were supervised only once by the Chief Engineer.

### **2.50 Conclusion**

The expenditure on construction and maintenance of 196 LISs largely remained unfruitful due to their dismal performance as only 4.50 *per cent* of the targeted irrigation could be achieved. The department did not obtain approval from the competent authority for expenditure over and above the approved cost in respect of many schemes. There were instances of irregular payments to contractor resulting in excess payment of price variation, non-recovery of penalty from contractors for delays in execution and unfruitful expenditure on works.

### **2.51 Recommendations**

We recommend that;

- New schemes should be taken up after ensuring all the clearances and availability of sufficient water for the scheme.
- To avoid disconnection of electricity, adequate provisions should be made in regular budgetary support to the LIS for payment of electricity charges.
- Payment for additional work/beyond the scope of agreement should be made only after obtaining prior sanction of the competent authority.



## **Chapter 3**

### **Audit of Transactions**

- 3.1 Non-compliance with the rules**
- 3.2 Expenditure without propriety**
- 3.3 Persistent and pervasive irregularities**
- 3.4 Failure of oversight/governance**

## Chapter 3

### Audit of Transactions

Audit of transactions of the Government departments, their field formations as well as that of the autonomous bodies brought out several instances of lapses in 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 Non-compliance with the rules

For sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriation and frauds, but helps in maintaining good financial discipline. Some of the audit findings on non-compliance with rules and regulations are as under:

#### PUBLIC HEALTH AND FAMILY WELFARE DEPARTMENT

##### 3.1.1 Suspected embezzlement

**Failure to observe codal provisions facilitated suspected embezzlement of ₹ 12.52 lakh in the office of the Civil Surgeon cum Hospital Superintendent, Betul.**

**Subsidiary Rule 53 of the Madhya Pradesh Treasury Code (MPTC) provides that every transaction should be entered in the cash book as soon as it occurs and the same should be attested by the officer-in-charge, maintaining the cash book. At the end of each month, the Drawing and Disbursing officer (DDO) is required to personally verify the cash balance as reflected in the cash book and record a certificate to that effect. Rule further provides that the cash book should be closed either daily or at least, at regular intervals.**

**A scrutiny of records (January 2010 and February 2011) of the Civil Surgeon-cum-Hospital Superintendent (CS), Betul revealed that during the period from 29 March 2008 to 09 February 2011, the cash book was neither found closed daily nor at regular intervals. Certificate of physical verification of the cash balance was also not found recorded in the cash book during the same period. Non-observance of above provisions of rules resulted in suspected embezzlement of ₹ 12.52 lakh as detailed below:**

**There was a closing balance of ₹ 46,67,057 in the cash book as on 29 March 2008. Thereafter, a sum of ₹ 13,17,90,345 was shown as having been received <sup>1</sup> during 30 March 2008 to 10 February 2011 against which**

<sup>1</sup> Drawal from treasury ₹ 12,65,82,811, received through Money Receipts (MPTC – 6) ₹ 1,16,975 and through Bank Drafts ₹ 50,90,559.

an amount of ₹ 13,51,66,836 was booked as payment during the same period. Year-wise details of receipts and payment are shown in Table 3.1

**Table 3.1**

Sr. No.	Year	Opening balance	Receipts	Total	Expenditure	Difference
1	As on 30.03.2008	4667057	8158547 (31/03/08)	12825604	13948961 (31/03/08)	(-) 1123357
2	2008-09	(-) 1123357	37108186	35984829	34694263	1290566
3	2009-10	1290566	39713111	41003677	39713111	1290566
4	2010-11	1290566	46810501	48101067	46810501	1290566
<b>Total</b>			(131790345+4667057 [CB])= 136457402		<b>135166836</b>	<b>1290566</b>

After deducting the amount of expenditure from total receipts as above, an amount of ₹ 12,90,566 should have been shown in the cash book as closing balance as on 10 February 2011 duly matched by physical balance of cash. Contrary to that, only an amount of ₹ 38,390 was lying in the saving bank account of the DDO on that date, while the bank balance was shown to be 'nil' owing to discontinuity in carrying forward of the past cash balances. The cash verification conducted by the Civil Surgeon, Betul as of that date indicating nil physical and book balance was therefore, flawed. Thus, there was suspected embezzlement of ₹ 12,52,176.

On being pointed out in audit, CS replied (February 2010 and February 2011) that matter will be investigated and result will be intimated to audit. No investigation report had, however, been submitted as of November 2011 to either audit or Director of Health Services. The latter stated (December 2011) that consequent to non-cooperation with an investigation team from the Directorate of Health Services, the DDO and the Accountant had been suspended. It is clear that despite the suspected embezzlement of public funds being brought to the notice of the Government, no swift action has been taken to investigate the matter fully, to fix the responsibility for various acts of omission and commission and to recover funds that have apparently been embezzled.

### **3.1.2 Unauthorised retention of departmental receipts outside the Consolidated Fund of the State**

**Unauthorised retention of departmental receipts amounting to ₹ 29.83 crore outside the Consolidated Fund of the State against the provisions of the Constitution of India and Madhya Pradesh Treasury Code.**

Article 266 of the Constitution of India and Rule 7(1) of Madhya Pradesh Treasury Code (MPTC) provide that all moneys received by or tendered to Government or public moneys raised or received by the State Government shall, without undue delay, be paid in full into the treasury or into Bank and shall be included in the Consolidated Fund of State. No department of the Government may require that any moneys received by it on account of the revenues of the State be kept out of the Consolidated Fund of State. Further if any body or individual entrusted with duty of any work related to Government institution, the amount can be paid back to it as grants-in-aid after valid appropriation by legislature.

Test check (February 2011) of the records of Director Kamla Nehru Hospital, Bhopal and information collected (February 2011 to June 2011) from 11 audited entities<sup>2</sup> revealed that the user charges<sup>3</sup> received as government money amounting to ₹ 29.83 crore<sup>4</sup> during the years from 1996-97 to 2010-11 instead of being treated as government receipts was deposited in the bank accounts of the Rogi Kalyan Samities (RKS), registered as institutions under M.P. Society Registration Act 1973, despite this having been pointed out in the Audit Inspection Reports of Offices of the Civil Surgeons-cum-Hospital Superintendents (CS), Chhindwara, Jabalpur and Vidisha during the period from March 2005 to February 2009. Since the receipts are in lieu of services provided by utilising government owned infrastructure and the human resource paid out of public funds, these receipts clearly belong to the Government.

On this being pointed out, Director, Health Services stated (February 2011) that MPTC was framed in 1955, i.e., prior to creation of RKS and the financial management of RKS is done in accordance with RKS rules updated in 2010.

The above reply of department was not tenable as MPTC which are applicable to entire set of Government departments would override RKS Rules unless otherwise provided specifically with the concurrence of Finance Department. Besides, the expenditure incurred by RKS from the government receipt is not appropriated under legislative authority. Hence, keeping of user charges, generated from government infrastructure and hospitals, out of Government Account was against Article 266 of the Constitution.

The matter was referred to the Government (June 2011 and September 2011); their reply had not been received (December 2011).

## PUBLIC WORKS DEPARTMENT

### 3.1.3 Excess payment

**By incorrectly classifying the work of embankment filling payable as 'back filling behind abutment', excess payment of ₹ 52.15 lakh was made to the contractor**

The work 'Construction of 78 Nos bridges and culverts with WBM renewal and asphaltting work on Shahpura-Vikrampur road' was awarded (November 2006) to a contractor for ₹ 9.75 crore. The work, which was to be completed in

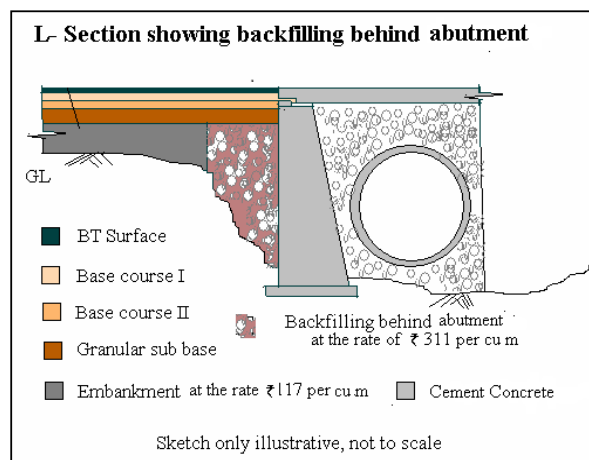
<sup>2</sup> Civil Surgeon-cum-Hospital Superintendent (CS), Anuppur, Balaghat, Chhatarpur, Datia, Gwalior, Jabalpur, Mandla, Ujjain, Umaria and Jai Prakash Hospital, Bhopal and Chief Medical and Health Officer (CMHO) Ujjain

<sup>3</sup> User charges include registration fee, laboratory charges, room charges, operation charges etc.

<sup>4</sup> Kamla Nehru Hospital, Bhopal: ₹ 156.30 lakh; CS Anuppur: ₹ 7.00 lakh; CS Balaghat : ₹ 192.06 lakh; CS Chattarpur: ₹ 238.60 lakh; CS Datia: ₹ 70.21 lakh; CS Gwalior: ₹ 359.47 lakh; CS Jabalpur: ₹ 657.73 lakh; CS Mandla: ₹ 203.55 lakh; CS Ujjain: ₹ 553.07 lakh; CS Umaria: ₹ 44.26 lakh; CS Jai Prakash Hospital, Bhopal: ₹ 213.89 lakh; CMHO Ujjain: ₹ 287.16 lakh

17 months including rainy season, was still in progress and ₹ 7.72 crore had been paid to the contractor as of March 2011.

The schedule of quantities of the agreement included, *inter alia*, an item of 'construction of embankment and earthen shoulder with selected soil having



California Bearing Ratio (CBR) more than five and with lead up to 250 metre', payable at the rate of ₹ 103 per cu m. If the lead exceeded 250 metre (involving lead and lift), the item was payable at the rate of ₹ 117 per cu m. The contractor executed the said item and was to be paid at the rate of ₹ 103 or ₹ 117 per cu m depending upon the applicable slab for lead.

The schedule included another item 'execution of 10,707 cu m of back filling behind abutment, wing wall and retaining wall with granular material that was payable at the rate of ₹ 311 per cu m. The contractor executed this item and was to be paid at the rate of ₹ 311 per cu m.

We noticed (June 2010) that in the measurement books, 27,896 cu m of 'approach road filling', which constituted the work of embankment construction, was incorrectly classified under the item of 'back filling behind abutment' and was paid at the rate of ₹ 311 per cu m against the payable rate of ₹ 117 per cu m. This resulted in excess payment of ₹ 52.15 lakh<sup>5</sup> to the contractor.

The EE stated (June 2010) that since the material was not available within a lead of one kilometre, the contractor filled the embankment by carting the material from more than one kilometre. The EE also stated that rate would be decided after site verification.

While the EE, in his reply has accepted the fact that the work involve 'filling the embankment', his justification for paying for the quantities executed at the rate ₹ 311 per cu m is not tenable because the maximum payable rate for the work executed, including all lead and lift, was only ₹ 117 per cu m.

The matter was referred to the Government (November 2010); their reply had not been received (December 2011).

<sup>5</sup> (₹ 311 minus ₹ 117 = ₹ 194 \* 27896) minus 3.63 tender percentage = ₹ 52.15 lakh

### 3.1.4 Avoidable extra cost

#### Adoption of incorrect vehicle damage factor (VDF) and consequent incorrect computation of traffic intensity resulted in extra expenditure of ₹ 30.82 lakh

**3.1.4.1** According to the Indian Road Congress (IRC-37<sup>6</sup>) specifications, thickness of pavement as well as type of bituminous course is designed on the basis of projected number of commercial vehicles likely to pass over the road during the course of its designed life based on current traffic of commercial vehicles per day and its future annual growth at a specified rate of 7.5 *per cent*. Further, according to paragraph 3.3.1.1 of IRC specifications, the traffic intensity is to be estimated in terms of ‘cumulative standard axles’ and other traffic related factors<sup>7</sup>, including vehicle damage factor (VDF)<sup>8</sup>.

The work of construction of 8.62 km Bindrai-Nagdeo road at probable contract price of ₹ 2.43 crore was awarded (March 2007) to a contractor at 32.51 *per cent* above schedule of rates (April 2005). The work order (March 2007) stipulated that the work should be completed within 10 months including the rainy season. The work was however, completed in September 2009 at a total cost of ₹ 2.92 crore.

We noticed (February 2010) that design of the road was to be based on the designed life of the road (10 years), CBR value of sub grade (four *per cent*), carriage width (3.75 metre- single lane) and VDF based on estimated traffic intensity applicable for rolling and plain terrain. According to IRC-37, the estimated traffic intensity in terms of million standard axles (msa) was to be derived by considering, *inter-alia* the VDF. We also noticed that in the data sheet prepared by the Department for computation of traffic intensity, the VDF was correctly recorded as 1.5 in accordance with clause 3.3.4.4 of IRC-37. While calculating the traffic intensity, the VDF was however, incorrectly considered as 2.5 instead of 1.5. Consequently, the traffic intensity was incorrectly worked out as two msa instead of 0.9 msa. Accordingly, the estimates and agreement erroneously provided for execution of richer bituminous course i.e. 50 mm thick Bituminous Macadam (BM) overlaid by 25 mm thick Semi Dense Bituminous Concrete (SDBC) over the existing crust of 250 mm. Had the correct VDF of 1.5 been adopted, the derived traffic intensity would have worked out to less than one msa, for which 20 mm thick open graded premix carpet (OGPC) overlaid by 6 mm thick seal coat, as prescribed in the specification, *ibid* would have been sufficient. The unwarranted execution of BM and SDBC in place of required OGPC and seal coat resulted in avoidable extra expenditure of ₹ 30.82 lakh<sup>9</sup>.

<sup>6</sup> Guidelines for the design of flexible pavements.

<sup>7</sup> Initial traffic after construction in terms of number of commercial vehicles per day, traffic growth rate during the designed life in percentage, designed life in number of years, vehicle damage factor and distribution of commercial traffic over carriageway.

<sup>8</sup> As per para 3.3.4.1 of IRC, ‘VDF is a multiplier to convert the number of commercial vehicles of different axle loads to the number of standard axle load repetition’. It is number of standard axles per commercial vehicle.

<sup>9</sup> Provided: B M @ ₹2059 X 1182.59 cu m ₹ 24,34,953.00  
SDBC @ ₹ 2458 X 590.73 cu m ₹ 14,52,014.00

The Executive Engineer (EE) admitted (February 2010) that the value of VDF adopted at the time of preparation of estimate was 2.5 in place of 1.50.

On the matter being referred to the Government (June 2011), Government stated (December 2011) that the VDF value given in IRC-37 was only suggestive and VDF was considered as 2.5 on the basis of engineering judgment and experience, which suggests that after construction the road would have to handle unprecedented traffic growth and rampant overloading of trucks.

The reply was not acceptable because design and construction of roads in the State is done as per the IRC guidelines and specifications. The reasons attributed by the Department would only change the assumption on the number of commercial vehicles in a day (CVD), which has been estimated by the department as 129 CVD and for which the applicable VDF was 1.5 in terms of IRC-37. Even in this case, the crust of the road was designed as per guidelines in IRC-37 and the VDF was also correctly determined by the EE as 1.5 for rolling and plain terrain. While computing the traffic intensity, the VDF, which was derived as 1.5, was incorrectly applied as 2.5 (applicable for hilly terrain). This led to derivation of incorrect traffic intensity as two msa as against 0.9 msa and avoidable extra expenditure of ₹ 30.82 lakh.

**Adoption of incorrect CBR value of sub-grade soil resulted in excess execution of granular sub-base and extra expenditure of ₹ 92.53 lakh**

**3.1.4.2** The crust design of roads under Public Works Department (PWD) is required to be in conformity with the specifications in the IRC-37 issued by Indian Road Congress. These specifications provide that the thickness of the pavement is to be designed on the basis of the projected number of commercial vehicles for the designed life of the road and the California Bearing Ratio (CBR) of the sub-grade<sup>10</sup> on which the road formation is aligned<sup>11</sup>. The IRC-37 further provides laying of only 150 mm thick granular sub-base if traffic intensity is less than one million standard axle (*msa*) and CBR value of the sub-grade exceeds seven.

The Gogapur-Bapaiya-Zutawad-Ranayarpeer road, planned for upgradation and widening, had a thickness of 270 mm sub-grade including 150 mm of

	Total	₹ 38,86,967.00
Add : 32.5 per cent above i.e.		₹ 12,63,264.00
	<b>Total</b>	<b>₹ 51,50,231.00 (A)</b>
As per provisions :		
OGPC @ ₹ 49 per sqm X 23651.8sqm		₹ 11,58,938.00
Seal Coat @ 17 Sqm X 23651.8sqm		₹ 4,02,080.00
Total		₹ 15,61,018.00
Add : 32.5 per cent above i.e.		₹ 5,07,331.00
	<b>Total</b>	<b>₹ 20,68,349.00 (B),</b>
	<b>Total Extra Cost =(A) – (B)</b>	<b>₹ 30,81,882.00</b>

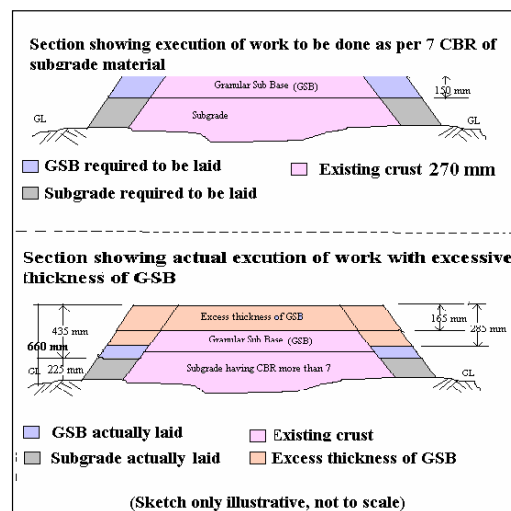
<sup>10</sup> Sub-grade means the embankment at the formation level which includes sub-grade constructed and compacted with externally borrowed soil.

<sup>11</sup> The top 50 cm of the embankment at the formation level is to be considered as sub-grade ~ clause 3.4.1 of IRC-37: 2001.

granular sub-base (GSB) of CBR value of more than seven. For the work of up-gradation and widening of the said Gogapur-Bapaiya-Zutawad-Ranayarpeer road, sub-grade was designed on traffic intensity of 0.82 msa based on 57 commercial vehicles per day (CVPD), designed life of 15 years and CBR value of sub-grade as two.

PWD, Ujjain executed the work of up-gradation and widening of the road during July 2006 to August 2008. The sub-grade of the widened portion of the road was prepared by filling and compacting approved material obtained from borrow pits having CBR value exceeding seven. In the widened portion of the road, the final height of the sub-grade after earthwork and compaction exceeded 50 cm and GSB was executed with a thickness of 435 mm. In the existing pavement, additional GSB of 165 mm was executed.

**Diagram: I**



We noticed that the material of sub-grade used in the work had the CBR value seven<sup>12</sup>. Thus, based on the actual CBR value of seven and msa of 0.82 (that is less than one msa) the Division was required to provide 150 mm sub-grade in the design of the widened portion. The Division, however, erroneously reckoned the CBR value of the sub-grade as two. As a result, in the widened portion the granular sub-base was executed with a thickness of 435 mm instead of required thickness of

150 mm. In the existing pavement, additional GSB of 165 mm was executed although GSB was not required to be laid as it already had a thickness of 270 mm sub-grade (including 150 mm GSB). Thus, avoidable excess thickness of GSB in the widened portion of the road was 285 mm and in existing road, it was 165 mm (**Diagram-I**). This resulted in extra expenditure of ₹ 92.53 lakh due to avoidable excess execution of 26865.51 cu m of GSB in the total length of 19.50 km road as detailed in **Appendix-3.1**.

EE stated (August 2008) that the crust design was approved as per the estimate which considered the CBR of sub-grade two *per cent*. Evidently, crust design was based on incorrect CBR value which led to execution of avoidable excess thickness of sub-grade of the road and consequential extra expenditure.

The matter was referred to the Government (July 2011), their reply had not been received (December 2011).

<sup>12</sup> The test reports indicated the CBR value of the constructed sub-grade as seven and above.



## WATER RESOURCES DEPARTMENT

### 3.1.5 Extra Cost

**In the work of construction of field channels having low discharge of one cumec, lining work was done based on a costlier specification of using reinforced cement concrete 1:2:4 instead of plain cement concrete 1:3:6, resulting in extra expenditure of ₹ 1.92 crore**

Under *Madhya Pradesh Sinchai Prabandhan Mein Krishakon ki Bhagidari Act, 1999 (Act)* - the running and maintenance work of canals in the command areas of various irrigation projects in the State was entrusted to the Water Users' Associations (WUA) of the respective command areas. This was aimed at bridging the gap between the created and utilised irrigation potential in the command areas for higher agricultural growth.

(A) The Executive Engineer (EE) Wainganga Division, Balaghat awarded (2006-07 and 2007-08) 45 works of construction of water courses and field channels costing ₹ 7.49 crore to various WUAs in the command area. Before making payment for these works, the EE was required to verify and measure the work executed by the WUAs.

We noticed that:

- All the 45 works were awarded by EE in a piecemeal manner to WUAs by splitting up compact works of higher value (as shown in **Appendix -3.2**) which was a violation of the provisions of M. P. Works Department Manual (Manual) that provided that all works in excess of ₹ 20 lakh should be technically sanctioned by the Chief Engineer.
- While at the time of splitting, the technical sanction of each of these works was kept below ₹ 20 lakh. In 13 works, while the technical sanction was for value less than ₹ 20 lakh, the actual expenditure incurred was above ₹ 20 lakh and up to ₹ 45 lakh.
- WUAs had outsourced these works to contractors without executing any agreement with them. In the absence of an agreement between the WUAs and the contractors, payments made for the work done lacked a clear basis and no guarantees were available to ensure value for money spent quantitatively as well as qualitatively.

Thus, the entire process of award of work was non transparent and in violation of the laid down tendering process as described in the Manual.

(B) According to technical circular (May 1990) issued by Irrigation Department, RCC<sup>13</sup> Half Round Hume pipes<sup>14</sup> shall be used for construction of water courses and field channels. Further, irrigation specification and USR-2007<sup>15</sup> specify that canals carrying up to three cumecs discharge with a depth

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<sup>13</sup> Reinforced cement concrete

<sup>14</sup> Hume pipes of NP-2 type conforming to IS: 458

<sup>15</sup> General Note 7 of chapter 25 of USR (July 2007)

of less than one metre should be lined with M-10 Cement Concrete (CC 1:3:6).



A view of lined water course near Waraseoni Sub-Jail in District Balaghat, where RCC lining work was stated to be done.

Scrutiny (January 2009) of records, revealed that in the estimation and execution of water courses and field channels having discharge as low as one cusec (0.028 cumec) and a shallow depth of less than 0.33 m, richer and costlier item of M-15 (1:2:4) RCC, instead of M-10 (1:3:6) plain cement concrete or RCC Half Round Hume Pipes, was adopted. This resulted in extra expenditure of ₹ 1.92 crore as detailed in the **Appendix-3.2**.

On this being pointed out in audit (January 2010), the Government stated (August 2011) that instructions in the USR were not specific and that RCC: M-15 with nominal mix 1:2:4 was laid as per Chapter 16 of the USR. The reply is not acceptable because chapter 16 provides CC and RCC works for irrigation structures and not for canal lining work, which is specifically dealt with in Chapter 25 of the USR.

### 3.1.6 Avoidable expenditure

**The Department incurred avoidable expenditure of ₹ 2.64 crore due to execution of 75 mm cast *in situ* lining instead of 50 to 60 mm lining.**

Technical circular issued (January 1984) by the Engineer-in-Chief (E-in-C), Water Resources Department and paragraph 25.6.3.2 of specifications for irrigation projects (December 1995) stipulates that canal having carrying capacity between zero and five cumec should be lined in bed and side slopes with 50 to 60 mm cement concrete cast *in situ* (M-10 strength).

Contrary to the above provision, 75 mm thick cast *in situ* lining in canal bed and side slopes was provided in lining works in three divisions<sup>16</sup>. This resulted in avoidable expenditure of ₹ 2.64 crore, as detailed in **Appendix -3.3**.

The EEs stated that the work was executed as per estimates sanctioned by the Chief Engineer. The reply of the EEs is not acceptable because the estimates for the work were made without considering the provisions given in the technical circular and the specifications issued by E-in-C.

The matter was referred to the Government (August 2011), their reply had not been received (December 2011).

<sup>16</sup> Pipariya Branch Canal Dn. Pipariya, WR Dn. Shajapur and Rockfill Dam Dn. Deoland

### 3.1.7 Extra cost due to improper estimation

#### Increase in quantities of item of work due to improper survey and estimation resulted in extra cost of ₹ 3.83 crore on work

Provisions contained in Madhya Pradesh Works Department (MPWD) Manual envisage that, estimate of works should be prepared realistically after conducting field investigation and survey to avoid any undue variation in the quantities at the stage of execution. According to clause 4.3.13.3 of the agreements, if the quantity of any item exceeds by more than 10 *per cent* of the quantity shown in the tender document, payment for such excess quantity shall be made at the estimated rate of the item *plus* or *minus* overall tender percentage.

In Water Resources (WR) Division, Harda, the work 'Construction of Imlidhana tank' awarded to contractor 'A' in November 2006 was scheduled for completion by August 2007. The work was completed (March 2010) and final bill of the contractor 'A' was paid for ₹ 7.54 crore in March 2010.

In Bah Project Division, Ganjbasoda, the work 'Construction of dam of Bhagru medium project' was awarded to contractor 'B' in May 2008. The work was to be completed by August 2009. The work was in progress and ₹ 8.09 crore had been paid to the contractor till June 2011.

For the item 'Excavation of hard rock' of the work 'Construction of Imlidhana tank', the quoted rate was ₹ 65 per cu m whereas the estimated rate was ₹ 270.23 per cu m. For the two sub items of the item 'providing and laying cement concrete (CC) M-15' of the work 'Construction of dam of Bhagru medium project' the quoted rate was ₹ 1800 and ₹ 2500 per cu m whereas the estimated rate was ₹ 2075 and ₹ 2714 per cu m respectively.

Scrutiny in audit revealed (July 2010) that as per approved estimate, quantity of excavation of hard rock in respect of Imlidhana tank work was 9,562 cu m but during execution, the quantity increased abnormally by 542 *per cent* to 61,402 cu m. Similarly, in respect of Bhagru dam work, as per the approved estimate, quantity of providing and laying cement concrete (CC) M-15 was 1,926 cu m, during execution the quantity again increased abnormally by 586 *per cent* to 15,155 cu m. This abnormal variation in quantities was indicative of inadequate survey and investigation before preparation of detailed estimate and resulted in extra expenditure of ₹ 3.83<sup>17</sup> crore due to higher estimated rate of the items of the two works.

17

Estimated plus ten <i>per cent</i> quantity	Rate as per agreement	Executed quantity	Excess quantity executed	Rate paid	Extra cost
10518.20 cu m	₹ 65 Per cu m	61402 cu m	50883.86 cu m	₹ 270.23* per cu m	₹ 1,37,50,345
* Estimated rate ₹ 682 cu m	216.41 plus tender percentage 24.87 = ₹ 270.23 ₹ 2500 Per cu m	2201 cu m	1519 cu m	₹ 2500 Per cu m	₹ 37,97,500
1437 cu m	₹ 1800 per cu m	12954 cu m	11517 cu m	₹ 1800 Per cu m	₹ 2,07,30,600
Total		15155 cu m			₹ 2,45,28,100

On this being pointed out in audit (July 2010), the EE, WRD, Harda stated (September 2011) that sufficient time was not available to carry out detailed survey and investigation and also that the competent authority had not permitted such investigation. The EE, Bah Project Division, Ganjbasoda, stated (September 2011) that the quantity of CC M-15 had increased due to deepening of the foundation level.

In both the cases, the Principal Secretary accepted (September 2011) the observations and stated that the works were now being sanctioned only on the basis of the report of detailed survey and investigation and these issues would not recur in future.

The reply was however, silent on extra financial burden on the Government and the measures proposed to safeguard Government interests in case of such abnormal variations arising in future.

### **3.1.8 Undue financial aid to contractors for unbalance rate items**

#### **Undue financial benefit of ₹9.44 crore to contractors and loss to Government due to non deduction of additional security deposit for unbalanced rate item**

According to general condition (Clause 3.28) of agreement and Government Order (November 1994), in item rate tenders<sup>18</sup>, the items for which contractor had quoted disproportionately higher rates as compared to the estimated rate, the payment for such items should be limited to the estimated rates of the item, plus or minus over all tendered percentage. The difference amount was required to be withheld from bills of contractors as additional security deposit. In the event of default by contractors in discharging contractual obligations, the additional security deposit so deducted is forfeitable to the Government.

We observed that in 11 divisions (14 works), additional security deposit of ₹ 10.12 crore arising due to unbalanced rates was required to be deducted from running bills of contractors. As this was not done in 10 on going works, non deduction of additional security deposit resulted in undue financial benefit of ₹ 9.44 crore to contractors. In respect of four other works, the contractors abandoned the work midway resulting in loss of ₹ 67.69 lakh on account of non recovery of additional security deposit from them as detailed in **Appendix-3.4**.

The Principal Secretary assured (September 2011) that corrective measures would be initiated in this regard. Particulars of corrective measures initiated have not been intimated to us (December 2011).

### **3.2 Expenditure without propriety**

Authorisation of expenditure from public funds is to be guided by the principles of propriety and efficiency of public expenditure. Authorities empowered to incur expenditure are expected to enforce the same vigilance as

<sup>18</sup> Unbalanced rate item- Items for which contractor had quoted higher rates as compared to estimated rate plus or minus overall tender percentage.

a person of ordinary prudence would exercise in respect of his own money and should enforce financial order and strict economy at every step. Audit has detected several instances of impropriety in making expenditure out of public funds. Significant cases are discussed below:

## **PUBLIC HEALTH AND FAMILY WELFARE DEPARTMENT**

### **3.2.1 Irregular and extra expenditure on purchase of medical equipment**

**Irregular purchase of medical equipment costing ₹ 2.15 crore and non-observance of purchase rules resulted in extra expenditure of ₹ 1.36 crore.**

Madhya Pradesh Stores Purchase Rules (Annexure B of Rule 14) provide that certain articles mentioned therein should be purchased from Madhya Pradesh Laghu Udhog Nigam (MPLUN) only. Further, Rule 119 of Madhya Pradesh Financial Code (MPFC) provides that purchase order should not be split up to avoid obtaining the sanction of higher competent authority.

Test check (October 2007) of the records of Joint Director, Health Services, Ujjain (JDHS) and further information collected (June 2011) revealed that contrary to above provisions, medical equipment including surgical items and laboratory equipment costing ₹ 2.15 crore were not purchased through MPLUN. Purchases were made by JDHS between December 2006 and May 2007 from Madhya Pradesh State Co-operative Consumer Federation Limited (Sangh) without mentioning specifications in the purchase orders. Out of total purchase of ₹ 2.15 crore, purchase orders of ₹ 1.80 crore were split up (each below ₹ one lakh) to avoid scrutiny of purchase proposals by higher authorities (See **Appendix-3.5**). Consequently, an extra expenditure of ₹ 1.36 crore was incurred due to higher rates charged by the Sangh. (**Appendix-3.6**)

On this being pointed out (October 2007) in audit, JDHS admitted (July 2011) that the loss was avoidable had the then Joint Director, Health Services followed the purchase rules.

The matter was referred to the Government (June 2011 and September 2011); their reply had not been received.

## **WATER RESOURCES DEPARTMENT**

### **3.2.2 Excess payment for disposal of excavated material**

**Excess payment of ₹ 85.52 lakh was made to a contractor executing work of Mahan Main Canal at Sidhi towards lead charges for disposal of un-utilisable excavated material, although the payment for excavation was inclusive of all lead and lift**

The work of 'Construction of Mahan Main Canal from RD 22.50 km to 28.56 km' was awarded (January 2007) by the Executive Engineer (EE), Mahan Canal Division, Sidhi to a contractor at a cost of ₹ 14.45 crore. The work that was to be completed within 18 months including rainy season was still in

progress. An amount of ₹ 18.86 crore had been paid to the contractor through RA bills till September 2011.

The agreement provided excavation in all types of rock other than hard rock and disposal of un-utilisable material at places as directed, including all lead and lift. The payment for this item of work was to be made to the contractor at his quoted rate of ₹ 83 per cu m.

We noticed that the Division, in addition to the payment towards excavation, also paid to the contractor ₹ 85.52 lakh (as of December 2010) as extra item towards lead charges for disposal of 1,95,779 cu m excavated material. As the item of work of excavation in the agreement included all lead and lift for disposal of the excavated material, this payment was inadmissible.

On this being pointed out in audit (June 2011), the Engineer-in-Chief (E-in-C), Water Resources Department, while confirming (September 2011) the audit observation, justified the payment of lead charges on the ground of shifting the disposal point of un-utilisable excavated material to a new location.

The reply of E-in-C is not acceptable because as per the agreement, the contractor was to dispose of the un-utilisable excavated material at sites as directed by EE. Besides, sanction of Government for payment of ₹ 85.52 lakh as extra item was also not obtained (December 2011).

The matter was referred to the Government (February 2011); reply had not been received (December 2011).

### **3.2.3 Irregular payment in MNREGS works**

**In MNREGS works in Shahdol, audit noticed irregular payment of ₹ 45.29 lakh towards transportation charges by unregistered tractors through muster rolls. Besides, excess payment of ₹ 22.80 lakh was also noticed**

According to the Guidelines of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS), the ratio of wages and material has to be maintained in the proportion of 60:40. Only actual labour payments for work done are permissible through muster rolls of MNREGS works for which appropriate evidence like names, father/husband's name, name of village, job card number, and actual daily attendances are recorded on muster rolls itself. Execution of MNREGS works through contractors and payment of hire charges for machinery deployed for MNREGS works through muster roll are not permissible. The payments for MNREGS are to be regulated as per the rates specified in the current Schedule of Rates (SOR) of Rural Engineering Services, Government of Madhya Pradesh.

Executive Engineer (EE), Water Resources Division, No. 2, Shahdol accorded (November, 2007) technical sanction for the work of construction of three minor tanks viz. Ratga, Kanadi and Kudratola tanks for ₹ 35.82 lakh, ₹ 34.54 lakh and ₹ 33.91 lakh respectively, for execution under MNREGS. A total

payment of ₹ 79.89<sup>19</sup> lakh was made through muster rolls to labourers and tractor owners between February 2008 and June 2009.

During scrutiny of measurement books (MB)<sup>20</sup> and Nominal Muster Rolls (NMR), it was noticed that transportation of material for these tanks was shown as carried through new tractors without indicating their registration number. Even temporary registration numbers were also not indicated either in NMR or in the MB. Payment of transportation of material through tractors on NMR was irregular. Further, the measurements of transportation of material for the aforesaid tanks, as recorded in MBs as well as in the NMR (Part III) at SOR rates worked out to ₹ 22.50 lakh, whereas the actual payment as recorded in the NMR was ₹ 45.29 lakh. This resulted in excess payment of ₹ 22.79 lakh, besides irregular payment of ₹ 45.29 lakh on NMR for transportation of material through tractors as detailed in **Appendix-3.7**.

On this being pointed out in audit (September 2010), the EE stated that the expenditure on account of transportation was in accordance with the rates for the quantities of material transported. It was further stated that the tractor owners were not aware of the registration process and un-registered tractors were deployed for timely completion of work. Subsequently, the Divisional Commissioner, Shahdol, initiated (November 2010) disciplinary action against the delinquent officer. Particulars regarding recovery of excess payment and other developments in the matter were awaited (December 2011).

The matter was referred to the Government (June 2011); reply had not been received (December 2011).

### **3.2.4 Extra cost due to change in type of structure**

#### **Replacement of RCC aqueduct to steel aqueducts without any justification resulted in extra cost of ₹ 13.91 crore**

In terms of technical circular 70/1 issued by E-in-C, Water Resources Department, only Reinforced Cement Concrete (RCC) aqueducts have been prescribed for providing cross drainage for canal works. RCC aqueduct has the distinct advantage over any other type of aqueduct in terms of strength, durability, economy as well as low maintenance cost.

Scrutiny of two canal works<sup>21</sup> revealed (July 2010) that steel aqueduct has not been prescribed in any specification issued by E-in-C. Therefore, the detailed estimates for construction of aqueducts duly approved by the Government originally provided RCC aqueducts. Subsequently, the Chief Engineer (CE) substituted these by steel aqueducts without assigning any reason. In the work of Ganjbasoda division, even the number of aqueducts was increased by the CE without obtaining revised administrative approval. The works of steel aqueducts were completed at a cost of ₹ 15.17 crore, while the corresponding

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<sup>19</sup> This includes amount of ₹ 45.29 lakh paid for transportation of material through tractors on Nominal Muster Rolls.

<sup>20</sup> Measurement book Nos. 1617, 1618 and 1619

<sup>21</sup> Sanjay Sagar Project Dn. Ganjbasoda~ (four aqueducts), and Dam Safety Dn. Gwalior, ~(six aqueducts)

cost of RCC aqueducts would have been only ₹ 1.26 crore<sup>22</sup>. Thus, irregular substitution of RCC aqueducts by steel aqueducts during execution resulted in extra cost of ₹ 13.91 crore.

On this being pointed out in audit (September 2010), the EEs of the Divisions stated that the work was executed as per technical sanction accorded by the CE. The Principal Secretary, however, stated (September 2011) that matter was being investigated and assured to furnish reply.

Final reply of the Government has not been received (December 2011).

### **3.2.5 Extra payment of price escalation**

#### **Price escalation amounting to ₹ 2.42 crore was paid to contractors in violation of provision of agreements**

The general condition of the work related agreements provides that ‘the price adjustment clause shall be applicable for the work that is carried out within the stipulated period of contract and for such extended period for which reasons are not attributable to contractor’.

We noticed inadmissible payment on account of price escalation in four works as detailed below:

(i) Two works, viz. ‘Construction of four aqueducts between km 21 and 65 of Purva main canal’ and ‘Balance work of construction of structures at km 22 to 75 of Sinhawal main canal’ were awarded to two different contractors in April 2004 and October 2004 for contract price of ₹ 8.84 crore and ₹ 13.80 crore, with scheduled completion by October 2005 and January 2006, respectively. Both the works were still in progress (December 2011). An amount of ₹ 10.51 crore and ₹ 12.98 crore were paid to the contractors, respectively, in February 2009 and September 2008.

In the former case, while granting time extensions up to April 2008 under penal clause of the agreement, the Chief Engineer (CE) had directed that the contractor would be eligible for price escalation only up to the stipulated period of completion (i.e. October 2005) and had categorically observed that the contractor was fully responsible for the delays occurring thereafter. In the latter case also, the CE had granted time extensions up to March 2008 under penal clause of the agreement and reserved department’s right to levy liquidated damages on the contractor for the period of delay.

We observed that in contravention of aforesaid directions of the CE, the Executive Engineers (EE) of both divisions had paid ₹ 1.44 crore and ₹ 56.70 lakh, respectively on account of price escalation against payable amount of ₹ 8.40 lakh and ₹ 10.60 lakh. This resulted in excess payment of ₹ 1.36 crore and ₹ 46.10 lakh to the contractors.

<sup>22</sup> Ganjbasoda Dn. five aqueducts @ ₹ 18.58 lakh each = ₹ 92.9 lakh and Dam Safety Dn. six aqueducts costing ₹ 32.60 lakh Total cost of RCC aqueduct = ₹ 1.26 crore



In the former case, EE stated (June 2008) that the matter would be investigated and results communicated to us in due course. In the latter case, the EE stated (May 2009) that excess amount would be recovered after verification.

The reply is not acceptable as the payment of price escalation for the period beyond contractual period was not payable and was in clear violation of the instructions of the CE. Recovery, if any made, has not been intimated to audit till December 2011.

(ii) The work 'Construction of Right Bank Canal of Bansagar Project (km 18 to 30.20) including structures' was awarded (May 2002) to a contractor at a cost of ₹ 2.09 crore for completion by August 2003, which was completed in May 2006. Another work 'Construction of Purwa main Canal km. 68.22 to 84' was awarded (September 2006) to a contractor at a cost of ₹ 21.08 crore for completion by March 2008. The work was in progress (February 2011).

We noticed that in both the works, at the time of inviting tender, the clause relating to price adjustment was excluded by deleting/scoring out clause 2.40.1 from the NIT documents. Nevertheless, amounts of ₹ 49.61 lakh (February 2011) and ₹ 10.49 lakh (May 2006) were paid to the contractors towards price variation, which was beyond the scope of agreement.

The Principal Secretary stated (September 2011) that recovery would be made from the contractors.

Recovery particular was not intimated to us (December 2011).

### **3.3 Persistent and pervasive irregularities**

An irregularity is considered persistent if it occurs year after year. It becomes pervasive, when it is prevailing in the entire system. Recurrence of irregularities, despite being pointed out in earlier audits, is not only indicative of non-seriousness on the part of the Executive but is also an indication of lack of effective monitoring. This, in turn, encourages willful deviations from observance of rules/regulations and results in weakening of the administrative structure. Cases of persistent irregularity reported in audit is discussed below:

#### **FOREST DEPARTMENT**

##### **3.3.1 Unnecessary withdrawal of money and keeping it in Bank Account**

###### **Irregular drawal of grant-in-aid of ₹ 5.11 crore without requirement for immediate disbursement**

According to subsidiary rule 284 of the Madhya Pradesh Treasury Code Volume-I, no money shall be drawn from the treasury unless it is required for immediate disbursement. It is a serious irregularity to draw advances from the treasury in anticipation of demands or to prevent lapse of budget grants.

Records of Field Director, Satpuda Tiger Reserve Hoshangabad revealed (November 2009) that grants-in-aid amounting to ₹ 11.24 crore was released (August 2008) by the Government of India, Ministry of Environment and Forests, National Tiger Conservation Authority New Delhi for the year

2008-09 for relocation of Bori village in the Satpuda Tiger Reserve. The amount was to be utilised before the end of financial year 2008-09 and unspent balance, if any, refunded to the Govt. of India. An expenditure of ₹ 6.13 crore was incurred on various items of rehabilitation. Unspent balance of ₹ 5.11 crore was deposited between January 2009 and March 2009 in two bank accounts of Rehabilitation Committee, Bori. Amount of ₹ 5.11 crore was neither utilised nor refunded to the Government of India up to the end of 2008-09. Keeping the unspent amount in bank account indicates that the amount was not required for immediate disbursement and was drawn from treasury in advance only to prevent the lapse of budget grants.

On this being pointed out, the department stated (July 2011) that the amount has been deposited in bank account as per the instructions of M.P. Government Forest Department and in accordance with the relocation plan approved by district level committee with a view to maintain continuous availability of funds for the works under execution. If the balance amount would have been returned to the Government of India, implementation of relocation scheme would have to be discontinued.

The reply is not tenable as amount was drawn in excess of immediate requirement and the unspent amount of ₹ 5.11 crore was neither utilised in the next two years of its drawal nor refunded to the Government of India (July 2011).

### **3.4 Failure of oversight/governance**

The Government has an obligation to improve the quality of life of the people for which it works towards fulfillment of certain goals in the area of health, education, development and upgradation of infrastructure and public service *etc.* However, Audit noticed instances where the funds released by Government for creating public assets for the benefit of the community remained unutilised/ blocked and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and concerted action at various levels. A few such cases have been discussed below:

#### **HOUSING AND ENVIRONMENT DEPARTMENT**

##### **3.4.1 Unsold real estate property costing ₹ 12.68 crore**

**Due to lack of proper planning, site selection, adequate registrations and due to quality issues, the real estate properties costing ₹ 12.68 crore were lying unsold.**

The Madhya Pradesh Housing and Infrastructure Development Board (MPHIDB) provides houses / plots / commercial plots to all sections of society at reasonable cost and good quality. The MPHIDB reiterated (November 1996) its instructions that sanctioned schemes of construction works may be implemented after registering 50 *per cent* beneficiaries/applicants so that the constructed assets may not remain unsold.

Test check of records of Estate Manager (EM), MPHIDB, Guna (October 2010), Hoshangabad (May 2010) and Executive Engineer (EE), MPHIDB,

Ratlam (April 2011) and Division-3, Bhopal (June 2011) revealed that 37 commercial buildings, 38 commercial plots, 49 residential buildings and 580 residential plots costing an aggregate amount of ₹ 12.68 crore<sup>23</sup> constructed/developed between 1989 to 2008-09 are lying unsold as of March 2011 due to various reasons shown in **Appendix-3.8**. Delay in selling these properties was attributed by MPHIDB to pending approval of layout from Town and Country Planning Department, seizure of property by Tehsildar due to non-deposition of premium (Guna); lack of demand, pendency of court case for compensation, technical defects in shops (Hoshangabad); site being far away from the town and the rates fixed by MPHIDB being higher than the prevailing rates in the area (Ratlam); and lack of demand (Bhopal).

It is clear from the replies of different field offices that the real estate properties remained unsold and money blocked due to lack of proper planning viz. site selection, ill-execution, quality issues and inadequate registrations.

The matter was referred to the Government (July 2011 and September 2011); their reply had not been received.

## NARMADA VALLEY DEVELOPMENT DEPARTMENT

### **3.4.2 Short recovery of mobilisation advance and penalty for delay**

**Short levy of penalty ₹ 8.66 crore for delay in achieving milestones, inadmissible payment of price adjustment of ₹ 13.88 crore and loss of interest of ₹ 41.73 lakh due to irregular and delayed recovery of mobilisation advance**

The work of execution of “Canal system of Indira Sagar Project (ISP) main canal<sup>24</sup> from RD 130.93 km to RD 155 km” was awarded to a contractor on turnkey basis. The work order for ₹ 242.55 crore was issued (March 2008) for completion of the entire work in 36 months including rainy season. The work remained suspended for 116 days between 11 November 2009 and 6 March 2010 owing to stay order from Madhya Pradesh High Court. An amount of ₹ 146.05 crore was paid to the contractor as of August 2011. Following short levies and short recoveries were noticed by Audit.

#### **A. Short levy of penalty for delay in achieving milestones**

According to clause 115.1 of the agreement, the programme<sup>25</sup> of work submitted by the contractor was to be monitored every six months. In the event of any shortfall in the progress of work by more than 20 per cent of the scheduled programme for the respective six months<sup>26</sup> slab, penalty was to be

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<sup>23</sup> EM MPHIDB, Guna ₹ 1.88 crore, Hoshangabad ₹ 1.07 crore, EE MPHIDB, Ratlam ₹ 6.57 crore, Division-3, Bhopal ₹ 3.16 crore

<sup>24</sup> Comprising the work of survey, planning, design, estimation, preparation of land acquisition cases, forest cases, canal excavation/ earthwork, CC lining with paver machine with all structures, aqueduct, super passage, fall head/ cross-regulators and escape outlets”

<sup>25</sup> In terms of clause 71.1 and 8.3.1 of special conditions of the agreement.

<sup>26</sup> 1<sup>st</sup> Six month period 27.03.08 to 26.09.08; 2<sup>nd</sup> Six month period 27.09.08 to 26.03.08

imposed on the contractor at the rate of 0.1 *per cent* per day of the shortfall in the projected value, till it is made up. The penalty was to be deducted from the intermediate payments to the contractor. The cumulative penalty was, however, to be limited to ten *per cent* of the contract value. Besides, delay beyond 100 days was to be reckoned as a cause for termination of the contract and forfeiture of all security deposits and performance securities.

We observed (August 2010) that;

- Even after lapse of 77 *per cent* of targeted period, the contractor had achieved only 20.46 *per cent* of physical/ financial progress. The status of work *vis-à-vis* the target fixed<sup>27</sup> up to the end of the fourth six monthly slab i.e. up to 26 March 2010, showed a delay of 478 days, attributable to contractor and cumulative shortfall of ₹ 54.93 crore in the work. Consequently, in terms of the agreement, a penalty of ₹ 9.73 crore was recoverable from the contractor up to the end of fourth six monthly period i.e. as of March 2010, as detailed in **Appendix-3.9**.

After this being pointed out by Audit (August 2010), the division recovered a penalty of only ₹ 1.07 crore (September 2010). The balance amount of ₹ 8.66 crore was yet to be recovered (December 2011).

- The contractor was also paid ₹ 13.88 crore on account of price adjustment as of August 2011, which was not admissible as the delay was entirely attributable to him.

On this being pointed out in audit, EE initially determined a penalty of ₹ 4.43 crore for the third six monthly period. Subsequently (October 2011), the Government in its reply stated that the amount of penalty for the third six monthly period had been reduced to ₹ 31.09 lakh on the ground that the work remained suspended from 11 November 2009 to 6 March 2010 due to stay order from Madhya Pradesh High Court, Jabalpur.

The reply is not acceptable because in consequence of stoppage of work from 11 November 2009 to 6 March 2010 (116 days in 4<sup>th</sup> six monthly period) the contractor was adequately compensated by the targeted value of work executable during that six monthly period being reduced from ₹ 55 crore to ₹ 18 crore. Hence, reduction of penalty was not in accordance with the provisions of the agreement. As regards inadmissible payment of price adjustment, no reply was furnished.

## **B. Short recovery of advances and loss of interest thereon**

According to clause 113.6 of the agreement, recovery of mobilisation advance was to commence from the next payment as soon as the total interim payment had reached 10 *per cent* of contract price. This recovery was to be made at rate of 12.50 *per cent* of all interim payments. As per clause 109 (e) of the

<sup>3rd</sup> Six month period 27.03.09 to 26.09.09 ; <sup>4th</sup> Six month period 27.09.09 to 26.03.10

<sup>5th</sup> Six month period 27.03.10 to 26.09.10

<sup>27</sup> Clause 10.9.1 of agreement provides for fixing of six monthly targets

agreement, the interim payment included any additions<sup>28</sup> or deductions<sup>29</sup> which may have become due for payment in accordance with the provisions of the contract.

The contractor was paid (September 2008) mobilisation advance of ₹ 24.26 crore. While computing the installment for recovery of mobilisation advance, the amounts of price escalation and withheld payments subsequently released were incorrectly excluded by the department. Besides, initial payments aggregating 10 *per cent* of contract value were also excluded from the cumulative value of work done for the purpose of recovery of mobilisation advance. This resulted in short recovery of mobilisation advance of ₹ 3.33 crore as well as loss of interest of ₹ 39.37 lakh<sup>30</sup> accrued till July 2010 (as detailed in **Appendix-3.10**).

The Government stated (October 2011) that mobilisation advance of ₹ 3.03 crore recovered short and interest of ₹ 38.44 lakh as of February 2011 had been recovered. Particulars of recovery of balance amount of interest of ₹ 0.93 lakh and document relating to actual recovery effected were not furnished to us (December 2011) though bill-wise details were specifically demanded by us.

## **PUBLIC WORKS DEPARTMENT**

### **3.4.3 Fraudulent payment to a contractor**

**Contractor, who had submitted fake bank guarantees and manipulated Government records, was paid ₹ 47.88 lakh by the Executive Engineer Public Works Division, Singrauli, despite being timely cautioned by another Division against making the payment**

The Public Accounts Committee (PAC) in its 260<sup>th</sup> Report (March 2003) recommended that the Government should take appropriate and effective steps to stop recurrence of frauds by the contractors in submission of fake instruments towards earnest money and security deposits.

The Executive Engineer (EE), Public Works Division (PWD), Sidhi in 2001-02 awarded the work of construction of Harfari-Dhani-Khaira road (27 Km in length) to a contractor at a cost of ₹ 3.34 crore. The work was to be completed by March 2006.

The EE in charge of the work noted that the contractor, who had failed to complete the work despite grant of time extension up to June 2007, had submitted two fake bank guarantees in terms of security deposit for the above works and had also committed forgery in Government records. The EE, PWD, Sidhi Division lodged (October 2008) a complaint with the Police Station Kotwali, Sidhi. As the contractor was also executing two other road works in

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<sup>28</sup> e.g. price escalation

<sup>29</sup> e.g. recoveries of mobilisation, machinery advances, taxes etc.

<sup>30</sup> Worked out on the basis of average borrowing rate (at the rate of 6.94 *per cent*) of the State Government for 2009-10.

PWD Dn. Singrauli, the EE, PWD Dn. Sidhi requested (2 February 2009) the former to stop all payments to the contractor. EE, Sidhi Division again reminded the EE Singrauli Division on 16<sup>th</sup> February 2009 stating that '*despite categorical verbal and written intimation of forgery of government records and submission of fake bank guarantees by the contractor, payments were being made to the said contractor by his Division and such action would be detrimental to the Government's interest*'

After receiving the information from EE, PWD, Sidhi about the frauds allegedly committed by the contractor in that division, EE PWD, Singrauli should have got the documents, FDRs, bank guarantees etc. furnished by the contractor, verified in his division too. He did not take cognizance of the matter and released payments amounting to ₹ 47.88 lakh to the contractor between 11 February 2009 and 28 March 2009. On the failure of the contractor to achieve the progress in execution of these two works, the EE, PWD Singrauli invoked (May 2009) the bank guarantees but discovered that one bank guarantee of ₹ 16 lakh was fake and the other for ₹ 10 lakh had already expired on 12 December 2008. The case is indicative of the fact that despite strict directions from the PAC, the department had not formulated any effective mechanism to establish the authenticity of the instruments submitted by the contractors before releasing any payment to them.

The failure of EE, PWD, Singrauli to verify the genuineness of documents, FDRs and Bank Guarantees submitted by the contractors despite being duly cautioned by the EE, PWD, Sidhi resulted in irregular payment of ₹ 47.88 lakh to contractors.

The EE, PWD, Singrauli replied (May 2010) that the matter was being investigated. No further developments in the matter had been reported to audit (July 2011).

The matter was referred to the Government in June 2010 and again in December 2010; their reply had not been received (December 2011).

## **WATER RESOURCES DEPARTMENT**

### **3.4.4 Award of composite work without inviting tender**

**Civil and Mechanical works were irregularly awarded directly to MPLUN in non-transparent manner without inviting tenders, thus denying the opportunity to derive benefit of competition**

Works Department Manual requires that for each work valued at ₹ two lakh and above, the department should invite tender in a transparent manner through publicity in newspapers so as to obtain reasonable and competitive rates. According to MP Store Purchase Rules, the Madhya Pradesh Laghu Udyog Nigam (MPLUN) was an approved indenting agency only for supply of the reserved items of stores specified therein. It was not the agency mandated for procurement of civil construction or for erection of new mechanical works, as these procurements are not reserved under the MP Store Purchase Rules.

Scrutiny in audit (September 2009 to June 2011) revealed that five divisions<sup>31</sup> placed orders on MPLUN for supply, erection & commissioning of MS pipes, dam gates and construction of allied civil works valued at ₹ 147.01 crore (**Appendix-3.11**) without inviting tenders and without assessing reasonability of rates. Award of works to MPLUN not only was irregular but also resulted in losing an opportunity to secure competitive rates.

On this being pointed out in audit, the EEs stated that the works were awarded to the firms through MPLUN as per sanctions of SE and CE who were competent to issue such sanction. The Principal Secretary, however, stated (September 2011) that responsibility would be fixed and action would be taken.

Final reply from the Government was still awaited (December 2011).

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<sup>31</sup> WR Dn Shivpuri, Sanjay Sagar Project Ganjbasoda, Harsi High Level Canal Dn-2 Gwalior, Mahi Project Dn Petlawad and WR Dn. Khajwa Rajnagar



**Chapter 4**

**Functioning of  
Government  
Department(s)**



## Chapter 4

### Functioning of Government Department(s)

#### Labour Department

#### 4.1 Chief Controlling Officer based Audit

##### Executive Summary

Labour Department is mandated to provide a safe working environment for workers in organised and unorganised sectors. The Department enforces 31 Labour Acts to create safe working environment and to ensure safety, health and welfare of workers. A Chief Controlling Officer based audit of the department covering the period of 2006-2011 was conducted between April 2011 to October 2011 to examine whether the activities of the department are carried out economically, effectively, efficiently and to ascertain whether laws and regulations are complied with to achieve the objectives.

The audit of the department showed following shortcomings:-

- The Department has not conducted any survey to ascertain the number and status of workers engaged in organised and unorganised sectors. Therefore, no statistical data regarding workers and establishments was available with the Department.
- Department had not exercised due financial control in its offices as evidenced by deficiencies in maintenance of cash book, bill book, etc.
- Revenue remitted by different establishments was not reconciled with the Government account.
- Housing schemes for Hamals and Beedi Workers were not properly implemented and funds released by Government of India for the purpose have remained blocked for years.
- Significant shortfalls ranging from 29 to 63 *per cent* during 2006-2011 were noticed in inspection of its various establishments by the Labour Inspectors.
- Renewal of licences of establishments under different Acts was poorly monitored.
- The applications for registration from 87 Trade Unions were pending and annual returns from 2561 out of 2654 Trade Unions were awaited for one to five years.
- The mechanism for assessment and collection of cess was not devised by the Building and Other Construction Workers Welfare Board.
- The quality testing of medicine was not conducted by ESI hospitals and hospitals were also under-utilised.
- Pendency of 28625 and 529 cases in Labour and Industrial Courts respectively, as of 31<sup>st</sup> March 2011, indicated slow disposal of cases.
- No internal audit mechanism exists in the Department (LC)

#### **4.1.1 Introduction**

Labour Department endeavours to provide a safe working environment for workers in organised and unorganised sectors. In all 37 Labour Acts (**Appendix-4.1**) are in operation to protect the economic and social interests of workers. Out of these State Government is responsible for the enforcement and implementation of 12 Acts while it shares joint responsibility with the Central Government in respect of 19 Acts. Six Acts are implemented exclusively by the Central Government. Labour Department is required to conduct regular inspection of various establishments registered under various labour Acts to ensure due compliance with various requirements under the law. Irregularities noticed during these inspections are corrected by registering cases against the defaulting establishments in Industrial and Labour Courts. The main objectives of the Department are:-

- Implementation and administration of labour laws and acts through conducting the inspection of establishments.
- Implementation of safety and security measures for industrial workers by ensuring the observance of provisions of Industrial Act, 1948.
- Implementation of social security, schemes for industrial workers through Employees State Insurance Scheme (ESIS) by providing medical facilities to insured persons through its hospitals.
- To provide justice to labourers through Labour and Industrial Courts by filing case against the establishment for not observing provisions of various labour acts

#### **4.1.2 Organisational set up**

The Department is headed by the Principal Secretary at the State level, who is assisted by the Labour Commissioner, Director ESIS and Registrar Industrial Court. Besides, three autonomous boards support the Department in its functioning. These are (i) M.P. Building and Other Construction Workers Welfare Board which implements social security and welfare schemes for construction workers and their families. (ii) M.P. Workers Welfare Board which implements welfare schemes for the workers of commercial establishments and their families and (iii) M.P. Slate Pencil Workers Welfare Board constituted for welfare activities of slate pencil workers in Mandasaur district of the State.

The organisational structure of the Department is depicted in **Appendix 4.2**

#### **4.1.3. Audit Objectives**

The main objectives of Chief Controlling Officer (CCO) based audit were to ascertain whether the:

- Budgetary control and financial management was adequate and effective
- Welfare schemes for workers were successfully implemented.

- Human resource management was appropriate to its role.
- Internal controls, management and evaluation of schemes/ programmes were adequate.

#### **4.1.4 Audit Criteria**

The criteria of audit were as under:

- Various labour acts of GOI and the State Government
- Government notifications and instructions issued from time to time for implementation of acts and State and Centrally sponsored schemes.
- Departmental Manual/Policies/Rules and Regulations.
- MP Financial and Treasury codes.
- MP Budget Manual.

#### **4.1.5 Audit scope and methodology**

The CCO based audit of Labour Department covering the period of five years (2006-11) was conducted during April, 2011 to October, 2011. The audit involved scrutiny of records of offices of Labour Commissioner (LC) Indore, including office of the Director Industrial Health and Safety (IHS) Indore, Director ESIS, Indore and the Registrar Industrial Court of M.P., Indore and Building and Other Construction Workers Welfare Board. In addition eighteen DDOs<sup>1</sup> selected on random sampling basis were also audited.

The audit objectives, scope and methodology were discussed at an entry conference held with the Principal Secretary, Government of M.P. Labour Department on 7<sup>th</sup> April 2011. Methodology consisted of soliciting information from the department, issuing audit memos, getting response and discussion. The audit findings based on test-check of records were communicated to audited entities through audit memoranda and their response sought. These were also discussed with Principal Secretary and other senior officers of the Department in the exit conference held on 9<sup>th</sup> November 2011.

#### **Audit findings**

##### **4.1.6 Planning**

###### **4.1.6.1 Absence of appropriate data**

**No survey to ascertain the number and status of workers and establishments.**

The Department had not conducted any survey to ascertain the number and status of workers in organised and unorganised sector. Survey to identify the child and bonded labour in the state had also not been conducted. No survey of establishments required to be registered under various labour acts was ever

<sup>1</sup> LO Bhind; Dy.LC Bhopal; Jt. Director I.H.S. Bhopal; ALC Bhopal; ESIS Hospital Bhopal; ALC Gwalior; ESIS Gwalior; I.H.S. Gwalior; ALC Indore; I.H.S. Directorate Indore; T.B. ESIS Hospital, Indore; LO Malanpur; LO Mandideep; ALC Sagar; LO Shajapur; ALC Ujjain; ESIS Hospital Ujjain; I.H.S. Ujjain.

conducted. Hence, no statistical data/database relating to workers and establishments employing workers was available with the Department.

Labour Commissioner (LC) stated (June 2011) that Government had not issued any instructions/orders for conducting such surveys. The reply is not tenable as for proper planning of welfare activities such survey was necessary. In the exit conference (November 2011) Department stated that surveys will be conducted in future.

#### 4.1.6.2 Non-functioning of Boards

**Two Boards for welfare of urban and rural unorganised workers non-functional.**

In terms of Section 3(1) of Madhya Pradesh Asangathit Karmkar Kalyan Adhiniyam 2003 read with Rule 3 of Madhya Pradesh Unorganised Workers Welfare Rules, 2005, the Government constituted two more boards viz., Madhya Pradesh Urban Unorganised Workers Welfare Board and Madhya Pradesh Rural Unorganised Workers Welfare Board required to carry out the welfare activities for workers of unorganised sectors and their families such as pension, housing, medical care, education for children, providing marriage, maternity, insurance, funeral assistance etc. were constituted in only September 2008. However, even after the lapse of more than three years the two boards are non-functional. Thus, welfare activities which were to be performed by these boards remained unattended to. In the exit conference (November 2011), Principal Secretary stated that consultations are going on at Government level to make these boards functional.

### 4.1.7 Inadequate financial control

#### 4.1.7.1 Financial outlay and Expenditure

The details of budget provision and expenditure of the three Directorates are given as under in **Tables 4.1, 4.2 and 4.3.**

**Table- 4.1 Labour Commissioner including Director I.H.S.**

(₹ in crore)

Year	Revenue				Expenditure	Saving
	Original	Supplementary	Surrender	Net Budget Provision		
2006-07	12.04	0.65	2.30	10.39	10.41	-0.02
2007-08	11.94	2.04	2.06	11.92	11.85	0.07
2008-09	14.05	--	--	14.05	11.90	2.15
2009-10	13.76	4.98	0.23	18.51	18.64	-0.13
2010-11	19.18	5.43	5.65	18.96	18.78	0.18
<b>Total</b>	<b>70.97</b>	<b>13.1</b>	<b>10.24</b>	<b>73.83</b>	<b>71.58</b>	<b>2.25</b>

(Source: Appropriation Account.)

**Table-4.2 Director, ESI**

(₹ in crore)

Year	Revenue				Expenditure	Saving
	Budget Provision					
	Original	Supplementary	Surrender	Net Budget Provision		
2006-07	31.11	6.19	0.63	36.67	35.83	0.84
2007-08	35.33	0.11	--	35.44	30.81	4.63
2008-09	37.36	--	0.38	36.98	33.06	3.92
2009-10	40.95	10.11	2.33	48.73	46.65	2.08
2010-11	29.02	24.0	--	53.02	50.14	2.88
<b>Total</b>	<b>173.77</b>	<b>40.41</b>	<b>3.34</b>	<b>210.84</b>	<b>196.49</b>	<b>14.35</b>

(Source: Appropriation Account.)

**Table-4.3 Registrar, Industrial Court**

(₹ in crore)

Year	Revenue				Expenditure	Saving
	Budget Provision					
	Original	Supplementary	Surrender	Net Budget Provision		
2006-07	3.40	--	0.36	3.04	3.04	--
2007-08	3.80	--	--	3.80	3.30	0.50
2008-09	4.49	--	--	4.49	3.74	0.75
2009-10	4.72	0.33	0.23	4.82	4.82	--
2010-11	5.52	1.15	--	6.67	6.05	0.62
<b>Total</b>	<b>21.93</b>	<b>1.48</b>	<b>0.59</b>	<b>22.82</b>	<b>20.95</b>	<b>1.87</b>

(Source: Appropriation Account.)

The surrenders/savings depicted in above tables were due to less expenditure incurred on establishment and various schemes of the department.

#### 4.1.7.2 Deficiencies noticed in budgetary control

**Non-surrender of savings resulted in lapse of ₹ 18.62 crore.**

(i) Rule 91 of the M.P. Budget Manual requires that all anticipated savings should be surrendered as soon as the possibility of saving is foreseen without waiting till the end of the year. Out of the total savings of ₹ 32.79 crore<sup>2</sup> during 2006-11, ₹ 14.17 crore<sup>3</sup> were surrendered. Remaining savings of ₹ 18.62 crore<sup>4</sup> were allowed to lapse as these were not surrendered well in time. Hence, provisions of budget manual were not observed. It also indicated that expenditure was not monitored at any level.

(ii) During 2006-11, under the head 'establishment' (ESI) the budget estimates were framed on the basis of sanctioned strength of staff rather than their actual strength which was a violation of provision 25 (chapter III) of M P Budget Manual. This resulted in a saving of ₹ 11.11 crore.

<sup>2</sup> LC ₹ 12.64 crore + ESI ₹ 17.69 crore+ Labour & Industrial Court ₹ 2.46 crore

<sup>3</sup> LC ₹ 10.24 crore+ESI ₹ 3.34 crore+ Labour & Industrial Court ₹ 0.59 crore

<sup>4</sup> LC ₹ 2.40 crore+ESI ₹ 14.35 crore+ Labour & Industrial Court ₹ 1.87 crore

(iii) The actual expenditure during 2007-08 under revenue section for LC and ESI was only ₹ 11.85 crore (LC) and ₹ 30.81 crore (ESI) as against original budget provisions of ₹ 11.94 crore (LC) and ₹ 35.33 crore (ESI) respectively. The supplementary provision of ₹ 2.04 crore (LC) and ₹ 0.11 crore (ESI) during the year proved unnecessary.

**Labour Research & Training Institute not established despite lapse of three years due to non-availability of land.**

(iv) Under head 4250 'Capital Outlay on Other Social Services', the entire budget provision of ₹ 40 lakh during 2007-08 allotted for establishment of State level Labour Research and Training Institute was surrendered and entire budget provision of ₹ 53 lakh during 2008-09 for the same purpose lapsed. The Department stated (November 2011) that due to non-availability of land, the institute could not be established. Thus, provision made in budget was unnecessary.

(v) As per provisions of Supplementary Rules 297 to 299 of MPTC every head of office is required to maintain expenditure control register and send Monthly Expenditure Statement to budget controlling officer. Test check of records in nine field DDOs<sup>5</sup> revealed that these registers were not maintained in proper form. The monthly expenditure in these offices was not recorded sub-head and scheme wise making it difficult to monitor the excesses and savings under each sub-head.

In the exit conference, the Department noted these deficiencies for future compliance.

*Budget estimates had not been prepared realistically by following the provisions of Budget Manual leading to surrender/lapse of funds.*

#### 4.1.7.3 Reconciliation of expenditure

**Reconciliation of departmental expenditure not done.**

Paragraph 110 of Madhya Pradesh Budget Manual, envisages that in order to avoid incorrect booking of expenditure and potential fraud and misappropriation, the departmental expenditure should be regularly reconciled with the figures booked by the office of the Accountant General (A&E). Scrutiny of records of offices of LC, Director ESIS and the Registrar Industrial Court revealed that there were material differences in these two sets of figures as indicated in **Table 4.4** below:

**Table 4.4**

(₹ in crore)

Year	Expenditure booked by AG (A&E)			Expenditure booked by Department			Difference		
	LC	ESIS	Labour Court	LC	ESIS	Labour Court	LC	ESIS	Labour Court
2006-07	10.41	35.84	3.04	10.49	35.84	3.00	-0.08	0	0.04
2007-08	11.85	30.81	3.30	9.91	30.74	4.52	1.94	0.07	-1.22
2008-09	11.90	33.06	3.74	11.62	33.20	3.98	0.28	-0.14	-0.24
2009-10	18.64	46.65	4.82	18.14	46.76	4.99	0.50	-0.11	-0.17
2010-11	18.78	50.14	6.05	18.98	50.05	5.68	-0.20	0.09	0.35
<b>Total</b>	<b>71.58</b>	<b>196.5</b>	<b>20.95</b>	<b>69.14</b>	<b>196.59</b>	<b>22.17</b>	<b>2.44</b>	<b>-0.09</b>	<b>-1.24</b>

(Source: Appropriation account and Figures supplied by the Department)

<sup>5</sup> LO Bhind; IHS Gwalior; ESI Gwalior; ALC Indore; Registrar Industrial Court Indore; LO Shajapur; ESI Ujjain; ALC Ujjain; IHS Ujjain.

Though the above controlling officers in their responses claimed (June 2011) that reconciliation was being done, differences in two sets of figures indicate that either reconciliation was not done at all or corrective action was not taken by them well before closure of the accounts by AG (A&E). In the exit conference, the Department assured that reconciliation in future will be done regularly.

#### ***4.1.7.4 Deficiencies in maintenance of cash book***

Subsidiary Rule 53 of Madhya Pradesh Treasury Code (MPTC) provides that fortnightly verification of drawls be conducted with reference to treasury voucher slips. At the end of the each month, Drawing and Disbursing Officer (DDO) is required to verify cash under his dated signatures and the analysis of cash is to be recorded in the cash book. Daily totals of cashbook are to be checked by a person other than writer of cash book. Besides, temporary advances are to be recorded in red ink and not shown as final expenditure.

Scrutiny of records of test checked DDOs including three DDOs in the offices of CCOs revealed that fortnightly verification of drawls had not been done in thirteen DDOs<sup>6</sup>. The analysis of cash balance at the end of each month was not done by the DDOs and totals of cash books were not got checked regularly by a person other than writer of the cash book. The Department assured (November 2011) that the rule will be complied with in future.

#### ***4.1.7.5 Deficiencies in maintenance of Bill book***

As per provision of rule 197 of MPTC, the bill register should be reviewed monthly by the DDO and record a certificate to confirm that it has been correctly maintained. Monthly abstract should be prepared at the end of each month giving details of number of bills submitted to the treasury, the total number of bills passed and total number of bills cancelled, bills pending etc.

Scrutiny of bill registers of 21 test checked DDOs revealed that neither the review of bill registers was conducted by DDOs nor were monthly abstracts prepared in eight DDOs<sup>7</sup>. The DDOs assured compliance with these requirements in future.

#### ***4.1.7.6 Handling of cash and stores by officials without security deposited***

As per rule 282 of MP Financial Code (MPFC) every official handling cash or stores is required to deposit security. Records of ten DDOs<sup>8</sup> out of 21 revealed that nine officials handling cash and seven officials handling stores had not deposited any security.

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<sup>6</sup> LO Bhind; Jt. Director I.H.S Bhopal; Dy.LC Bhopal; IHS Gwalior; ESI Gwalior; ALC Indore; Industrial Court Indore; TB Hospital Indore; ALC Sagar; LO Shajapur; ALC Ujjain; IHS Ujjain; ESI Ujjain.

<sup>7</sup> LO Bhind; Jt. Director I.H.S. Bhopal; ESI Gwalior; I.H.S. Gwalior; LC Indore; The Registrar Industrial Court Indore; ESI Ujjain; ALC Ujjain

<sup>8</sup> LO Bhind; Jt. Director I.H.S. Bhopal; Dy.LC Bhopal; ESI Hospital Bhopal; I.H.S. Gwalior; ALC Indore; Director ESI Indore; The Registrar Industrial Court Indore; ESI Ujjain; I.H.S Ujjain

The DDOs stated that required security would be deposited.

#### **4.1.7.7 Creation of liabilities for next financial year**

Rule 14 of MPFC and Supplementary Rule 283 of MPTC provide that liabilities incurred in a financial year should be cleared within the same financial year and should not be left for payment in the next financial year. Scrutiny of records of seven DDOs revealed that unpaid bills of ₹ 64.58 lakh<sup>9</sup> relative to previous years were paid in the subsequent years, and in seven DDOs liabilities of ₹ 22.66 lakh<sup>10</sup> were pending for the last one to five years for the payment (June 2011) (**Appendix-4.3**).

On being pointed out DDOs stated that due to shortage of funds, bills could not be paid in the same year. In the exit conference, the Department stated that compliance with financial rules would be ensured in future.

*Inadequate reconciliation of figures, deficiencies in maintenance of cash books and bill books, besides creation of liabilities are clear signs of weak internal financial controls and precursor to frauds and misappropriation of funds.*

### **4.1.8 Management of store and stock**

#### **4.1.8.1 Physical verification of store and stock not conducted**

Rule 133 of MPFC provides for annual physical verification of store and stocks. Twelve DDOs<sup>11</sup> out of 21 DDOs test checked did not carry an annual verification during 2006-11. DDOs concerned accepted the position and noted observation of codal provision for future compliance.

#### **4.1.8.2 Store and stock registers not maintained**

Rule 121 and 122 of the MPFC provide that as soon as the stock items are purchased or issued, these should be entered into the store registers. During the test check of records of office of the Secretary, Building and Other Construction Workers Welfare Board, Bhopal it was noticed that neither store and stock registers were maintained nor store and stock accounts were prepared. Hence, it could not be verified that the stores/printed material purchased were actually received in the Board and were available in office. Moreover, payments were made without recording stock entry certificate on vouchers. On being pointed out the Secretary stated that the store and stock

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<sup>9</sup> Director ESI Indore(₹ 2.53 lakh); Specialist TB Hospital Indore (₹ 23.64 lakh); ALC Sagar(₹ 1.79 Lakh); ESI Ujjain( ₹ 8.45 lakh); I.H.S. Ujjain (₹ 1.44 lakh); ESI Gwalior(₹ 25.33 Lakh); Joint Director I.H.S. Bhopal(₹ 1.40 Lakh).

<sup>10</sup> ESI Gwalior(₹ 3.73 lakh); I.H.S. Gwalior(₹ 1.32 lakh); ALC Indore(₹ 1.02 lakh); Director ESI Indore (₹ 2.45 lakh); Specialist TB Hospital Indore (₹ 12.31 Lakh); ALC Sagar(₹ 0.31Lakh); ESI Hospital Ujjain (₹ 1.52 lakh).

<sup>11</sup> LO Bhind; Dy.LC Bhopal; ESI Gwalior; I.H.S. Gwalior; LC Indore; Jt. Director I.H.S. Bhopal; ESI Hospital Bhopal; T.B. Hospital Indore; The Registrar Industrial Court Indore;LO Mandideep; ALC Sagar; LO Shajapur.



registers would be maintained in future. During exit conference, the Department stated that in future such records would be maintained.

*Non-maintenance of store and stock registers and non-conducting of annual physical verification of stores is fraught with the risk of loss, theft and misappropriation of stores.*

#### **4.1.9 Implementation of Schemes and Departmental activities (Labour)**

The office of the Labour Commissioner is assigned with the duties and functions related to industrial relations, labour welfare activities and implementation and enforcement of various labour laws. It also collects revenue under different labour laws viz. Shops and Establishment Act, Motor Transport Workers Act, Contract Labour (Regulation and Abolition) Act, etc. At the field level LC discharges his duties through Dy. LC/ALCs/LOs. Our audit revealed following deficiencies in this regard:

##### **4.1.9.1 Implementation of Housing Scheme for Hamals**

**Housing schemes for Hamals not implemented. Subsidy of ₹ 1.21 crore released by GOI lying unutilised.**

Housing scheme for Hamals (persons engaged in carrying head loads at public places) was formulated by the Government of India (GOI) under the 8<sup>th</sup> Five Year Plan (1996-97) and was taken up for implementation on a pilot basis in the States of Madhya Pradesh and Karnataka. Under the scheme a subsidy of ₹ 10000 per beneficiary was sanctioned by GOI. Remaining funds were to be raised for beneficiaries through a loan from the State Government or from nodal construction agencies, that were to be identified by the State Government. The land for construction was also to be provided by the State Government free of cost. The houses were required to be constructed within a period of 18 months extendable by six months. The State Government proposed to construct 1300 houses for Hamals of Krishi Mandis in 12 districts<sup>12</sup>. Accordingly a subsidy of ₹ 1.30 crore was released by GOI (Ministry of Labour) in March 1997 to the Labour Department of the State Government. The project cost of the scheme was ₹ 3.64 crore at the rate of ₹ 28000 per house/tenement to be partly (₹ 18000) borne by the beneficiary.

During the test check (June 2011) of record of LC, Indore we noted that scheme was restricted to Indore city alone. Moreover, out of ₹ 1.30 crore released by GOI only an amount of ₹ 8.70 lakh was released to the Commissioner, M.P. Housing Board, Indore for construction of 87 houses. Remaining amount of ₹ 1.21 crore was deposited (March 1998) in a Personal Deposit Account (PDA) of LC. The balance amount was still lying (June 2011) with the Government in PDA. All the 87 houses were constructed and allotted to beneficiaries in June 2001.

LC attributed (June 2011) under achievement even at pilot stage to reluctance on the part of workers to deposit their share of ₹ 18000 owing to their poor

<sup>12</sup> Bhopal (150); Burhanpur (100); Damoh (100); Dhamtari (100); Guna (100); Indore (150); Katni (100); Khargone (100); Mandsaur (100); Sagar (100); Ujjain (100); Vidisha (100)

financial condition. At the same time neither subsidy from State Government nor loan from HUDCO could be arranged by the department for the beneficiaries. Moreover, no land was available near the Krishi Mandis where the beneficiaries preferred to have their houses constructed. The scheme was dropped in the subsequent year. The reply of the department is not acceptable to audit as it was the responsibility of the department to arrange subsidy/loan. The department assigned no reasons for its failure in meeting these basic requirements. It had also not refunded unspent amount to GOI during last 15 years. At the same time, PDA that was required to be closed at the end of the year unless specifically permitted to be kept open, was also not closed. It is apparent that the department had practically forgotten all about the scheme. In the exit conference, the Department assured that after scrutiny of records, balance amount will be refunded to GOI.

#### **4.1.9.2 Implementation of Housing Scheme for Beedi Workers**

**Housing scheme for Beedi workers not implemented properly.**

Integrated Housing Scheme for Beedi Workers was launched by GOI in 2004. The scheme was revised in 2005 and 2007. The scheme was intended to relieve, to some extent, the housing shortage, mainly among Beedi workers. A subsidy of ₹ 40000 per home, per worker, was to be provided by GOI and an amount of ₹ 5000 was to be contributed by the beneficiary. The balance amount was to be borne by the worker either through his own resources or assistance in the form of loan from financial institutions like HUDCO etc. or contribution from the State Government in the form of subsidy/loan. The subsidy was to be released by GOI in two instalments of ₹ 20000 each, one at the time of approval after confirmation of receipt of beneficiary's contribution and another on receipt of 100 *per cent* inspection report of the Engineer of Labour Welfare Organisation stating that construction had reached roof level. The construction was to be completed within the period of 18 months. It was also provided in the scheme that if tenements were not constructed and completed in all respects within the stipulated period/extended period, the amount of subsidy would be forfeited or recovered as the case may be, along with penal interest to be determined by GOI from time to time.

The test check of records of LC (June, 2011) revealed that during the period 2006-10 an amount of ₹ 11.52 crore (**Appendix 4.4**) was sanctioned by GOI for construction of 2880 houses. Till the end of March 2011 the first instalment (₹ 5.76 crore) was released for 2880 houses. However, the second instalment (₹ 33 lakh) was released for only 165 houses indicating the extent of under achievement under the scheme. The total expenditure of ₹ 6.09 crore thus, released was largely infructuous as evident from the fact that out of 2880 houses only 461 were completed during last four years. Only 66 houses in Ashoknagar district were allotted to beneficiaries. The balance 395 constructed houses could not be allotted, as the beneficiary's contribution was not deposited by Beedi workers. The construction of remaining 2419 houses (2880 - 461) was either not taken up (1886) or incomplete (533). Except houses already allotted, all other houses were constructed without the receipt of beneficiary's contribution. No steps were taken by the department for obtaining the contribution of Beedi workers by arranging loan from financial institution. No penalty had been imposed by GOI so far, in any case.

On being pointed out LC stated (June/November 2011) that collection of ₹ 5000 in respect of 395 houses already constructed for Beedi workers was in progress. He further stated that due to increase in cost of construction, it was not possible to construct the houses as per approved estimate and arrangements were being made for meeting the extra cost by beneficiaries and obtaining loan from financial institutions. The reply is not tenable as construction of houses should have been started only after the receipt of beneficiary's contribution. In the exit conference, the Department offered no further comments in the matter.

*The housing schemes for weaker sections of the society like Hamals and Beedi workers did not take off due to failure of the department to arrange timely loan/subsidy for the beneficiaries. Delay in execution also led to escalation in the cost of dwelling units.*

#### 4.1.9.3 Implementation of Acts

##### (i) Inadequacy of inspections

**Inspections of establishments by inspectors inadequate.**

The main objective of Labour Department is to ensure effective implementation and enforcement of labour laws and rules through inspections of Establishments like factories, shops, hotels, contractors and other commercial establishments. On the basis of inspections, cases are to be filed in appropriate courts against those charged with offences such as less payment of wages, non-maintenance of records, non-payment of equal wages for equal work, non-renewal of licences, employment of child labour, inadequate safety measures, etc. On the basis of information provided to us and during test check (June 2011) of records of LC, we observed that inspections carried out were below targets and the shortfall ranged from 29 to 63 per cent during 2006-11 as indicated in **Table 4.5** below:

**Table-4.5**

Year	Targets	Achievements (Per cent)	Percentage of shortages	Cases filed (Per cent)
2006-07	137760	69121 (50)	50	9356 (14)
2007-08	132660	48732 (37)	63	6476 (13)
2008-09	105250	62923 (60)	40	8224 (13)
2009-10	132810	49393 (37)	63	10084(20)
2010-11	149325	105882(71)	29	27195 (26)

**(Source: Figures supplied by LC)**

LC stated (June 2011), that instructions were being issued to Labour Inspectors from time to time for completing the targets. It was further stated that due to their preoccupation with court cases, it was not possible for them to achieve the targets. The reply is not tenable as engagement of inspectors in court cases was part of their duties. Moreover, proper implementation of labour laws cannot be ensured without inspections.

Scrutiny of records of test checked field offices under LC (ALC Gwalior, LO Malanpur, ALC Indore, LO Shajapur, ALC Ujjain) also revealed that shortfall of inspections carried out under various Acts ranged from 1 to 98 *per cent* (**Appendix 4.5A, 4.5B, 4.5C, 4.5D, 4.5E**). In district Bhind not a single inspection of any Establishment was conducted during last five years. Test check of the offices of the Deputy Directors, I.H.S. Gwalior and Ujjain where large commercial centers are located, revealed that no targets were fixed for inspection of factories under Factories Act, 1948. During exit conference, department stated (November 2011) that efforts will be made to achieve the targets of inspections in future.

Applications for registration & renewals of industries were pending.

**(ii) Pendency of applications for registration and renewal of licences to Industries**

Factories Act, 1948 and Madhya Pradesh Industrial Rules, 1962 (Section 6 and 7) provide that the occupier shall, at least fifteen days before he begins to occupy or use any premises as a factory, apply for registration along with proof of depositing the amount of fee in the treasury. The occupier is required to apply for renewal of registration one month prior to lapse of registration along with proof of depositing the renewal fee. In cases of late submission of such applications, additional fee equal to twenty five *per cent* of registration fee is payable by the applicant.

Test check of records of the Director, I.H.S., Indore (June, 2011) revealed that as of March 2011 registration of 66 factories<sup>13</sup> was pending from one to three years. On being pointed out the Director, I.H.S. stated (June 2011) that, the registration was pending because the requisite documents were not submitted by the occupiers and cases were under correspondence with the occupiers. Similarly renewal of licences in respect of 96 factories at Gwalior and 352 at Ujjain were also pending from one to three years as of March 2011. No monitoring was done at the State level of this aspect of compliance with the provisions of the Factories Act, 1948. Deputy Directors stated that necessary action was being taken. In the exit conference, department offered no further comments on the subject.

**(iii) Lack of control over renewal of licences to Establishments**

Labour Department registers establishments in a Register of Establishments in such a manner as may be prescribed and issues, in prescribed form, a registration certificate to the employer on payment of licence fee and these licences are required to be renewed on submission of application with fee before expiry of licence. Test check of records of seven labour offices<sup>14</sup> revealed that out of 2.65 lakh Shops & Establishments, as many as 87 thousand (33 *per cent*) Shops & Establishment were not renewed as of 31 March 2011.

Similarly, 21 *per cent* (113 out of 540) and 43 *per cent* (317 out of 750) Establishments were not renewed under Motor Transport Workers Act, 1961

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<sup>13</sup> 10 for 2009; 22 for 2010; 34 for 2011

<sup>14</sup> Bhind; Bhopal; Gwalior; Malanpur; Sagar; Shajapur; Ujjain

and Contract Labour Act, 1970 respectively, though renewal of licences of these Establishments was long over due. The particulars regarding closure and cancellation of establishments were not found recorded in the registers. As such the total number of establishments in default all over the State was not ascertainable from the records. The total number of establishments in the test checked offices, which required registration under various labour laws, was also not available. In the exit conference, Department stated that necessary action will be taken after computerisation of establishments.

*Inspection of Establishment, a key function of the Labour Department, was not conducted as per targets to ensure effective implementation of labour laws. Monitoring of registration and renewal of licences of all the Establishments was also lacking.*

#### **4.1.9.4 Deficiencies in management of security deposits**

Under the provisions of Contract Labour (Regulation and Abolition) Act, 1970 and Rule 7 of M.P. Contract Labour (Regulation and Abolition) Rules, 1973 a contractor has to deposit into the treasury security amount to cover for compensation payable to workers in the event of any accident/ injury, etc. In six offices<sup>15</sup> test checked, the amount of security deposit realised during 2006-11 was ₹ 1.31 crore. Recovery of security deposits from the contractors was not monitored and list of such outstanding depositors was not prepared at the end of each year. Further, refund of security deposits to depositor was made through treasury advice, authorising the depositors to draw directly from the treasury without reference to challan number under which the amounts were deposited *ab-initio*. Neither the refund registers were maintained nor credit against refund authorised was verified in the treasury to prevent fraudulent drawal by the depositors. Contrary to the requirement of Rule 562 of MPTC deposits remaining unclaimed over the period of three years were not credited to Government account. The renewal of registration of 562 contractors<sup>16</sup> was pending for which no action was taken by the offices. On being pointed out, ALCs/LOs stated that notices for renewal of registration of contractors were being issued. The Department agreed with the audit observation and assured that necessary action will be taken in future.

#### **4.1.9.5 Non-reconciliation of revenue receipt**

The revenues are collected by the Department on account of fee payable for registration, renewal of licences, penalties from defaulters, etc. which are deposited directly by employers into treasuries through challans.

Rule 30 of MPFC envisaged that departmental Controlling Officer shall ensure that all sums due to Government are assessed, realised and credited into treasury.

**Receipts not reconciled with Government accounts.**

<sup>15</sup> ALC Gwalior (₹ 28.58 Lakh); ALC Indore(₹ 43.58 Lakh); LO Malanpur (₹ 25.77 Lakh); ALC Sagar (₹ 3.58 Lakh); LO Shajapur (₹ 2.78 Lakh); ALC Ujjain (₹ 26.30 Lakh).

<sup>16</sup> ALC Gwalior 227; ALC Indore 179; LO Malanpur 45; ALC Sagar 18; LO Shajapur 10; ALC Ujjain 83.

As provided under Subsidiary Rule 72(6) of MPTC, completeness and correctness of revenue collected is to be established through reconciliation of amounts deposited into the treasury with the departmental copies of challans. Therefore, it is absolutely essential for CCOs to ensure that monthly accounts duly reconciled with the treasury records, are submitted by all their subordinate offices. Our test check of district offices under LC revealed that in none of these offices verification of the genuineness of the challans and correctness of the revenue realised<sup>17</sup> was being carried out at any level.

LC assured (June 2011) that necessary instructions would be issued to DDOs to send revenue statement duly reconciled from treasury records. In the exit conference (November 2011), the Department stated that necessary instructions have already been issued at the instance of audit to all DDOs for conducting regular reconciliation of accounts with the treasury records.

*Reconciliation of revenue receipts as per provisions of financial rules with treasury records and verification of genuineness/correctness of challans furnished by Establishments as a proof of payment of various fee had not been done. This left scope for possible fraud and embezzlements.*

#### **4.1.9.6 Pendency in registration of Trade Unions and non-receipts of annual returns**

**87 applications for registration of Trade Unions were pending. Annual returns not received from 2561 Unions.**

Section 4 of Trade Union Act, 1926, as amended in January 2002 provides that no trade union shall be registered unless 10 *per cent* or 100 workmen are members of such trade union on the date of making application for registration. As per citizen charter of Labour Department, all applications for registration of Trade Union are to be disposed of within 60 days. However, it was noticed that 87 applications were pending for registration of Trade Unions from one to four years as of March 2011.

The Department stated that these applications were pending for want of verification of membership from the field offices. As per Section 28 of the Act, the Trade Unions are required to send a general statement of all receipts and expenditure during the year ending on 31<sup>st</sup> December as well as assets and liabilities of Trade Unions on that day, duly audited on or before such date as may be prescribed. The Registrar, or any officer authorised by him by general or special order, may at all reasonable times inspect the certificate of registration, account books, registers and other documents relating to a Trade Union.

As per the information furnished by the Deputy Labour Commissioner, Bhopal who acts as the Registrar for registration of Trade Unions, only 93 out of 2654 Trade Unions had submitted the above annual returns as of March 2011. The returns of remaining 2561 Trade unions were pending from one to five years. The Registrar had not carried out on site examination of any documents of any Trade Union.

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<sup>17</sup> ₹ 2.44 crore in 2006-07, ₹ 3.87 crore in 2007-08, ₹ 4.19 crore in 2008-09, ₹ 4.11 crore in 2009-10 and ₹ 7.05 crore in 2010-11.

The Registrar stated (October 2011) that notices were being issued to Trade Unions for furnishing the prescribed annual returns. Regarding non-conducting of examination of records it was stated that because of the shortage of staff this responsibility could not be discharged. At the exit conference, it was stated that notices will be issued to all the Trade Unions for furnishing annual returns.

*The department had no database of active and defunct trade unions nor regular submission of annual returns by these unions is ensured. Inspection of their records had also not been conducted to ensure compliance with the trade union rules.*

#### **4.1.10 Welfare of Building and Other Construction Workers**

The Building and Other Construction Workers Welfare Board was assigned with duty to regulate the employment and conditions of service of Building and Other Construction Workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental there to. It exercises the power conferred on, and performs the assigned functions to it under the Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act 1996. The Board collects cess at the rate of one *per cent* of cost of construction from the employers and utilises it for the implementation of its schemes. No other funds are passed on to the Board by the labour department nor is there any system of scrutinising its functions by the Department.

**No mechanism for assessment & collection of cess developed.**

##### **4.1.10.1 Deficiencies in collection of cess**

The Building and Other Construction Workers Welfare Cess Act 1996 and rules made there under in 2002 provide for collection of cess from employers of building workers at one *per cent* of the cost of construction and to constitute a fund called the Building and Other Construction Worker's Welfare Fund.

Test check of records (May 2011) of M.P. Building and Other Construction Workers Welfare Board, Bhopal indicated that Board has not developed any mechanism for the assessment and collection of the cess. It neither has a list of employers from whom cess was to be collected nor the details of cess actually paid by employers or due from them. During the audit of District Project Organisers (DPOs) and Project Organisers (POs) of Rajiv Gandhi Shiksha Mission it was noticed that ten DPOs/POs<sup>18</sup> did not collect the cess amounting to ₹ 4.54 crore which was due from construction agencies employed by them during 2002-2010. Moreover, the amount of cess collected by the Board and deposited in banks was not depicted in the cash book.

<sup>18</sup> DPO Khargone (₹ 92.73 Lakh), DPO Rajiv Gandhi Shiksha Mission Mandla (₹ 56.92 Lakh); DPO Ratlam (₹ 49.88 Lakh); DPO Rewa (₹ 22.60 Lakh); DPO Satna (₹ 73.88 Lakh); DPO Shahdol (₹ 30.20 Lakh). DPO Chindwara (₹ 57.50 Lakh); DPO Harda (₹ 15.43 Lakh); DPO Jabalpur (₹ 36.30.Lakh); DPO Mandsaur (₹ 19.00 Lakh).

The Secretary of the Board stated (May 2011) that no official of the Board was nominated as cess collector or assessor. In the exit conference, the Department stated that necessary steps are being taken for collection of cess regularly.

#### ***4.1.10.2 Utilisation of funds for welfare of workers not monitored***

**Non-receipt of utilisation certificate from implementing agencies of welfare activities.**

The Building and Other Construction Workers Welfare Board released during 2006-11 a sum of ₹ 162.70 crore to District Assistant Labour Commissioners (ALCs)/ Labour Officers (LOs) and Labour Inspectors (**Appendix 4.6**) for implementation of various labour welfare programmes/schemes for construction workers. We noticed that these amounts were transferred to ALCs/LOs in lump-sum without indicating break-up of amounts meant for different welfare measures like medical assistance, funerals, education and marriage of children, maternity care, pension, housing loan, etc. During the test check of records of the Board it was noticed that the utilisation certificates of the amount released had not been submitted by any of the implementing agencies. In absence of the utilisation certificates it could not be ascertained whether the funds were utilised for the purposes for which these were released.

On being pointed out, the Secretary of the Board stated that at the time of release of the funds instructions for submission of utilisation certificates were issued. The reply of Secretary indicates that oversight over utilisation of released funds was passive at best and non-existent at worst as release of second instalment of funds was not subject to receipt of utilisation certificate of the first instalment as required under financial rules.

Similarly an amount of ₹ 16.92 crore was released by eight test checked labour offices<sup>19</sup> (ALCs/LOs) to Sub Divisional Officers, Panchayati Raj Institutions and Urban Local Bodies for welfare schemes of construction workers and their families. Utilisation certificates for these sums were also awaited (June/July 2011) (**Appendix 4.7**).

The Department stated (November 2011) that utilisation certificate are being obtained.

#### ***4.1.10.3 Annual accounts not prepared***

Article 27 of the Building and Other Construction Workers (Regulation of the employment and conditions of Service) Act 1996 and Rule 264 of M.P. State Rules 2002 provide that the Board shall maintain proper account and other relevant records and prepare an Annual Statement of Accounts in such form as may be prescribed in consultation with Comptroller and Auditor General (CAG) of India and accounts of the Board shall be audited by CAG of India annually. The Board was to furnish to the State Government the audited copy of accounts together with auditor's report and the State Government was to cause the annual report with auditor's report to be laid before the State Legislature.

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<sup>19</sup> LO Bhand; ALC Bhopal; ALC Indore; LO Malanpur; LO Mandideep; ALC Sagar; LO Shajapur; ALC Ujjain.



**Preparation and submission of annual accounts by Board not regular.**

During the test check of the records of the Board (May 2011), it was noticed that the form of Annual Statement of Accounts has not been prescribed in consultation with CAG of India as provided in the Act and annual accounts were not being prepared by the Board regularly. The annual accounts of the Board for four years 2003-04 to 2006-07 were got prepared as well as audited by Chartered Accountants during 2009-10. These accounts had neither been authenticated by any authorised official of Board nor formally approved by the Board. These accounts have also not been furnished for audit to the office of the Principal Accountant General, Madhya Pradesh, Gwalior despite issue of a number of reminders.

The Secretary of the Board stated (May 2011) that efforts would be made to complete the preparation of accounts of the Board as provided in the Act.

#### **4.1.10.4 Bank Reconciliation not conducted**

**Reconciliation of cheques deposited in banks by the Board not done.**

The main source of income of the Board is through collection of cess. The cess collected by Board was deposited in as many as 33 different Banks. However, it was noticed during test check of records of Board that annual bank reconciliation statements were not prepared during any year. Therefore correctness of the balances at Bank, and credits and debits could not be verified. The Chartered Accountants who prepared the accounts for the year 2003-04 to 2006-07 had reported that cheques of the value of ₹ 1.21 crore deposited in the banks (**Table 4.6**) had not been cleared till their becoming time barred.

**Table 4.6**

Year	Name of the bank	Amount of cheques deposited but not cleared
2003-04	State Bank of India	₹ 4199808
	State Bank of Indore	₹ 80560
2004-05	State Bank of India	₹ 439819
2005-06	State Bank of India	₹ 406278
	Punjab National Bank Habibganj	₹ 2547476
	Punjab National Bank Malik Market	₹ 3895426
	Bank of India	₹ 523918
<b>Total</b>		<b>₹ 12093285</b>

(Source: Board's accounts statements)

No action had been taken up to ascertain the correct position of uncredited cheques from either the banks or from the depositors.

On being pointed out the Secretary stated (May 2011) that special efforts would be made to reconcile the cheques with the concerned banks. As intimated by the Department in the exit conference that the reconciliation was still under process as of November 2011.

#### **4.1.10.5 Records not maintained**

During the course of test check it was observed that some of the basic accounting records like party-wise ledger accounts, control register for cheques not cleared, advance register, purchase registers, vehicle log books and scheme-wise expenditure registers were not maintained by the Board. In

the absence of these records, correctness of financial accounts could not be ensured.

Board accepted the observation and noted for future compliance.

*The board had not developed a mechanism for assessment, collection and utilisation of amount of cess. Annual accounts as well as the basic accounting records like cash books, ledgers, advance registers, etc. had not been properly maintained to rule out frauds and pilferage of funds.*

#### **4.1.10.6 Sheds for construction workers not completed**

**Fifty seven sheds for construction workers not constructed.**

For providing shelter to construction workers, during rains and heat, 122 sheds were proposed to be built for construction workers at 49 districts where they assemble for work. Accordingly, an amount of ₹ 166.80 lakh was released to 32 districts labour offices for constructing 104 small sheds at a cost of ₹ 124.80 lakh and 18 big sheds at a cost of ₹ 42 lakh in June 2006 (**Appendix-4.8**). The sheds were required to be completed by March 2007. As per information supplied to audit, out of these only 65 sheds could be constructed by March 2011 leaving 57 sheds incomplete despite the lapse of five years. Moreover, ₹ 14 lakh released (November 2006) for publicising the schemes of the Board, through information boards at these sheds were also not utilised.

The Secretary of the Board stated that construction of these sheds could not be started due to non-availability of land.

#### **4.1.10.7 Misutilisation of ambulances**

**Forty eight Ambulances meant for providing immediate medical treatment to construction workers and their families misutilised.**

To provide immediate medical treatment to construction workers and their families in unorganised sector, 48 ambulances (Maruti Omni) were purchased (2006) at a cost of ₹ 1.13 crore by the Board. An additional amount of ₹ 26 lakh was spent on road tax of these vehicles and for purchase of medical kits. These ambulances were distributed among 48 district labour offices and ₹ 2.34 crore was spent up to March 2011 on salary of drivers appointed on contract basis, maintenance and petrol, oil and lubricants (POL) of these vehicles. During the test check of record of six field labour offices<sup>20</sup>, it was noticed that during last five years the ambulances were used as office vehicles and not used for providing immediate medical assistance to even a single construction worker or his family. On being pointed out the labour officers stated that vehicles were used for publicity of schemes of the Board as per their instructions. The reply is not tenable in audit as the purpose of providing the ambulances was not fulfilled.

*Ambulances purchased at a cost of ₹1.13 crore were not utilised for providing immediate medical assistance to even a single construction worker or his family despite expenses of ₹2.34 crore on their running/maintenance.*

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<sup>20</sup> LO Bhind; ALC Bhopal; ALC Indore; LO Malanpur; ALC Ujjain; LO Shajapur.

### 4.1.11 Employees State Insurance Scheme(ESIS)

ESI Scheme is a multipurpose social security scheme under ESI Act, 1948 for the industrial workers and their family members. The medical benefits of the schemes are being provided to the beneficiaries in the State by Employee State Insurance Scheme through its hospitals and dispensaries. Under the Act, collection of contributions from employee (1.75 per cent of his wages) and employers (4.75 per cent of wages of employee) is entrusted to ESI Corporation of India (ESIC). It also has right to fix the ceiling on expenditure for medical care per insured person per annum, which is ₹ 1200 at present.

#### 4.1.11.1 Under-utilisation of ESI hospitals

**ESI hospitals under utilised.**

Seven ESIS hospitals at Bhopal, Dewas, Gwalior, Mandsaur, Nagda, Indore and Ujjain had the aggregate capacity of 450 beds for inpatients. Though medical and para medical staff and other facilities were available in these hospitals yet the occupancy of beds during 2006-11 ranged between 0 to 59 per cent except in ESI hospital, Dewas during 2006-07 where it was 80 per cent (**Appendix-4.9**). Out of 75 beds of TB hospital, Indore, one ward consisting of 21 beds has remained unused since last six years and serves as a storage for waste material. Low occupancy of beds resulted in increase in average cost of per bed per day from ₹ 1438 in 2006-07 to ₹ 7068 in 2010-11, whereas number of insured persons increased from 2.15 lakh in 2006-07 to 2.96 lakh in 2009-10. The number of patients who attended the out patient department (OPD) of these hospitals also decreased from 2.03 lakh in 2006-07 to 1.82 lakh in 2010-11, indicating low confidence of insured workers in quality of treatment received in OPD.

The Director stated (June 2011) that due to closure of industrial establishments, the number of insured beneficiaries had decreased and that the



**Twenty one bedded ward used for storage of waste material**

insured patients were also getting treatment from private affiliated hospitals for which treatment expenses are met by ESIC, which resulted in less utilisation of ESIS hospitals. The Director also stated (June, 2011) that due to shortage of budget provision hospitals could not be upgraded. The reply of the Director is not convincing as the number of insured persons increased from 2.15 lakh in 2006-07 to 2.96 lakh in 2009-10.

#### **4.1.11.2 Quality testing of medicine not conducted**

Drug procurement policy for medical institutions in the State issued by Public Health and Family Welfare Department in 1984 made it obligatory for hospitals to conduct inspection and quality test of every batch of medicine through Drug Controller. Further, as per instruction issued by Employees State Insurance Corporation, New Delhi, the DDOs were required to undertake the regular and random testing of at least 10 *per cent* of drugs from Government or Government approved laboratories at the time of supply and at any time during the shelf life of medicine. Test check of records of the Director ESI revealed that drugs worth ₹ 42.35 crore were procured during 2006-11 but samples of none of drugs procured were sent for quality testing. Test check of records of ESI hospitals at Bhopal, Gwalior, Ujjain and T.B hospital, Indore revealed that drugs procured by these hospitals during 2006-11 were also not subject to quality testing.

On being pointed out the Director stated (June 2011) that drugs were being test checked. However, no records such as dispatch of sample of medicines to laboratories, names and batch numbers of medicines test-checked, test reports, etc. to support this assertion were submitted to audit. The incharge Medical Superintendents stated (May-September 2011) that in future quality testing would be done.

#### **4.1.11.3 Incinerators not functioning**

**Wasteful expenditure of ₹ 43.46 lakh on installation of Incinerators.**

Five incinerators were installed during 2001-02 in the ESIS hospitals at Indore (now under ESIC) Bhopal, Dewas, Gwalior and Ujjain at a cost of ₹ 43.46 lakh for disposal of bio-medical waste produced by these hospitals. Despite the lapse of 10 years these incinerators were not made functional. This resulted in wasteful expenditure as private agencies had been engaged for disposal of the bio-medical waste for which additional expenditure was incurred. Test check indicated that an expenditure of ₹ 3 lakh and ₹ 5.33 lakh was incurred by ESIS Hospital Bhopal and Gwalior respectively during 2004-11 for disposal of bio-medical waste through private agencies.

Director attributed (June 2011) non-functioning of incinerators to non-availability of required electric voltage and to the fact that necessary clearance had not been given by Pollution Control Board.

The reply is not tenable because during test check of hospitals at Bhopal, Gwalior and Ujjain it was noticed that regular fee was paid to M.P Pollution Control Board and also incinerators at Ujjain and Gwalior were provided with electric connection for which regular electric bills were paid and amount of ₹ 4.99 lakh (Gwalior) and ₹ 2.20 lakh (Ujjain) was paid to M.P. Electricity Board. Moreover, it was the duty of Director, ESIS to ensure that all impediments in making incinerators operational are removed.

*ESIS hospitals were utilised far below their capacity and drugs purchased by these hospitals were not subjected to quality testing before their administration to patients.*

#### 4.1.12 Pendency of cases in Industrial and Labour Courts

**Huge pendency of cases in Labour & Industrial Courts.**

Articles 7 and 9 of Madhya Pradesh Industrial Relation Act, 1960 provide for constitution of Labour and Industrial Courts respectively for providing justice to the labour. During the test check of records of Registrar M.P. Industrial Court, Indore it was noticed that as on 31<sup>st</sup> March 2011, 29154 cases (28625 Labour and 529 Industrial) were pending for one to 29 years (**Appendix-4.10**) in the various Labour and Industrial Courts of the State. Though the number of pending cases has decreased from 49251 in 2006-07 to 29154 in 2010-11, yet the fact remains that still there is huge pendency of cases. Remedial action for disposal of old cases need to be taken on a time bound programme.

On being pointed out in audit, the Registrar, Industrial Court M.P.Indore stated that reason for huge pendency of cases was shortage of five judges and non-perusal of cases by the Inspectors of Labour Department. In the exit conference, the Department stated that Registrar Industrial Court will be requested to draw time bound programme for disposal of all pending cases.

#### 4.1.13 Human Resource Management

**Essential posts were vacant.**

Under the Labour Commissioner's Organisation against 228 Labour Inspectors sanctioned for enforcement of various labour laws, only 183 Labour Inspectors were in position as of March, 2011. Posts of five Deputy Directors (I.H.S.) out of 10 and six Assistant Directors (I.H.S.) out of 25 were also vacant. The post of Certifying Surgeon who was required to be appointed under Section 10 of Factories Act, 1948 and Rule 19 of MP Factories Rules, 1962 for certification and examination of persons engaged in factories in dangerous occupations or processes was also vacant for last two years. Adverse impact of these vacancies at various levels on the performance of the Labour Department in various areas of its responsibility was obvious.

Similarly under ESIS Organisation posts of one Deputy Director, one Assistant Director and one Administrative Officer were vacant. Four hospitals (Dewas, Gwalior, Nagda, T.B.Hospital, Indore) were working without Medical Superintendents. There were 16 post of Specialist Doctors, 18 posts of Assistant Surgeons and 22 posts of Para Medical staff vacant (**Appendix 4.11**). This had adverse impact on the implementation of ESI scheme in the State. Superintendent, ESIS Hospital Bhopal, cited shortage of specialists as one of the reasons for low occupancy of beds in the hospital, which ranged 6 to 8 during last three years (2008-11).

Under Labour courts there was vacancy of five Judges, which resulted in huge pendency of labour and industrial cases in the State. The Department stated (November 2011) that recruitment policy has been revised and accordingly fresh recruitment is being made.

*Human resource management in the department needs to be efficient. The vacancies of the staff in different cadres are bound to affect the functioning and achievement of objectives of the department.*

**No mechanism for monitoring & evaluation of activities of department developed.**

#### **4.1.14 Monitoring, Evaluation and Internal audit**

The Department has not developed any mechanism for evaluation of performance of schemes/activities of the subordinate offices. As per provisions of supplementary Rule, 291 of MPTC, heads of subordinate offices are required to furnish quarterly inspections reports of their offices to the controlling officer. None of the test checked offices had furnished any such reports. Similarly, regular annual inspection of the subordinate offices was neither carried out by the controlling officers as was required under supplementary Rule, 293 of MPTC nor did controlling officers seek such reports from them.

No internal audit wing was in existence in the Department either at the apex level or in any of the branches (Labour, ESI, I.H.S) The Department stated (November 2011) that roster for conducting inspections of subordinate offices for proper monitoring and evaluation is being prepared and also that an internal audit wing is being established.

#### **4.1.15 Conclusion**

The department had not conducted any survey of Establishments and workers in organised and unorganised sectors and no reliable data thereon was available. The budget estimates had not been prepared realistically as per provisions of MP Budget Manual, which led to surrender/lapse of funds. There were deficiencies in maintenance of cash and bill books. Though the main function of Labour Department is to ensure proper implementation of various labour laws through inspections but these were far below targets. Housing schemes for Hamals and Beedi workers were not implemented properly which led to blockade of funds and also depriving beneficiaries of the benefits of these schemes. The department had no database of active and defunct Trade Unions and there was pendency in their registration. The Building and Other Construction Workers Welfare Board had no mechanism for assessment and collection of cess and maintenance of accounts was also deficient. 48 ambulances purchased for providing immediate medical assistance to construction workers were used as office vehicles. ESIS hospitals were utilised far below their capacity and drugs purchased by these hospitals were not subjected to quality testing. Though there was some improvement in disposal of industrial and labour court cases in earlier years, the pendency of cases was high revealing delay in their disposal in latter years. The shortage of manpower in core cadres adversely affected implementation of the programmes of the Department.

#### **4.1.16 Recommendations**

The Government should:

- develop a database of the Establishments and workers in organised and unorganised sectors after their periodic inspection for proper planning of welfare activities under various labour laws,

- prepare budget estimates realistically and ensure proper financial control by observing the provisions of budget manual, financial codes and rules. Deficiencies in maintenance of cash books and bill books must be addressed to and expenditure/revenue receipt figures properly reconciled,
- develop a mechanism for assessment, collection and utilisation of cess in Building and Other Construction Workers Welfare Board. Accounting records like cash book, ledgers, advance registers should also be properly maintained,
- develop confidence of workers in ESIS hospitals by upgrading their facilities for proper utilisation and ensure proper quality testing of medicine before administering these to the patients,
- introduce internal control and effective monitoring mechanism at CCO and field office levels.

## Public Works Department

### 4.2 Extent of compliance with codal provisions in Public Works Department

#### Executive Summary

We identified 14 out of 59 subsidiary accounts /records, which if properly maintained, can aid the management in the Public Works Department in ensuring that the financial interests of the Government are protected.

Through this thematic study, we examined compliance to the provisions of the MPWD manual/CPWA code in maintenance of these 14 subsidiary records that include subsidiary accounts. Some important findings of the audit are given below:

- Effective action was not taken to adjust/recover Miscellaneous Works Advance of ₹ 42.99 crore outstanding in 36 divisions since September 1960 and onwards as required under CPWA Code.
- Prior approval of the Government was not obtained for incurring excess expenditure of ₹ 1.98 crore over the deposits received on deposit works in seven divisions, since October 2006.
- Security deposits from cashiers, storekeepers and other employees were not obtained as required in MPWD Manual.
- Contrary to the prescribed procedure, security deposits of ₹ 18.58 lakh were refunded to contractors through hand receipts without verifying the realisation of such deposits in the first place.
- Unclaimed deposits of ₹ 64.95 lakh in eight divisions (October 1972 to February 2006) were retained by the Department though the amounts should have been credited to Government account as 'lapsed deposits', as per the provisions of CPWA Code.
- For long periods, cheques issued by the divisions and remittances made into Treasuries by 34 divisions have not been reconciled with the records of Treasuries. Consequently, cash remittances of ₹ 261.89 crore and cheques worth ₹ 70.88 crore issued during the period between March 2000 and March 2011 could not be linked in the accounts of the Treasuries.
- Due to lack of effort/ monitoring, ₹ 1.92 crore of originating items and ₹ 90 lakh of responding items remained outstanding in the Cash Settlement Suspense Account for periods ranging from six to 38 years.
- Tools & Plants and other articles worth ₹ 7.49 crore were purchased in 12 divisions from an unauthorised vendor without floating tenders.

#### 4.2.1 Introduction

The Public Works Department (PWD) is the principal agency of the Government of Madhya Pradesh for survey, design, construction, improvement, repair and maintenance of roads, bridges, residential and non-residential buildings of the Government.



#### 4.2.2 Organisational set up

The Public Works Department (PWD) is headed by a Principal Secretary at Government level for policy and planning activities. The Engineer in Chief (E-in-C) is the apex level technical officer assisted by Chief Engineers (CE), Superintending Engineers (SE) and Executive Engineers (EE).

#### 4.2.3 Audit Objectives

Audit identified 14<sup>21</sup> subsidiary accounts /records, which if properly maintained could aid the management in protecting the financial interest of the Government. Audit through this thematic study examined compliance to the provisions of the MPWD manual/CPWA code in maintenance of these 14 subsidiary records.

#### 4.2.4 Scope of audit and methodology

Audit examined the records of randomly selected 36<sup>22</sup> out of 82 divisions for the year 2008-09 to 2010-11. Audit Inspection Reports (IR) of the divisions and monthly accounts of the department were also used for reaching audit conclusions.

The exit conference was held in August 2011 with the Secretary. The reply of the Government and E-in-C had not been received (December 2011).

#### 4.2.5 Budget allotment and expenditure

The budget allotment and expenditure incurred there against by the department during the three years from 2008-09 to 2010-11 is as under:

**Table: 4.7**

(₹ in crore)			
Year	Budget Allotment	Actual Expenditure	Savings
2008-09	2180.83	2105.74	75.09
2009-10	2843.38	2671.01	172.37
2010-11	2892.20	2616.21	275.99

Above table depicts that there was regular saving of funds allotted to the department. The percentage of saving during the year 2008-09 to 2010-11 was 3.44, 6.06 and 9.54 respectively. The upward trend in savings indicates the widening gap between the plans and outcomes.

<sup>21</sup> Register of Miscellaneous Works Advance, Public Works Deposit, AG adjustment memoranda/ATN, Control Register of inspection report, Tender Register, Remittances & Cheques drawal register, Cash Settlement Suspense Account, Stock Account, T&P Account, Material at Site account, Works Abstract, Contractor's Ledger, Cash book and Budget estimates.

<sup>22</sup> B/R 1 Indore, B/R 2 Indore, B/R 1 Bhopal, B/R 2 Bhopal, New Bhopal, B/R Raisen, B/R Vidisha, B/R Sehore, B/R Dewas, B/R Neemuch, B/R Mandsour, B/R Ratlam, B/R Dhar, B/R Khargone, B/R Khandwa, B/R Rewa, B/R Shajapur, B/R 1 Gwalior, B/R Barwani, B/R 1 Jabalpur, B/R 2 Jabalpur, B/R Seoni, B/R Balaghat, B/R Mandla, B/R Dindori, B/R Jhabua, B/R 1 Sagar, B/R Katni, B/R Shahdol, B/R Ujjain, E/M Ujjain, E/M Jabalpur, E/M Indore, Bridge Ujjain, Bridge Indore and NH Indore.

## 4.2.6 Audit Findings

The observations arising out of the study are discussed in succeeding paragraphs:

### 4.2.6.1 Adjustment/ recovery of Miscellaneous Works Advances

According to Paragraph 13.4.1 of CPWA code, Miscellaneous Works advance (MWA) is a suspense head of account intended to record transactions on account of (i) sales on credit, (ii) expenditure incurred on Deposit Works in excess of deposits received (iii) losses, retrenchments, errors, etc. and other items of expenditure, allocation of which is not known or which are required to be recovered or settled. Items in MWA are cleared either by actual recovery or by transfer under proper sanction or authority to some other heads of account. The divisional officers are responsible for prompt clearance of the suspense head by recovery or transfer to the proper heads concerned.

Audit noticed in scrutiny of MWA register that at the end of March 2011, ₹ 42.99 crore (**Appendix-4.12**) were outstanding against officials, contractors, suppliers and other departments in 36 test-checked divisions. Of this, ₹ 21.06 lakh<sup>23</sup> was outstanding against 72 retired/deceased/transferred officials of the department. The earliest unsettled item related to period as old as September 1960. No effective action had been taken by the department for adjustment/ recovery of outstanding amount. This resulted in blockage of Govt. money/ loss to Govt.

In 36 divisions, miscellaneous works advance of ₹ 42.99 crore was outstanding since September 1960 and onward.

During the exit conference (August 2011), the Secretary PWD stated that necessary action would be taken to liquidate the outstanding advances.

### 4.2.6.2 Deposit Register

Paragraph 15.5.1 of CPWA Code provides that a record of transactions relating to Cash/ Interest Bearing Security Deposit of subordinates/ contractors as security, deposit for work, sums due to contractors on closed accounts and miscellaneous deposits should be maintained in the divisional office in a Deposit Register.

#### (i) Deposit of security by officials not obtained

According to Paragraph 1.051 of Sections 14 of MPWD Manual Vol.-I and Rule 282 of the Financial Code Vol.-I, head of the office shall obtain security deposit of specified amount from every cashier, storekeeper and other officials, who are entrusted with the custody of cash, stores or other valuables.

In seven divisions, security deposit was not furnished by Cashier, Storekeeper and others.

Audit noticed in scrutiny of Deposit Register that in seven<sup>24</sup> out of 36 test checked divisions, security was not obtained by EEs from cashier, storekeeper and other officials handling cash, stores and other valuables. This is in

<sup>23</sup> B/R 2 Bhopal ₹ 4.48 lakh (08), B/R 1 Indore ₹ 1.96 lakh (21), B/R 2 Indore ₹ 0.20 lakh (07), B/R Ujjain ₹ 0.96 lakh (03), Bridge Ujjain ₹ 0.25 lakh (02), B/R Neemuch ₹ 1.43 lakh (5), B/R Jhabua ₹ 11.59 lakh (19) and E&M Ujjain ₹ 0.19 lakh (07).

<sup>24</sup> B/R Dindori, B/R 1 Indore, B/R Ujjain, B/R 2 Bhopal, New Bhopal, Bridge Indore and B/R Dewas.

contravention of the above codal provision. Besides, the interest of Government was not protected by not enforcing the deposit.

During exit conference (August 2011), the Secretary PWD stated that necessary action would be taken to obtain security deposits from the staff.

**(ii) Excess expenditure on deposit work**

According to Paragraph 2.167 of the MPWD Manual, expenditure in excess of amount received against deposit works from other department/organisations, may be incurred only with the prior approval of the Government.

**In seven divisions, an amount of ₹ 1.98 crore was spent irregularly in excess of the deposit without the prior approval of Govt. since October 2006 and onwards.**

Audit noticed that in seven divisions, an amount of ₹ 1.98 crore<sup>25</sup> was spent irregularly in excess of the deposits without prior approval of Government since October 2006.

During exit conference (August 2011), the Secretary PWD stated that necessary action would be taken to recover the excess expenditure.

The reply is not tenable as the irregular expenditure would not have arisen, if timely action had been taken either to obtain additional deposits or to obtain Government approval.

**(iii) Refund of Security Deposits without following the prescribed procedure**

According to Paragraph 15.5.2 of CPWA code, before effecting refund of deposits received from contractors, the original realisation of deposits should be traced and a reference to the repayment should be recorded against the original entry in the cash book and other accounts so as to prevent double payment or erroneous claim. A certificate for such a note having been made is to be recorded on all vouchers for refunds.

**Refund of Security Deposits ₹ 18.58 lakh through hand receipts without compliance of prescribed procedure of CPWA code.**

In contravention of above provisions of the CPWA code, security deposits (SD) amounting to ₹ 18.58 lakh were refunded to the contractors in one division (Dindori) out of 36 divisions, through hand receipts during September 2008 to March 2010. Reference of refunds was, however, not recorded against the original entry in the cash book and also not countersigned by the DDO (Drawing and Disbursing Officer). This negligence, which violates the specific provision of CPWA code, is fraught with the risk of double payment. In one case in the same division, audit noticed a double payment of ₹ one lakh<sup>26</sup> to a contractor due to the department's failure in following the prescribed procedure.

On being pointed out (June 2010), the Department recovered (June 2010) the excess payment made to the contractors. The Department should review all the cases of refunds made without following the prescribed precautions.

<sup>25</sup> B/R Jhabua ₹ 20.56 lakh, B/R Dindori ₹ 1.65 crore, B/R Mandla ₹ 1.68 lakh, B/R 1 Sagar ₹ 7.70 lakh, B/R Raisen ₹ 0.77 lakh, B/R Dhar ₹ 0.31 lakh and E/M Indore ₹ 1.55 lakh.

<sup>26</sup> Vr No29/26.09.08 and Vr No.02/3.05.10(Agreement No.158/2006-07)

During the exit conference (August 2011), the Secretary PWD stated that necessary action would be taken.

**(iv) Short recovery of security deposit**

The control register viz Security Deposit Register and Contractor Ledger were to be maintained for keeping watch of the amount recoverable and actually recovered by the divisions.

Modified additional special condition of the contracts stipulate that security deposit be taken in the form of recovery of earnest money, besides deduction of 10 per cent from the payment made in the running bills till 10 per cent of the cost of work put to tender or 10 per cent of the cost of works, is recovered.

**Short recovery of security deposit ₹ 17.28 lakh from contractors.**

Audit noticed (February 2010 & December 2011) that the contractor ledgers in two divisions (Vidisha and Rewa) were not maintained<sup>27</sup>. It was further noticed that against the SD of ₹ 1.11 crore recoverable, the division recovered ₹ 93.97 lakh only from the contractors. This resulted in short recovery of SD of ₹ 17.28 lakh<sup>28</sup>.

**(v) Retention of unclaimed deposits**

According to CPWA code, balances of contractors if unclaimed for more than three complete accounting years in Public Works Deposit Register should be credited to Government accounts in March each year as lapsed deposits. In eight divisions, deposits amounting to ₹ 64.95 lakh<sup>29</sup> deducted from contractor bills and shown in Deposit Register during October 1972 to March 2007 were not credited to Government account although these amounts remained unclaimed for more than three completed accounting years after close of the works.

**In eight divisions, unclaimed deposits of ₹ 64.95 lakh not credited to Government account.**

During the exit conference (August 2011), the Secretary PWD stated that necessary action would be taken.

**4.2.6.3 Delay in reconciliation of cheques and remittances**

The Monthly Account should be supported by a Schedule of Reconciliation of cheques and remittances (Form 51). Paragraph 22.3.1 of CPWA code provides that soon after the expiry of the month, monthly settlement should be effected with all treasuries in respect of the transactions of the entire division with them. The divisional officers will undertake reconciliation in Form-51 indicating the differences between the cheques and remittances made by the division after receiving the copies of receipts and payments from treasury.

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<sup>27</sup> Vidisha(4/08 to6/09), Rewa (4/08 to5/10)

<sup>28</sup> B/R Vidisha ₹ 5.81 lakh (₹ 92.15 lakh - ₹ 86.34 lakh) and B/R 1 Rewa ₹ 11.47 lakh (₹ 19.10 lakh - ₹ 7.63 lakh)

<sup>29</sup> B/R Neemuch ₹ 19.47 lakh, B/R 2 Bhopal ₹ 2.94 lakh, B/R 1 Bhopal ₹ 20.24 lakh, New Bhopal ₹ 0.67 lakh, NH Indore ₹ 1.80 lakh, Bridge Indore ₹ 2.92 lakh, Bridge Ujjain ₹ 1.46 lakh and E&M Ujjain ₹ 15.45 lakh.

In 34 divisions, the differences in cash remittances of ₹ 261.89 crore and (-) ₹ 2.53 crore and differences in cheques remittances of ₹ 70.88 crore and (-) ₹ 13.71 crore remained unreconciled.

In scrutiny of Form-51, Audit noticed that 27 divisions had not submitted Form-51 to the Accountant General (A&E) for seven to 11 years. Out of these, 11 divisions<sup>30</sup> were not submitting Form 51 for last three years. As a result, prescribed checks viz., reconciliation of challans and cheque drawals with treasury schedules could not be exercised in the office of the AG. Further, the difference of ₹ 261.89 crore in remittances and ₹ (-) 2.53 crore in part-I (cash remittance) and ₹ 70.88 crore and ₹ (-) 13.71 crore in part- II (cheques) were lying un-reconciled in 34 divisions (**Appendix-4.13**) since 2000.

#### 4.2.6.4 AG's Adjustment Memoranda

Till 2004-05, payments to suppliers for procurement of stores on Directorate General, Supplies and Disposals (DGS&D) rate contract were made by the Pay & Accounts Officer, Department of Supply, Government of India and debits passed on to the respective indenting officers through the Accountant General. These debits were required to be adjusted immediately in the divisional accounts.

In 16 divisions, AG's adjustment memos for ₹ 17.96 crore (1476 items) were lying unadjusted.

In scrutiny of AG's Adjustment Memoranda Register, Audit noticed (August 2009 to February 2011) that in 16 divisions, adjustment memoranda for an amount of ₹ 17.96 crore for 1476 items (**Appendix-4.14**) issued by the AG (A&E) against purchases made between July 1973 and March 2005 through the DGS&D had not been effected (March 2011). As a result, material purchase settlement suspense account remained un-cleared.

#### 4.2.6.5 Lack of efforts/monitoring to clear Cash Settlement Suspense Account

Prior to 1984, 191 originating items and 152 responding items involving ₹ 1.92 crore and ₹ 90.20 lakh and post 1984, 175 originating items and 113 responding items involving ₹ 82.32 lakh and ₹ 24.58 lakh were outstanding under CSSA.

The Cash Settlement Suspense Account under '8658 Suspense Accounts' is operated for settlement of dues with other divisions against supplies of stores, if payment is not made immediately. The 'Cash Settlement Suspense Account' is cleared when payment for the cost of stores supplied is actually received from the indenting Division. The Finance Department dispensed with the credit system and introduced the cash and carry system from May 1984 to avoid delay in settlement of Cash Settlement Suspense Account (CSSA). According to this system, the cost of material supplied by one division to another division is to be received in advance.

In scrutiny of CSSA Register, Audit noticed that 191 originating items<sup>31</sup> and 152 responding items<sup>32</sup> relating to periods prior to 1984 involving ₹ 1.92 crore and ₹ 90.20 lakh respectively in 15 divisions remained unsettled as of September 2011. It was noticed that the operation of Cash Settlement Suspense Account was continued after introduction of cash and carry system in May 1984 for 175 originating items and 113 responding items involving ₹ 82.32 lakh and ₹ 24.58 lakh, respectively in 8 divisions (**Appendix-4.15**). This showed that the divisional officers had neither followed the cash and carry system nor reviewed the CSSA register. In the absence of sustained efforts to clear the outstanding amounts in the CSSA and effective monitoring to ensure

<sup>30</sup> E&M Ujjain, Jabalpur, B&R Jabalpur, Shahdol, Khandwa, Dindori, Raisen, Bhopal No1, Indore No.1, Gwalior No.1 and Balaghat.

<sup>31</sup> Where cost of material is to be received

<sup>32</sup> Where cost of material is to be paid

switch over to the new system, it would not be possible to ensure clearance of the outstanding balances. The possibility of fraudulent issue of material, remaining unadjusted for long time, cannot be ruled out.

#### **4.2.6.6 Cash Book**

Divisional Officers in the capacity of cheque Drawing and Disbursing Officers (DDO) are required to maintain separate cash books for recording of establishment and works expenditure i.e. receipts and payments of Division. In scrutiny of Cash Book, following irregularities were noticed:

##### **(i) Establishment cash book not maintained**

Paragraphs 6.6.1 and 6.6.2 of CPWA code provide for the maintenance of the cash book. The amount of cheques drawn on account of the bills for pay and allowances of the staff and payments made there against should be accounted for in the establishment cash book.

**In six divisions, pay and allowances were paid to staff, without maintaining the cash book.**

Audit noticed that in six divisions though expenditure of ₹ 3.94 crore<sup>33</sup> was incurred during 2010-11 on pay and allowances of the staff, no cash book was maintained by divisional officer to record these drawals. In the absence of maintenance of cash book, reconciliation with treasuries would be difficult.

During exit conference (August 2011), the Secretary PWD stated that direction would be issued to the divisions to maintain the establishment cash book.

##### **(ii) Outstanding Temporary advance**

**Temporary advance of ₹ 12.22 lakh was outstanding against 22 officials since 2005 and onwards.**

According to Paragraph 6.6.12 of CPWA Code, temporary advance can be given by a disbursing officer to the subordinate officers for making payments against passed vouchers and the accounts of temporary advance should be closed as soon as possible.

In two divisions, temporary advance of ₹ 12.22 lakh<sup>34</sup> was outstanding against 22 officials since 2005 and onwards due to absence of follow up action in the division.

During exit conference (August 2011), the Secretary PWD stated that necessary action would be taken to liquidate the outstanding advances.

##### **(iii) Irregular grant of Tour Advance from Works budget**

Tour advances are to be granted only from the establishment budget. There is no provision in the MPWD Manual for granting tour advances from the Works budget.

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<sup>33</sup> B/R 2 Indore ₹ 105.43 lakh, B/R Khandwa ₹ 10.80 lakh, B/R Dindori ₹ 72.78 lakh, NH Indore ₹ 96.25 lakh, Bridge Ujjain ₹ 85.17 lakh and E&M Jabalpur ₹ 23.08 lakh,

<sup>34</sup> B/R 2 Bhopal ₹ 11.03 lakh (03), B/R Ujjain ₹ 1.19 lakh (20)

₹ 60.16 lakh paid to 2093 officials from works budget were lying unadjusted since 1982.

Scrutiny of work cash book in the 36 test checked divisions revealed that tour advances aggregating ₹ 60.16 lakh paid to 2093 officials from Works budget were lying unadjusted since 1982 (**Appendix-4.16**). Further, it was seen in audit that advances amounting ₹ 2.83 lakh<sup>35</sup> was outstanding against 116 transferred officials and ₹ 0.23 lakh<sup>36</sup> against 12 retired/ deceased officials. The divisional officers also did not mention the outstanding tour advance in the Last Pay Certificate (LPC) of the transferred officials indicating weak controls in the Division. Due to non adjustment of tour advance, amount recoverable, from the employees could not be ascertained by the Division.

During the exit conference (August 2011), the Secretary PWD admitted the facts and stated that necessary action would be taken.

*(iv) Irregular purchase of Tools & Plants and other articles*

In 12 divisions, irregular purchase of T&P & other articles from MPSCCF ₹ 7.49 crore.

Rule 14 of Store Purchase Rules provides that items included in Annexure 'B' to the Rules should only be procured through Madhya Pradesh Laghu Udyog Nigam (MPLUN). If MPLUN is unable to supply the material, the department can procure it through open tenders, after obtaining a non-availability certificate from MPLUN.

In scrutiny of work cash book, Audit noticed that in 12 divisions, items of the value of ₹ 7.49 crore (**Appendix-4.17**) exclusively reserved for procurement through MPLUN were purchased by the divisions through Madhya Pradesh State Consumers' Cooperative Federation (MPSCCF) without obtaining non-availability certificate from MPLUN, which was irregular.

**4.2.6.7 Stock, T&P and MAS Accounts**

*(i) MAS accounts not submitted by sub-engineers*

MPWD Manual requires that the Material at site (MAS) account should be submitted promptly by all sub Engineers to their divisions. E-in-C, PWD also issued instructions in October 2005 that these accounts should be reconciled with divisional records like the payment vouchers, copies of indents etc.

In four divisions, the MAS accounts amounting to ₹ 3.19 crore required to be submitted to the EEs were not made available to audit.

In four divisions<sup>37</sup>, material costing ₹ 3.19 crore were purchased and recorded in the measurement books by directly charging to the works, but the MAS accounts were not made available to audit. As a result, audit could not get assurance that the prescribed checks were exercised by the division and materials remaining unused were not charged to the works.

On this being pointed out in audit, EEs stated that all the material has been directly charged to work and had been taken to MAS account of concerning work.

<sup>35</sup> B/R 1 Indore ₹ 0.22 lakh (11), B/R 2 Indore ₹ 0.18 lakh (6), B/R Katni ₹ 0.16 lakh (5), B/R Jhabua ₹ 0.52 lakh (3), B/R Dindori ₹ 0.24 lakh (20), B/R Seoni ₹ 0.67 lakh (48), B/R Ujjain ₹ 0.08 lakh (5), B/R Neemuch ₹ 0.11 lakh (2), Bridge Ujjain ₹ 0.03 lakh (3) and NH Indore ₹ 0.62 lakh (13)

<sup>36</sup> B/R 1 Indore ₹ 0.01 lakh (3), B/R 2 Indore ₹ 0.02 lakh (1), B/R 2 Bhopal ₹ 0.02 lakh (1), B/R 1 Bhopal ₹ 0.10 lakh (3), New Bhopal ₹ 0.02 lakh (1), B/R Jhabua ₹ 0.01 lakh (1), B/R Ujjain ₹ 0.05 lakh (2).

<sup>37</sup> B/R Shajapur ₹ 68.66 lakh, B/R Balaghat ₹ 90.79 lakh, B/R Sehore ₹ 158.55 lakh and E/M Jabalpur ₹ 1.25 lakh.

Reply is not tenable as MAS accounts which were to be maintained were not made available to audit. It could therefore not be ensured whether all the material charged to the works were actually used for the works.

**(ii) Lack of efforts to ensure return of Tools and Plant (T&P) issued to sub engineers**

**In two divisions, T&P article amounting to ₹ 12.54 lakh was not returned by transferred Sub Engineer.**

In accordance with the departmental Manual, T&P articles temporarily lent to subordinate officials for *bona-fide* use on works, are to be accounted for separately in part-II of the T&P account. The account is required to be specially reviewed periodically by divisional officers to ensure their return of stores and proper handing over of the articles to successors at the time of transfer of subordinate officials.

Audit noticed in scrutiny of T&P Register of two divisions that T&P articles costing ₹ 12.54<sup>38</sup> lakh issued between 1992 and 2005 to sub-engineers were not returned by them on their transfer to other divisions.

On being pointed out EE, Dewas stated that the cost of unreturned T&P articles would be recovered from the Sub-Engineer through the division in which he is posted. The fact remains that these T&P articles remained unreturned or value thereof unrecovered after lapse of five to 19 years from the issues.

**4.2.6.8 Contractor Ledger and Work Abstract**

**(i) Maintenance of contractors ledgers and work abstracts**

**In 12 divisions, Contractor's Ledger and in 16 divisions Works Abstract were not maintained.**

Contractors Ledgers are to be maintained in terms of Paragraph 10.7.1 of the CPWA Code to ascertain the liabilities of contractors and Works Abstracts for reflecting transactions relating to a work.

Audit noticed that while in 12 divisions<sup>39</sup> contractors ledger was not maintained, in 16 divisions<sup>40</sup> works abstract were not maintained since 1994. It could therefore, not be verified in audit as to whether all the transactions viz. advance payments and secured advances were made in terms of the provisions of the codes/ manuals/ contracts. Besides, liabilities if any, of the contractor and abstract of transactions relating to works could not be ascertained.

During exit conference (August 2011), Secretary PWD agreed to issue a circular for proper maintenance of contractors ledger/ works abstract.

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<sup>38</sup> B/R Dewas ₹ 10.24 lakh (1) and B/R Seoni ₹ 2.30 lakh (9)

<sup>39</sup> B/R1 Gwalior (12/02), B/R 1 Rewa, B/R 1 Sagar (3/10), B/R Raisen (2007), B/R Khandwa, NH Indore, E/M Jabalpur, B/R Katni (3/09), B/R 2 Bhopal, B/R Dindori, B/R Ujjain, E/M Ujjain (5/2010)

<sup>40</sup> B/R Ratlam, B/R 1 Rewa (2009), B/R Balaghat (3/2008), B/R 1 Sagar, B/R Khandwa, B/R Katni (1994), B/R 1 Bhopal, NH Indore (3/2009), B/R 2 Bhopal, New Bhopal, B/R Dindori (5/2010), Bridge Indore (3/10), B/R Ujjain, E/M Ujjain (5/2010), Bridge Ujjain, B/R Seoni



**(ii) Irregular sanction of secured advance**

According to Paragraph 10.2.22(a) of CPWA code, the divisional officers can sanction advance on the security of non-perishable materials brought to the site up to an amount not exceeding 75 per cent of the value/ material element cost of the finished items.

**Irregular sanction of secured advance on perishable item.**

Audit noticed in scrutiny of Contractors Ledger that in two divisions, secured advance amounting to ₹ 65.46 lakh<sup>41</sup> was paid (March 2008 to March 2010) to three contractors on perishable items (like Cement, Bitumen etc), for which no advance was payable.

On this being pointed out in audit, EEs Neemuch and Dewas stated (July 2010 and March 2011) that secured advance would be recovered from next bill of contractor.

**(iii) Lack of control over expenditure leading to excess expenditure over Administrative Approval**

Public Works Department had issued instructions from time to time for effective control over expenditure within the allotment and administrative approval (AA).

**In 13 divisions, expenditure in excess of Administrative Approval ₹ 23.34 crore on 36 works.**

Audit noticed in scrutiny of Works Abstract that in 13 divisions, an amount of ₹ 110.16 crore was spent on 36 works (**Appendix-4.18**) against the administratively approved cost of ₹ 86.82 crore during February 2010 to March 2011. Revised AA regularising the excess expenditure of ₹ 23.34 crore was not obtained (March 2011). Incurring expenditure in excess of the amount of AA was irregular and un-authorised.

During the exit conference (August 2011), the Secretary PWD stated that show cause notice would be issued to the divisional officers.

**4.2.6.9 Tendering process**

**(i) Invitation of tenders by splitting up of works**

According to Paragraph 2.077 of MPWD Manual Vol-I, tenders should invariably be invited in the most open and public manner by notice in English or in Hindi pasted in prominent places. Tender for works costing above ₹ two lakh were to be advertised in newspapers.

According to instructions issued (January 2002) by the department, splitting up of work into small groups for invitation of tender was strictly prohibited.

**Awards of multiple works of similar nature in the same vicinity for value below ₹ two lakh.**

Scrutiny of Tender Register in three divisions revealed that multiple agreements were entered into with same contractors for similar works on similar date and in the same vicinity. This indicates that the works were split up primarily with the aim of avoiding sanction of higher authority and wide

<sup>41</sup> B/R Dewas ₹ 51.99 lakh and B/R Neemuch ₹ 13.47 lakh.

publicity of the tenders. This resulted in irregular expenditure of ₹ 90.15 lakh<sup>42</sup>.

On being pointed out, it was stated (May 2010 to December 2010) that the works were costing less than ₹ two lakh, so tenders were not required to be published in news paper and tender were called as per actual requirement of the works.

The reply does not explain the reasons for awarding several contracts of similar works to same contractor.

**(ii) Irregular acceptance of single tenders**

According to Paragraphs 2.086 (2) and (4) of the MPWD Manual, single tenders are not to be accepted in the first call.

**In two divisions, 25 single tenders for works aggregating ₹ 4.60 crore were accepted.**

Audit noticed in scrutiny of Tender Register that in two divisions, 25 single tenders for works aggregating ₹ 4.60 crore<sup>43</sup> were accepted in the first call during August 2007 to January 2011. Thus, the works were awarded in violation of the provisions of the Manual. Besides, benefit of competition also could not be ensured due to acceptance of single tender in first call.

The Secretary PWD accepted the audit observation and subsequently, Government issued (January 2011) instructions to reject all single tenders in future.

**4.2.6.10 Irregular diversion of funds**

According to provision of MPFC (Rule 8, 9 and 10), funds were to be spent for the purpose for which they were earmarked and any diversion of funds required approval of the competent authority.

From review of the budget estimates register of Dewas division, Audit noticed that during the month October 2010 to December 2010, expenditure of ₹ 1.81 crore was incurred on ordinary and special repair to roads<sup>44</sup>, maintenance of non residential buildings, materials purchase etc. by diverting funds from State Road Improvement Programme (SRIP) without obtaining the approval of E-in-C.

<sup>42</sup>

Sl. No	Division	Name of work	Amount ₹ in lakh	Nos. of cases	Date of work order
1	Shajapur	P&F Steel railing	9.82	2	30.10.2009
2	Balaghat	Patch repair, Supply of material and collection of metal	53.69	14	20.03.10/21.04.10/ 30.10.10
3	Ujjain	Construction of cc road, Repair of road	26.64	3	21.09.07/11.1.10/5 .2.10

<sup>43</sup> B/R Mandsour ₹ 3.65 crore and B/R Dhar ₹ 95.75 lakh.

<sup>44</sup> Ageratola,-Padiyaagrod marg, Khatama-Kankhurd road, Kannod-Salwas road, Bijwad-Pangaon road

**Diversion of funds ₹ 1.81 crore in Dewas division during October 2010 to December 2010.**

On this being pointed out in audit, EE stated that patch repair works were charged to SRIP work because provision was available under SRIP for filling of pot holes/repair of pot holes and bitumen was procured under SRIP as per directions of higher authority .

The reply is not acceptable as the patch repair work/procurement of materials under SRIP budget were not sanctioned by the competent authority viz the E-in-C.

#### **4.2.6.11 Control Register for Inspection Report and Audit Notes**

##### **(i) Control Register for Inspection Reports not maintained**

According to Paragraphs 14 and 17 of Appendix 4.15 of MPWD Manual, a Control Register for Audit Inspection Reports should be maintained by the Divisional Office in the form given as Annexure-B to the Manual so as to keep watch on the disposal of the Inspection Reports. The divisional officer is also responsible for early settlement of audit paragraphs.

**Control Register for Audit Inspection Reports was not maintained in any of the 36 divisional offices.**

Control Register was not maintained in any of the 36 divisional offices even though 2,417 paras were outstanding in these divisions since March 1988 (**Appendix-4.19**).

It is recommended that necessary action to comply with the manual provisions be taken to enable monitoring and settlement of audit paragraphs.

##### **(ii) Disposal of Audit Notes**

According to Paragraph 14(iv) and Para 15 of Appendix 4.15 of MPWD manual, disposal of Audit Notes should be watched through a progress register and the Audit Notes be dealt with directly in the divisional office. These notes are to be returned to the audit office within a month from the date of their receipt.

**Audit Notes involving ₹ 19.64 crore in 291 cases were outstanding.**

At the end of March 2011, 291 Audit Notes issued during April 1996 to March 2011 involving observations amounting to ₹ 19.64 crore were outstanding. Failure to act on the observations brought out in audit notes resulted in recurrence of the mistakes in vouchers, agreements, sanctions and monthly accounts.

#### **4.2.6.12 Deficiencies in monthly accounts**

The monthly account giving details of transactions relating to receipts and payments should be prepared in Form 80, with all supporting registers, schedules, vouchers etc. The divisional officers are required to render complete and correct monthly accounts to the Accountant General. The accounts received (March 2011) from the divisional officers however, contained a number of deficiencies which are as follows.

- MWA amounting to ₹ 3.61crore was outstanding in one Division<sup>45</sup> as at the end of March 2011 against which the divisional officer had shown ₹ Nil in the monthly accounts.
- In six divisions, Form-70 schedule of MWA was not enclosed with the monthly accounts of March 2011, although ₹ 4.41crore<sup>46</sup> MWA was outstanding in these divisions.
- In ten divisions<sup>47</sup>, 'Form-65 schedule of deposit work' was not enclosed with the monthly accounts of March 2011, although deposit works were undertaken in these divisions.
- In the schedule of works expenditure (Form-64), budget allocation of the current year and the amount of sanctioned estimates were not mentioned.

During the exit conference (August 2011), the Secretary PWD stated that instructions would be issued to divisions on above facts.

#### **4.2.7 Conclusion**

There were no departmental instructions prescribing periodicity of review of MWA Register, Deposit Register, Contractor Ledger, Works Abstract, T&P account, control register and audit notes by the divisional officers. Security deposits were not obtained as per the provisions of manual and terms of contract. Security amounts were refunded to contractors without following prescribed procedure. Reconciliation of transactions was either not done with treasuries or differences in balances were not reconciled. Balances lying in Cash Settlement suspense Account, Temporary Advance, Tour Advance remained unsettled/ unrecovered due to lack of monitoring and efforts. There were instances of irregular purchases from unapproved agency, unreturned tools and plants from sub-engineers for long time and non maintenance of works abstract. Provisions/instructions regarding tendering process were not followed. Control register for Inspection Reports were not maintained and monthly accounts of transactions relating to receipts and payments were deficient in many respect.

#### **4.2.8 Recommendations**

The Government should ensure:

- periodical review of MWA Register, Deposit Register, Contractor Ledger, Works Abstract, T&P account, Control Register and Audit Notes by the divisional officers;
- expenditure on deposit works is not incurred in excess of deposits received;
- compliance of the prescribed codal provisions regarding refund of security deposits and maintenance and submission of MAS accounts;

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<sup>45</sup> B/R Division No.-II Indore

<sup>46</sup> B/R Gwalior (₹ 60.97 lakh), B/R Dewas (₹ 40.75 lakh), B/R Mandasour (₹ 2.11 lakh), B/R Khandwa (₹ 47.61 lakh), B/R Seoni (₹ 1.47 crore) and B/R 1 Jabalpur (₹ 1.43 crore)

<sup>47</sup> B/R 1 Bhopal, B/R Vidisha, B/R 1 Sagar, B/R 1 Gwalior, B/R Shahdol, B/R Raisen, B/R Barwani, B/R Mandasour, B/R Seoni and B/R Shajapur

- regular periodical reconciliation of remittance transactions;
- adherence of provisions/instructions regarding tendering process and award of work;
- that funds are not diverted for other purposes.

**Gwalior**  
**The**

**(K.K. SRIVASTAVA)**  
**Principal Accountant General**  
**(General and Social Sector Audit)**  
**Madhya Pradesh**

**Countersigned**

**New Delhi**  
**The**

**(VINOD RAI)**  
**Comptroller and Auditor General of India**



**Appendices**

**Appendix 1.1**  
**(Reference: Paragraph 1.7.1, Page 9)**  
**Year-wise break-up of outstanding Inspection Reports (IRs) as of 30th June 2011**

Sl. No.	Department	Year Up to 2006		2006-07		2007-08		2008-09		2009-10		2010-11		Total	
		IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
1.	Panchayat and Rural development	26	34	24	55	25	50	26	96	16	92	24	156	141	483
2.	Labour	135	276	10	19	1	1	18	60	31	103	4	14	199	473
3.	Law and Legislative affairs	287	435	42	107	22	41	01	02	18	47	36	103	406	735
4.	Energy	11	14	0	0	0	0	0	0	01	02	0	0	12	16
5.	General Administration	187	453	45	125	34	112	27	111	18	26	62	286	373	1113
6.	Public Health and family welfare	272	445	79	179	107	302	115	376	73	300	85	481	731	2083
7.	Revenue	146	326	3	4	9	21	9	15	7	24	4	14	178	404
8.	Public Relation	28	38	7	14	3	11	3	12	7	11	3	9	51	95
9.	Panchayat and social welfare	240	469	6	25	17	49	28	120	15	45	28	122	334	830
10.	Finance	63	120	6	6	7	11	17	24	10	14	17	33	120	208
11.	Education	1356	2972	110	308	109	279	117	457	105	358	102	623	1899	4997
12.	Woman and child Development	0	0	97	160	0	0	55	63	83	270	85	412	320	905
13.	Planning, Economics and Statistics	76	262	19	88	3	8	3	9	5	19	9	51	115	437
14.	Tourism	4	13	1	5	0	0	1	7	1	8	0	0	7	33
15.	Animal Husbandry	138	253	21	71	13	45	20	80	27	94	37	172	256	715
16.	Fisheries	30	63	0	0	2	5	9	24	15	56	3	4	59	152
17.	Horticulture	137	306	0	0	8	27	7	7	32	187	23	113	207	640
18.	Urban Administration	39	74	4	5	30	90	17	95	10	48	10	56	110	368
19.	Rehabilitation	27	73	0	0	1	2	0	0	2	6	6	20	36	101
20.	Agriculture	234	394	52	131	88	228	56	176	75	345	64	307	569	1581
21.	Commercial Tax	163	274	9	18	9	17	1	1	2	3	15	45	199	358
22.	Narmada Valley Development Authority	47	76	3	8	8	20	9	12	2	7	6	27	75	150
23.	Industries	96	255	19	64	0	0	08	21	12	45	29	105	164	490
24.	Archaeological and museum	31	54	02	07	01	03	01	02	10	21	05	16	50	103
25.	Small And Village Industries	159	386	11	46	9	38	8	28	15	62	15	61	217	621
26.	Firms and Societies	2	3	01	02	0	0	0	0	02	04	01	01	6	10
27.	Mining	13	25	01	04	0	0	01	02	01	01	03	11	19	43
28.	Jail	46	120	28	44	19	39	08	13	15	65	14	40	130	321
29.	Home	192	317	2	4	48	78	55	181	29	69	28	86	354	735
30.	Tribal	176	389	15	28	65	128	50	105	79	222	107	422	492	1294
31.	Co-operative	178	577	0	0	7	41	8	46	14	71	2	13	209	748
32.	Housing and environment	124	260	25	43	16	82	21	86	22	84	12	63	220	618
33.	Ayacut	23	46	0	0	0	0	0	0	1	3	0	0	24	49
34.	Misc. Dept.	112	284	11	17	18	36	15	65	18	57	18	48	192	507

Audit Report (Civil) for the year ended 31 March 2011

Sl. No.	Department	Year Up to 2006		2006-07		2007-08		2008-09		2009-10		2010-11		Total	
		IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras	IRs	Paras
35.	Public Works	693	2759	78	409	87	507	82	439	76	558	67	412	1083	5084
36.	Water Resources	845	2435	121	545	137	598	127	558	111	577	95	455	1436	5168
37.	Public Health Engineering	288	866	56	211	57	256	70	328	63	383	60	308	594	2352
38.	Narmada Valley Development	124	296	23	49	30	71	30	88	28	77	32	98	267	679
39.	Panchayat & Rural Development (MPRRDA)	71	346	34	156	52	237	51	248	60	321	33	205	301	1513
40.	Housing & Environment (CPA)	121	335	14	34	12	36	9	28	13	55	9	37	178	525
41.	Bhopal Gas (R&R) Works Divisions	11	25	1	1	1	1	0	0	1	4	1	5	15	36
42.	Forest	151	225	21	36	38	68	59	128	83	248	37	132	389	837
	<b>Total</b>	<b>7102</b>	<b>17373</b>	<b>1001</b>	<b>3028</b>	<b>1093</b>	<b>3538</b>	<b>1142</b>	<b>4113</b>	<b>1208</b>	<b>4992</b>	<b>1191</b>	<b>5566</b>	<b>12737</b>	<b>38610</b>



**Appendix 1.2**  
**(Reference: Paragraph 1.7.3, Page 9)**  
**Details of Departmental Replies pending as of 30 September 2011**

Sl. No.	Department	1999-2000	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	Total
1.	Animal Husbandry Department	-	-	-	-	-	-	-	2	2
2.	Culture Department	-	-	-	-	-	-	-	1	1
3.	Farmer Welfare and Agriculture Department	-	-	-	-	-	-	1	1	2
4.	Finance Department	1	-	-	-	-	1	1	-	3
5.	Food and Civil Supply Department	-	-	-	1	-	-	-	-	1
6.	Higher Education Department	-	-	-	-	-	-	-	1	1
7.	Housing and Environment Department	-	-	-	-	-	-	1	-	1
8.	Labour Department	-	-	-	-	-	-	-	1	1
9.	Medical Education Department	-	-	-	-	-	-	-	2	2
10.	Panchayat and Rural Development Department	-	-	-	1	-	1	2	-	4
11.	Planning, Economics and Statistics Department	-	-	-	-	-	-	-	1	1
12.	Public Health and Family Welfare Department	-	-	-	-	-	-	3	3	6
13.	Revenue Department	-	-	-	-	-	-	1	-	1
14.	Scheduled Tribes and Scheduled Castes Welfare Department	-	-	-	-	-	-	-	1	1
15.	School Education Department	-	-	-	-	-	3	1	-	4
16.	Urban Administration and Development Department	-	-	-	-	-	-	1	1	2
17.	Public Works	-	3	2	5	2	2	3	1	18
18.	Water Resources	-	-	-	2	1	2	-	7	12
19.	Public Health Engg.	-	-	-	-	1	-	-	-	1
20.	NVDD	-	-	-	-	-	4	1	1	6
21.	Panchayat & Rural Development (MPRRDA)	-	-	-	-	1	2	1	1	5
22.	SC/ST Welfare (TSP)	-	-	-	-	-	1	-	-	1
<b>Total</b>		<b>1</b>	<b>3</b>	<b>2</b>	<b>9</b>	<b>5</b>	<b>16</b>	<b>16</b>	<b>24</b>	<b>76</b>

**Appendix 1.3**  
**(Reference: Paragraph 1.7.4, Page 9)**  
**Paragraphs yet to be discussed by PAC as of 30 September 2011**

Sl. No.	Department	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	Total
1.	Animal Husbandry Department	-	-	-	-	-	-	2	2
2.	Culture Department	-	-	-	-	-	-	1	1
3.	Farmer Welfare and Agriculture Department	-	-	-	-	-	1	1	2
4.	Home Department	-	-	-	1	-	1	-	2
5.	Law and Legislative Affairs Department	-	-	-	-	-	1	-	1
6.	Medical Education Department	-	-	-	-	-	1	1	2
7.	Panchayat and Rural Development Department	-	-	-	-	2	-	-	2
8.	Public Health and Family Welfare Department	-	-	-	-	-	3	2	5
9.	Revenue Department	-	-	-	-	-	2	-	2
10.	Scheduled Tribes and Scheduled Castes Welfare Department	-	-	2	-	1	-	1	4
11.	School Education Department	-	-	-	-	2	1	-	3
12.	Urban Administration and Development Department	-	-	-	-	-	1	1	2
13.	Public Works	2	1	4	-	-	3	-	10
14.	Water Resources	1	2	1	-	2	3	7	16
15.	NVDD	1	2	-	-	-	1	-	4
16.	Public Health Engg.	-	-	-	1	-	1	-	2
17.	Panchayat & Rural Development (MPRRDA)	-	-	-	-	1	1	1	3
18.	SC/ST Welfare (TSP)	-	-	-	-	1	-	-	1
19.	Forest	-	-	-	2	-	-	-	2
<b>Total</b>		<b>4</b>	<b>5</b>	<b>7</b>	<b>4</b>	<b>9</b>	<b>20</b>	<b>17</b>	<b>66</b>

**Appendix 1.4**

(Reference: Paragraph 1.7.5, Page 10)

**Statement showing year-wise and department-wise position of Audit Report paragraphs/reviews on which departmental Action Taken Notes on PAC Reports are pending as of September 2011**

Departments	YEAR OF AUDIT REPORT																				Total	
	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06		2006-07
Public Health and Family Welfare	5	7	8	3	-	-	6	-	1	-	4	-	-	2	5	-	2	3	1	-	-	47
Revenue	-	3	-	-	-	-	-	1	-	-	3	1	4	1	-	2	-	1	1	-	1	18
Medical Education	-	-	-	-	-	-	-	-	-	-	3	1	-	-	-	1	-	-	-	1	-	6
Co-operation	-	-	-	-	-	-	-	-	-	-	-	-	4	4	-	2	1	-	-	-	-	11
School Education	-	-	-	-	1	3	2	4	3	4	-	4	-	1	2	1	-	1	-	1	1	28
Agriculture	-	2	-	2	2	3	4	1	-	-	-	-	-	-	1	-	3	-	2	1	-	21
Housing and Environment	1	-	-	-	-	1	-	-	-	1	-	-	-	-	1	1	1	-	-	-	1	7
Urban Welfare	-	-	-	-	1	-	1	-	-	-	-	-	-	2	-	-	-	-	-	-	-	4
Public Relation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	1
Social Welfare	-	-	-	1	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	2
Women and Child Development	2	-	-	-	1	-	-	-	-	-	-	1	-	-	1	-	-	-	1	-	-	6
Animal Husbandry	-	-	-	-	2	-	-	-	1	2	-	-	1	-	-	-	-	-	1	-	-	7
Labour and Employment	-	-	-	1	1	-	-	-	-	-	-	1	-	-	-	-	-	1	-	-	-	4
Jail	-	-	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	2	1	6
Rural Industry	-	-	-	-	-	-	-	-	1	-	1	-	-	-	1	-	-	-	-	-	-	3
Technical Education	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1	-	-	-	-	2
Higher Education	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	1	-	-	-	-	1	4
Manpower Planning	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
Fisheries	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	1	-	-	-	-	2
Scheduled Tribes and Scheduled Castes Welfare	-	-	2	-	2	-	-	4	4	-	3	1	1	-	-	1	-	-	3	-	-	21
Industries	-	-	2	-	-	-	3	-	-	4	-	3	-	-	-	-	-	-	1	-	-	13
General Administration	-	-	-	-	-	-	-	-	-	-	-	2	-	-	1	-	-	-	-	-	-	3

Audit Report (Civil) for the year ended 31 March 2011

Departments	YEAR OF AUDIT REPORT																				Total	
	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06		2006-07
Commercial Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	1
Ayacut	1	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
Urban Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	1	-	-	-	-	2
Culture	1	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
Rehabilitation	-	-	-	-	-	-	1	-	-	-	-	1	-	-	-	-	-	-	1	-	-	2
Food, Civil Supplies and Consumer Protection	-	-	-	-	-	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-	2
Dairy Development	-	-	-	-	1	-	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	3
Finance	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	1
Home Police	-	-	-	-	1	-	-	-	-	-	1	-	-	-	1	-	-	-	-	-	-	3
Bhopal Gas Tragedy (Relief and Rehabilitation)	-	-	-	-	1	-	-	-	-	-	-	1	1	-	-	-	1	-	-	-	-	4
Panchayat and Rural Development	-	2	-	4	2	3	-	-	7	-	9	13	4	5	-	3	-	-	-	-	-	52
Public Works	4	2	6	4	4	3	2	3	3	2	7	5	9	-	8	1	7	-	-	-	-	70
Water Resources	25	-	30	13	13	13	2	6	4	5	4	3	7	5	2	2	4	-	-	-	-	138
Public Health Engineering	1	1	2	7	2	-	2	1	4	2	2	1	3	1	2	2	3	-	-	-	-	36
Narmada Valley Development	-	-	1	-	-	1	2	3	3	2	1	1	1	1	-	2	2	2	3	-	-	25
Housing & Environment. (Capital Project Works)	-	-	-	-	1	2	-	-	1	1	2	4	-	1	1	-	-	-	-	-	-	13
Bhopal Gas Rahat (Works)	-	-	-	-	-	-	-	3	-	1	-	1	-	-	-	-	-	-	-	-	-	5
Civil Forest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	1	1	-	1	2	7
<b>Total</b>	<b>40</b>	<b>17</b>	<b>51</b>	<b>35</b>	<b>39</b>	<b>29</b>	<b>25</b>	<b>27</b>	<b>35</b>	<b>24</b>	<b>42</b>	<b>44</b>	<b>38</b>	<b>25</b>	<b>30</b>	<b>20</b>	<b>29</b>	<b>9</b>	<b>14</b>	<b>6</b>	<b>7</b>	<b>586</b>

**Appendix 2.1**  
**(Reference: Paragraph 2.1.6, Page 16)**  
**District wise details of Land Acquired & Allotted**

(Area in hectare)

Sl. No.	Name of District	Private Land acquired	Government Land allotted/leased
1	Anuppur	1615.841	328.459
2	Badwani	1680.633	27.177
3	Bhopal	2215.02	727.732
4	Hoshangabad	91.841	1.430
5	Chhindwara	2199.875	29.459
6	Indore	468.588	20.660
7	Jhabua	327.51	0.839
8	Katni	937.970	25.16
9	Khargone	4639.350	24.63
10	Mandsaur	630.356	6.777
11	Neemuch	151.930	1.83
12	Ratlam	489.880	14.236
13	Singrauli	3957.831	1549.483
	<b>Total</b>	<b>19406.625</b>	<b>2757.872</b>

**Appendix 2.2**  
(Reference: Paragraph 2.1.7.1, Page 18)  
**Statement showing possession of land without following the provisions of Sections 4(1), 6 and 11 of LA Act**

(₹ in lakh)

Sl. No.	Name of District	Name of LAO	LA case no.	Name of Deptt.	Village	Area in hectare	Date of possession of land	Date of notification U/s 4(1)	Date of Award	Amount of Compensation Awarded	Amount not paid
1	Hoshangabad	Hoshangabad	02/A-82/04-05	PWD	Baikhedi	0.985	May-2001	05.08.05	02.01.08	13.25	Nil
	"	"	01/A-82/04-05	"	Sanval kheda	0.583	April 2000	"	26.03.07	1.78	Nil
2	"	Itarsi	04/A-82/07-08	Tawa Project	Jamani	1.017	Constructed before date of notification u/s 4(1)	20.02.09	7.10.10	3.98	3.98
3	"	"	03/A-82/07-08	"	Kukdi	2.137	"	13.02.09	28.09.10	8.43	8.43
4	"	"	01/A-82/03-04	PWD	Resalpur	4.777	85-86	01.07.05	28.12.07	26.27	2.35 (amount is related to cases at Sl. No. 4 & 5)
5	"	"	02/A-82/03-04	PWD	Dhokheda	0.785	Before date of notification u/s 4(1)	01.07.05	11.01.08	4.23	-
6	"	Seoni Malwa	01/A-82/94-95	PWD	Chatar kheda	0.157	97-98	27.05.05	07.10.06	0.72	0.72
7	"	"	03/A-82/94-95	PWD	Guradia Jat	0.277	Before date of notification U/s 4(1)	27.05.05	14.12.06	1.71	1.71
8	"	"	02/A-82/94-95	PWD	Chaukiharbansh	0.202	"	27.05.05	7.09.07	1.04	1.04
9	"	Pipariya	05/A-82/07-08	PWD	Dhariakishore	0.226	"	15.08.08	21.07.10	1.16	0.64
10	"	Sohagpur	03/A-82/05-06	Tawa Project	Ranmautha	2.618	10.11.89	16.05.08	07.01.11	9.79	Nil
11	"	"	04/A-82/05-06	"	Kajalkhedi	2.132	10.11.89	09.05.08	07.01.11	7.61	Nil
12	"	Pipariya	14/A-82/07-08	WRD	Seoni	0.793	Before date of notification U/s 4(1)	16.05.08	14.10.09	4.03	Nil
<b>Total</b>						<b>16.689</b>				<b>84.00</b>	<b>18.87</b>

**Appendix 2.3**  
**(Reference: Paragraph 2.1.7.2, Page 18)**  
**Statement showing lapse cases due to late declaration under Section 6**

Sl. No.	Name of District	Name of LAO	LA case no.	Name of Department	Area in hectare	Date of notification under Sec. 4(1)	Date of Declaration u/s 6	Amount of compensation (₹ in lakh)
01	Badwani	Sendhwa	2/A-82/06-07	PWD	0.465	11.05.07	23.01.09	0.82
02	Hoshangabad	Itarsi	4/A-82/07-08	Tawa Project	1.017	20.02.09	16.04.10	3.98
03	"	Pipariya	5/A-82/07-08	PWD	0.226	15.08.08	25.12.09	1.16
04	Jhabua	Jhabua	1/A-82/07-08	GAIL	4.48	14.02.08	06.03.09	47.81
05	Khargone	Maheshwar Jal Vidyut Pariyojna	2/A-82/07-08	Maheshwar Jal Vidyut Pariyojna	28044 Sq.m (2.80 hectare)	06.03.08	27.03.09	1286.23
06	"	"	7/A-82/07-08	"	11563 Sq.m (1.156 hectare)	15.10.08	05.11.09	627.69
<b>Total</b>					<b>10.144</b>			<b>1967.69</b>

**Appendix 2.4**  
**(Reference: Paragraph 2.1.7.3, Page 19)**  
**Statement Showing deemed lapse of proceedings**

Name of District	Name of LAO	Land-Acquisition case no.	Name of Department	Purpose	Date of Notification under section 4(1)	Date of Declaration Under section 6	Amount deposited by Department (in ₹)
Bhopal	Huzur	1/A-82/06-07	Bhopal development Authority	Raksha Vihar Phase-3	NA	17.11.08	1300350
		2/A-82/06-07	Bhopal development Authority	Raksha Vihar Phase-4	NA	17.11.08	680000
		3/A-82/06-07	Bhopal development Authority	NRI housing scheme	11.01.08	NA	750000
		1/A-82/07-08	WRD	Dhamniya talab scheme	01.02.08	04.04.08	2318500
		7/A-82/07-08	PWD	Tillakhedi	12.09.08	NA	100000
		13/A-82/07-08	WRD	Dhamnia Talab scheme	26.09.08	09.01.09	NA
		5/A-82/07-08	WRD	Ghoda pachhad laghu naher-2	18.07.08	20.02.09	NA
		6/A-82/07-08	WRD	Ghoda pachhad laghu naher-4	18.07.08	20.02.09	NA
		4/A-82/07-08	WRD	Ghoda pachhad laghu naher-3	18.07.08	20.02.09	NA
	Govindpura	5/A-82/07-08	Nagar nigam Bhopal	Mal-jal prawah Damkheda	30.05.08	07.01.09	1755000
		6/A-82/07-08	Nagar nigam Bhopal	Mal-jal prawah Kararia	13.06.08	12.09.08	2290000
<b>Total</b>							<b>9193850</b>



**Appendix 2.5**  
**(Reference: Paragraph 2.1.7.4, Page 20)**  
**Statement showing under assessment of compensation**

(₹ in lakh)

Sl. No.	Name of District	Name of acquiring Department	Name of LAO	LA case no.	Area in hectare	Awarded Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV) to be awarded	Less amount of compensation awarded	Reasons for under assessment of Market Value (MV) of land
1	Badwani	NVDA projects	Lower Goi Project, Badwani	1/A-82/09-10	120.715	617.37	639.67	22.3	Sales data of Sakalda Command Area was taken both of the financial year prior to the year of notification and also of year of notification up to the date of notification i.e. 3.07.09 while it was to be taken of previous financial year i.e. of 2008-09 only.
2	"	"	"	8/A-82/08-09	57.102	251.67	263.7	12.03	Sales data of Sakalda Command Area was taken both of the financial year prior to the year of notification and also of year of notification up to the date of notification i.e. 25.07.09 while it was to be taken of previous financial year i.e. of 2008-09 only.
3	"	"	"	9/A-82/08-09	288.975	1494.02	1536.22	42.2	The rate of Sakalda Command Area for unirrigated land was taken ₹ 232546/- instead of ₹ 248102/-.
4	"	"	"	7/A-82/08-09	11.93	37.85	41.42	3.57	Sales data of Sakalda Command Area was taken both of the financial year prior to the year of notification and also of year of notification up to the date of notification i.e. 3.07.09 while it was to be taken of previous financial year i.e. of 2008-09 only.
5	"	"	SSP, Badwani	11/A-82/03-04	9.129	13.54	30.86	17.32	Sales data of Sakalda Command Area and concerned village was taken of three years'

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Sl. No.	Name of District	Name of acquiring Department	Name of LAO	LA case no.	Area in hectare	Awarded Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV) to be awarded	Less amount of compensation awarded	Reasons for under assessment of Market Value (MV) of land
									prior to the date of notification i.e. 2001-02 to 2003-04 and market value was calculated on average sales price per rupee of Lagan while it was to be taken of previous financial year i.e. 2003-04 only as per NVDA instructions.
6	Badwani	NVDA projects	Badwani	10/A-82/2008-09	157.504	612.26	626.58	14.32	Applying guideline rate of 2008-09 instead of taking 2009-10 and the rate of Sakalda Command Area was calculated taking the average of sales data of 1.4.08 to 3.07.09 instead of taking sales data of 2008-09 only and short calculation of additional compensation.
7	Khargone	"	Indira Sagar Pariyojna (Canal)	54/A-82/07-08	17.177	43.07	51.1	8.03	Market value of land was determined on the basis of average of sales data of three years prior to the date of notification while sales data close to the date of notification was to be taken for calculation.
8	"	"	LAO/RO Upperweda Pariyojna, Bhikangaon	06/A-82/05-06	37.973	65.98	72.25	6.27	-do-
9	"	"	"	09/A-82/05-06	48.641	75.4	91.66	16.26	Market value of land was determined on the basis of average of sales data of three years prior to the date of notification instead of taking sales data nearest to the date of notification and short calculation of additional compensation.
<b>Total</b>				<b>9 cases</b>	<b>749.146</b>	<b>3211.16</b>	<b>3353.46</b>	<b>142.3</b>	

Sl. No.	Name of District	Name of acquiring Department	Name of LAO	LA case no.	Area in hectare	Awarded Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV) to be awarded	Less amount of compensation awarded	Reasons for under assessment of Market Value (MV) of land
10	Bhopal	WRD	Huzur	11/A-82/07-08	26.3	156.9	170.01	13.11	Market value was to be determined on average sale price of the sales data of one year prior to the date of notification i.e. 26.09.08. But, one sale of date 19.09.07 was erroneously taken in calculating market value and value of other properties was also not considered in calculating award.
11	Chhindwara	"	Chhindwara	20/A-82/07-08	17.175	64.22	104.61	40.39	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of the concerned village of one year prior to the date of notification while market value was to be determined on the basis of sales data nearest to the date of notification.
12	"	"	Pandhurna	01/A-82/06-07	27.976	50.52	82.46	31.94	-do-
13	"	"	Amarwara	12/A-82/06-07	28.945	57.87	74.47	16.6	-do-
14	"	"	Saunsar	2/A-82/06-07	15.355	39.82	58.19	18.37	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of the concerned village of five year prior to the date of notification while market value was to be determined on the basis of sales data nearest to the date of notification.

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Sl. No.	Name of District	Name of acquiring Department	Name of LAO	LA case no.	Area in hectare	Awarded Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV) to be awarded	Less amount of compensation awarded	Reasons for under assessment of Market Value (MV) of land
15	Indore	WRD	Indore	05/A-82/06-07	15.372	86.97	147.41	60.44	Market value was determined on the basis of average sale price of sales data of three years' prior to the date of notification while it was to be determined on the basis of sales data nearest to the date of notification
16	"	"	Depalpur	03/A-82/06-07	0.539	1.33	1.44	0.11	-do-
17	"	"	"	04/A-82/06-07	0.38	0.93	1.01	0.08	-do-
18	"	"	"	01/A-82/06-07	69.981	249.97	275.28	25.31	-do-
19	Jhabua	"	Thandla	03/A-82/08-09	13.13	14.67	16.84	2.17	Market value of land was determined on the basis of average of three years' sales statistics of the village instead of taking sales data nearest to the date of notification.
20	"	"	"	2/A-82/07-08	13.46	14.31	17.79	3.48	-do-
21	"	"	"	1/A-82/09-10	0.68	1.18	1.38	0.2	-do-
22	"	"	"	2/A-82/09-10	1.65	2.41	2.65	0.24	-do-
23	"	"	"	1/A-82/07-08	14.21	20.19	24.82	4.63	Market value of land was determined on the basis of average sale price per rupee lagan calculated by taking three years' sales data prior to the date of notification instead of taking sales data nearest to the date of notification.

Sl. No.	Name of District	Name of acquiring Department	Name of LAO	LA case no.	Area in hectare	Awarded Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV) to be awarded	Less amount of compensation awarded	Reasons for under assessment of Market Value (MV) of land
24	Jhabua	WRD	Petlawad	07/A-82/2007-08	5.06	21.23	21.75	0.52	Market value of land was determined on the basis of average of three years' sales statistics of the village instead of taking sales data nearest to the date of notification.
25	"	"	"	15/A-82/2009-10	8.86	21.3	26.59	5.29	Market value was calculated on average sale price of sale data of three years prior to the date of notification and not on guideline rate of the year of notification i.e. 2008-09 as was instructed by the WRD's letter dated 29.03.10.
26	"	"	"	4/A-82/08-09	29.57	42.16	53.56	11.4	Market value was calculated on average sale price of sale data of three years prior to the date of notification and not on sale price of sale nearest to the date of notification.
27	"	"	Jhabua	1/A-82/08-09	10.5	20.35	38.49	18.14	-do-
28	Katni	"	Katni	6/A-82/07-08	44.02	66.4	71.05	4.65	As per WRD's instructions dated 29.03.10 market value was to be determined by taking guideline rate of the year of notification i.e. 2008-09 but guideline rate for the year 2007-08 was taken..
29	Katni	"	Vijayraghav Garh	7/A-82/09-10	4.26	8.05	8.95	0.9	Market value was determined on guideline rate of the year 2009-10 ignoring guideline rate of the year of notification i.e. of 2010-11.
30	"	"	"	2/A-82/09-10	14.79	31.18	34.57	3.39	Market value was determined on guideline rate of the year 2009-10 ignoring guideline rate of the year of notification i.e. of 2010-11.

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Sl. No.	Name of District	Name of acquiring Department	Name of LAO	LA case no.	Area in hectare	Awarded Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV) to be awarded	Less amount of compensation awarded	Reasons for under assessment of Market Value (MV) of land
31	Katni	WRD	Vijayraghav Garh	4/A-82/09-10	3.85	8.94	9.86	0.92	Market value was determined on guideline rate of the year 2009-10 ignoring guideline rate of the year of notification i.e. of 2010-11.
32	"	"	Bahoriband	1/A-82/08-09	25.31	26.92	28.12	1.2	Market value of land was determined on the basis of average of two years' guideline rate i.e. of 2008-09 and 2009-10 while guideline rate of the year 2009-10 only was to be taken.
33	"	"	Dhimerkheda	2/A-82/09-10	43.84	43.44	61.53	18.09	Market value of land was determined on the basis of average of one year's sale statistics instead of taking sales data nearest to the date of notification.
34	Khargone	"	Khargone	03/A-82/07-08	36.193	99.83	132.5	32.67	Market value of land was determined on the basis of average of three years' sales data of nearby village instead of taking sales data nearest to the date of notification and short calculation of additional compensation.
35	Khargone	"	Khargone	01/A-82/07-08	25.156	57.8	61.2	3.4	Market value of land was determined on the basis of average of sales data of three years prior to the date of notification instead of taking sales data nearest to the date of notification and short calculation of additional compensation.
36	"	"	"	08/A-82/07-08	11.434	27.48	28.94	1.46	-do-
37	"	"	Bhikangaon	01/A-82/08-09	22.877	100.01	122.46	22.45	-do-

Sl. No.	Name of District	Name of acquiring Department	Name of LAO	LA case no.	Area in hectare	Awarded Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV) to be awarded	Less amount of compensation awarded	Reasons for under assessment of Market Value (MV) of land
38	Khargone	WRD	Kasrawad	04/A-82/03-04	27.208	28.95	47.23	18.28	Market value was determined by calculating sales price per rupee lagan on the basis of sales data of three years while sales data close to the date of notification was to be taken for calculation.
39	"	"	Badwah	02/A-82/06-07	4.828	6.37	6.6	0.23	Market value of land was determined on the basis of average of sales data of three years prior to the date of notification while sales data close to the date of notification was to be taken for calculation.
40	"	"	Kasrawad	01/A-82/06-07	3.973	14.63	16.93	2.3	-do-
<b>Total</b>				<b>31 cases</b>	<b>566.882</b>	<b>1386.33</b>	<b>1748.69</b>	<b>362.36</b>	
41	Chhindwara	PWD and other departments	Chhindwara	12/A-82/06-07	2.887	15	17	2	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of the concerned village of one year prior to the date of notification while market value was to be determined on the basis of sales data nearest to the date of notification.
42	Indore	"	Indore	02/A-82/05-06	3.247	105.63	125.43	19.8	Market value was determined on the basis of average sale price of sales data of three years' prior to the date of notification while it was to be determined on the basis of sales data nearest to the date of notification.
43	"	"	Sanwer	05/A-82/07-08	2.383	47.4	48.87	1.47	-do-

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Sl. No.	Name of District	Name of acquiring Department	Name of LAO	LA case no.	Area in hectare	Awarded Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV) to be awarded	Less amount of compensation awarded	Reasons for under assessment of Market Value (MV) of land
44	Indore	PWD and other departments	Sanwer	19/A-82/07-08	1.995	145.1	159.22	14.12	Market value was determined on the basis of average sale price of sales data of three years' prior to the date of notification while it was to be determined on the basis of sales data nearest to the date of notification.
45	"	"	"	1/A-82/07-08	0.539	5.67	8.01	2.34	-do-
46	"	"	"	21/A-82/07-08	1.564	81.02	227.16	146.14	-do-
	<b>Total</b>			<b>6 cases</b>	<b>12.615</b>	<b>399.82</b>	<b>585.69</b>	<b>185.87</b>	
	<b>Grand Total</b>			<b>46 cases</b>	<b>1328.643</b>	<b>4997.31</b>	<b>5687.84</b>	<b>690.53</b>	



**Appendix 2.6**  
**(Reference: Paragraph 2.1.7.4, Page 20)**  
**Statement showing details of excess award/payment of compensation**

(₹ in lakh)

Sl. No.	Name of District	Name of acquiring department	Name of LAO	LA case no.	Area in hectare	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)awarded	Actual compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)to be paid	excess amount of compensation awarded	Reasons for excess award
1	Badwani	NVDA projects	ISP (Canals), Badwani	17/A-82/08-09	18.494	104.76	80.86	23.9	Applying guideline rate of the year 2008-09 instead of taking guideline rate of the year 2007-08.
2	"	"	"	18/A-82/08-09	14.573	120.4	111.1	9.3	-do-
3	"	"	"	1/A-82/07-08	8.287	65.89	61.06	4.83	-do-
4	"	"	Lower Goi, Badwani	06/A-82/09-10	86.85	380.25	354.83	25.42	Incorrect application of average sale price of Sakalda Command Area.
<b>Total</b>				<b>4 Cases</b>	<b>128.204</b>	<b>671.3</b>	<b>607.85</b>	<b>63.45</b>	
5	Chhindwara	WRD	Chhindwara	07/A-82/08-09	17.339	67.83	23.95	43.88	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of the concerned village of one year prior to the date of notification instead of taking sales data nearest to the date of notification.

Sl. No.	Name of District	Name of acquiring department	Name of LAO	LA case no.	Area in hectare	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)awarded	Actual compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)to be paid	excess amount of compensation awarded	Reasons for excess award
6	Chhindwara	WRD	Chhindwara	18/A-82/07-08	14.627	45.87	35.12	10.75	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of the concerned village of three years prior to the date of notification instead of taking sales data nearest to the date of notification.
7	"	"	Pandhurna	01/A-82/09-10	58.492	144.74	98.36	46.38	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of the concerned village of one year prior to the date of notification instead of taking sales data nearest to the date of notification.
8	"	"	Parasia	4/A-82/08-09	24.899	126.78	100.56	26.22	-do-
9	"	"	Junnardev	3/A-82/08-09	12.021	26.41	7.93	18.48	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of nearby village of one year prior to the date of notification instead of taking sales data nearest to the date of notification.

Sl. No.	Name of District	Name of acquiring department	Name of LAO	LA case no.	Area in hectare	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)awarded	Actual compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)to be paid	excess amount of compensation awarded	Reasons for excess award
10	Chhindwara	WRD	Saunsar	6/A-82/08-09	9.044	45.79	26.54	19.25	-do-
11	"	"	"	12/A-82/07-08	12.806	34.5	31.12	3.38	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of the concerned village of three years prior to the date of notification instead of taking sales data nearest to the date of notification.
12	Jhabua	"	Petlawad	24/A-82/2005-06	18.96	55.54	30.49	25.05	Market value of land was assessed on the basis of guideline rate of the year of notification 2006-07 while it was to be assessed on the basis of sale of land nearest to the date of notification and short calculation of additional compensation.
13	Katni	"	Katni	1/A-82/06-07	51.77	83.84	57.1	26.74	Ignoring sale data nearest to the date of notification u/s 4(1) and adopting guideline rate and non-payment of additional compensation and solatium on other properties.
14	Khargone	"	Khargone	02/A-82/07-08	16.367	36.92	34.85	2.07	Market Value was determined on the basis of three years' sales statistics instead of taking sales data nearest to the date of notification.

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Sl. No.	Name of District	Name of acquiring department	Name of LAO	LA case no.	Area in hectare	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)awarded	Actual compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)to be paid	excess amount of compensation awarded	Reasons for excess award
15	Khargone	WRD	Bhikangaon	01/A-82/06-07	10.996	21.38	19.18	2.2	Market Value was determined on the basis of average of three years' guideline rate i.e. of 2004-05 to 2006-07 instead of taking sales data of nearby village nearest to the date of notification.
16	"	"	"	04/A-82/06-07	62.042	94.78	66.87	27.91	Market Value was determined on the basis of average of three years' guideline rate i.e. of 2004-05 to 2006-07 instead of taking sales data of the village nearest to the date of notification and short calculation of additional compensation.
17	Ratlam	"	Sailana	9/A-82/2007-08	19.19	34.98	34.04	0.94	Rate of unirrigated land was taken in calculating the rate of fallow land while it was to be taken as half of that.
	<b>Total</b>			<b>13 cases</b>	<b>328.553</b>	<b>819.36</b>	<b>566.11</b>	<b>253.25</b>	
18	Bhopal	PWD and other departments	M.P.Nagar	01/A-82/09-10	0.404	18.83	13.63	5.2	Guideline rate of the year 2009-10 was taken in calculating market value of land instead of taking sales data nearest to the date of notification.
19	"	"	"	02/A-82/09-10	0.121	5.55	3.96	1.59	-do-

Sl. No.	Name of District	Name of acquiring department	Name of LAO	LA case no.	Area in hectare	Compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)awarded	Actual compensation (market value+ additional compensation @ 12% of MV+solatium @ 30% of MV)to be paid	excess amount of compensation awarded	Reasons for excess award
20	Chhindwara	PWD and other departments	Saunsar	7/A-82/07-08	7.258	24.95	13.46	11.49	Sale price for different categories of soil was determined on the basis of Lagan & soil variety mentioned in Sarah Lagan & Mishal Bandobast taking into consideration sale data of the nearby village of one year prior to the date of notification instead of taking sales data nearest to the date of notification.
21	Indore	"	Sanwer	17/A-82/07-08	8.343	103.06	101.09	1.97	Average of three years' sales data instead of taking sales data nearest to the date of notification.
22	Singrauli	"	N.T.P.C., Baliyari	643/A-82/09-10	190.995	5384.42	4485.26	899.16	Market value was determined on the basis of guideline rate of the year 2010-11 instead of 2009-10.
<b>Total</b>				<b>5 cases</b>	<b>207.121</b>	<b>5536.81</b>	<b>4617.4</b>	<b>919.41</b>	
<b>Grand Total</b>				<b>22 cases</b>	<b>663.878</b>	<b>7027.47</b>	<b>5791.36</b>	<b>1236.11</b>	

**Appendix 2.7**  
**(Reference: Paragraph 2.1.7.6, Page 22)**  
**Statement showing erroneous fixation of additional compensation and solatium**

(₹ in lakh)

Sl.No.	Name of District	Name of LAO	LA case no.	Area in hectare	Date of award	Compensation (Market value excluding other properties+ 12% additional compensation + 30% solatium) paid	Actual compensation (Market value including other properties+ 12% additional compensation + 30% solatium) to be paid	Less amount of compensation paid
1	Bhopal	Huzur	3/A-82/07-08	152.332	06.07.09	1859.93	1905.79	45.86
2	"	Govindpura	7/A-82/08-09 (3 cases)	3.926	22.03.10	95.46	101.16	5.7
3	"	Rajdhani Pariyojna, Bhopal	09/A-82/07-08	0.787	01.11.10	119.91	120.8	0.89
4	"	Bairasia	10/A-82/07-08	24.801	30.05.10	46.94	48.45	1.51
5	"	"	07/A-82/07-08	36.747	30.05.10	70.49	76.55	6.06
6	"	"	09/A-82/07-08	49.42	30.05.10	96.31	96.48	0.17
7	"	"	08/A-82/07-08	63.54	30.05.10	194	222.18	28.18
8	"	"	3/A-82/07-08	0.57	30.05.10	3.41	4.43	1.02
9	"	"	11/A-82/07-08	1.04	06.09.10	16.85	24.81	7.96
10	"	Bhopal	08/A-82/06-07	30.787	12.10.07	43.08	47.21	4.13
11	"	"	09/A-82/06-07	80.435	15.10.07	197.53	205.37	7.84
12	"	"	04/A-82/05-06	40.842	11.09.06	608.4	632.19	23.79
13	Mandsaur	Garoth	16/A-82/2006-07	17.46	3.03.10	97.15	107.37	10.22
14	"	"	21/A-82/2006-07	38.93	21.08.09	203.09	206.33	3.24
	<b>Total</b>					<b>3652.55</b>	<b>3799.12</b>	<b>146.57</b>

**Appendix 2.8**  
**(Reference: Paragraph 2.1.7.6, Page 23)**  
**Statement showing less payment of additional compensation**

(₹ in lakh)

Sl. No.	Name of District	Name of LAO	LA case no.	Amount of award	Additional compensation paid Period	Additional compensation paid amount	Additional compensation to be paid Period	Additional compensation to be paid amount	Additional compensation less Paid
1	Badwani	Lower Goi Project, Badwani	8/A-82/08-09	251.67	03.07.09 to 1.10.10 (456 days)	24.63	03.07.09 to 25.05.11 (691 days)	41.42	16.79
2	"	"	6/A-82/09-10	380.25	4.7.09 to 1.10.10 (455 days)	38.94	4.07.09 to 25.05.11 (690 days)	55.53	16.59
3	"	"	12/A-82/09-10	83.63	26.2.10 to 22.11.10 (270 days)	5.34	26.2.10 to 24.1.11 (333 days)	6.59	1.25
4	"	SSP, Thikri	6/A-82/04-05	381.18	4.08.05 to 13.12.06 (497 days)	42.56	4.08.05 to 10.07.07 (706 days)	60.46	17.9
5	"	ISP, Badwani	11/A-82/09-10	356.59	26.04.10 to 7.12.10 (226 days)	19.24	26.04.10 to 8.2.11 (289 days)	24.61	5.37
6	"	"	15/A-82/08-09	74.91	31.10.08 to 25.02.09 (118 days)	1.87	31.10.08 to 17.03.09 (138 days)	2.03	0.16
7	"	ISP (canal), Badwani	4/A-82/09-10	158.46	23.04.10 to 10.11.10 (202 days)	7.64	23.04.10 to 19.01.11 (272 days)	10.29	2.65
8	"	Badwani	4/A-82/08-09	355.62	20.02.09 to 30.12.09 (315 days)	25.72	20.02.09 to 1.02.10 (347 days)	28.95	3.23
9	"	Sendhwa	4/A-82/07-08	53.11	21.03.08 to 30.09.08 (194 days)	2.45	21.03.08 to 29.11.08 (254 days)	3.27	0.82
10	Chhindwara	Chhindwara	29/A-82/06-07	33.48	25.05.07 to 29.03.08 (10 months)	2.39	25.05.07 to 30.08.08 (464 days)	3.65	1.26
11	Hoshangabad	Hoshangabad	2/A-82/06-07	190.576	16.02.07 to 15.02.08 (1 year)	14.63	16.02.07 to 13.01.09 (697 days)	27.93	13.3
12	Jhabua	Petlawad	20/A-82/09-10	52.997	6 months	2.47	04.06.10 to 22.03.11 (292 days)	4	1.53
13	Jhabua	Petlawad	19/A-82/09-10	46.09	"	2.09	4.6.10 to 22.3.11	3.32	1.23

Sl. No.	Name of District	Name of LAO	LA case no.	Amount of award	Additional compensation paid		Additional compensation to be paid		Additional compensation less Paid
					Period	amount	Period	amount	
							(292 days)		
14	Katni	Dhimerkehda	1/A-82/09-10	67.93	11.12.09 to 13.08.10 (245 days)	3.96	11.12.09 to 14.10.10 (307 days)	4.97	1.01
15	Khargone	Khargone	2/A-82/07-08	36.92	29.02.08 to 18.07.08 (140days)	1.26	29.02.08 to 11.09.08 (195 days)	1.76	0.5
16	"	Maheshwar Jal Vidyut Pariyojna, Mandleshwar	1/A82/07-08	328.37	18.03.08 to 08.02.10 (693 days)	48.97	18.03.08 to 30.03.10 (743 days)	52.5	3.53
17	"	"	2/A-82/09-10	783.20	18.03.10 to 31.01.11 (320 days)	58.64	18.03.10 to 25.03.11 (373 days)	68.35	9.71
18	"	"	5/A-82/07-08	506.82	15.10.08 to 31.03.10 (533 days)	60.2	15.10.08 to 07.05.10 (570 days)	64.38	4.18
19	"	Omkareshwar Pariyojna (Canal), Khargone	69/A-82/08-09	164.42	13.03.09 to 13.09.10 (310 days) (excluding the period of 240 days from 1.07.09 to 25.02.10 due to stay by Court)	11.95	13.03.09 to 13.10.10 (340 days)	13.11	1.16
20	"	"	12/A-82/08-09 (18 land owners)	85.11	06.02.09 to 3.03.09 (26 days)	0.49	06.02.09 to 20.03.09 (43 days)	0.82	0.33
21	"	"	1 land owner	0	06.02.09 to 9.03.09 (32 days)	0.04	06.02.09 to 26.03.09 (49 days)	0.06	0.02
22	"	Indira Sagar Pariyojna (Canal), Khargone	10/A-82/06-07	69.88	22.11.07 to 04.11.08 (349 days)	5.65	22.11.07 to 31.12.08 (405 days)	6.58	0.93
23	Ratlam	Sailana	9/A-82/2007-08	23.16	26.08.08 to 31.07.09 (338 days)	0.87	26.08.08 to 10.03.10 (560 days)	1.42	0.55
	<b>Total</b>			<b>4484.373</b>		<b>382.00</b>		<b>486.00</b>	<b>104.00</b>



**Appendix 2.9**  
**(Reference: Paragraph 2.1.7.6, Page 23)**  
**Details of Avoidable Expenditure on additional compensation**

(₹ in lakh)

Sl. No.	Name of District	Name of LAO	LA case no.	Amount of award	Date of Decl. u/s 6	Date of award/Date of payment of additional compensation	Avoidable Period (more than 6 months) (in days)	Avoidable Payment of additional compensation
1	Anuppur	Pushparajgarh	36/A-74/2007-08	83.259	7.03.08	7.02.09	154	2.95
2	"	"	39/A-74/2008-09	20.47	25.05.07	15.09.09	660	2.74
3	Bhopal	T. T. Nagar	09/A-82/07-08	119.91	14.11.08	01.11.10	538	13.44
4	"	Bairasia	04/A-82/07-08	39.00	27.02.09	22.09.09	27	0.24
5	"	"	07/A-82/07-08	70.49	24.07.09	30.05.10	120	0.16
6	"	"	06/A-82/07-08	30.09	23.01.09	12.11.09	113	0.77
7	"	"	09/A-82/07-08	96.31	24.07.09	30.05.10	120	2.53
8	"	"	2/A-82/07-08	14.06	18.07.08	17.09.09	240	0.78
9	"	"	8/A-82/07-08	194.008	24.07.09	30.05.10	120	3.71
10	Chhindwara	Chhindwara	12/A-82/06-07	15.009	25.05.07	15.09.08	295	0.97
11	"	Amarwara	7/A-82/07-08	65.34	02.11.07	10.12.08	223	3.15
12	"	Amarwara	12/A-82/06-07	57.87	20.07.07	30.06.09	532	6.52
13	"	Junnardev	3/A-82/08-09	26.41	17.04.09	14.09.10	333	1.96
14	"	Saunsar	6/A-82/08-09	45.788	5.12.08	26.08.09	82	0.82
15	"	"	2/A-82/06-07	39.817	19.01.07	3.12.07	137	1.26
16	"	"	7/A-82/07-08	24.95	2.11.07	22.09.09	511	2.71
17	Indore	Indore	8/A-82/07-08	670.88	2.05.08	28.02.09	119	17.92
18	"	Depalpur	1/A-82/06-07	249.98	02.11.07	31.12.08	243	14.62
19	"	Sanwer	19/A-82/07-08	145.096	08.08.08	25.06.10	501	17.03
20	"	"	21/A-82/07-08	81.018	23.01.09	31.01.10	193	3.54
21	"	Indore	6/A-82/06-07	401.98	21.03.08	28.02.10	525	42.04
22	"	Mhow	1/A-82/08-09	256.50	29.05.09	31.03.10	123	7.31
23	Katni	Katni	6/A-82/07-08	66.397	1.8.08	11.5.10	465	6.85
24	"	"	4/A-82/01-02	2.158	17.10.08	25.02.10	316	0.15
25	"	"	1/A-82/06-07	83.84	1.06.07	16.07.08	228	4.24
26	Neemuch	Neemuch	18/A-82/06-07	94.28	25.04.07	15.11.07	25	0.56
27	"	"	3/A-82/06-07	18.55	9.02.07	19.11.07	104	0.45
28	"	"	9/A-82/06-07	117.15	9.02.07	30.11.07	114	3.12
29	Singrauli	Deosar	3/A-82/06-07	2767.56	14.03.08	5.06.09	269	161.35
30	"	Singrauli	1427/A-82/08-09	2420.03	10.08.07	7.08.09	549	264.55
	<b>Total</b>			<b>8318.20</b>				<b>588.44</b>

**Appendix 2.10**  
**(Reference: Paragraph 2.1.7.7, Page 23)**  
**Statement showing less payment of interest under Section 34**  
**(Amount in ₹)**

Sl. No.	Name of District	Name of LAO	LA case no.	Less Interest paid	Reasons of less payment of interest
1	Hoshangabad	Itarsi	4/A-82/07-08	14355	Interest not paid on solatium
2	"	"	3/A-82/07-08	28495	"
3	"	"	02/A-82/03-04	24757	"
4	"	"	01/A-82/03-04	153750	"
5	"	Seoni Malwa	01/A-82/94-95	5487	"
6	"	"	3/A-82/94-95	10098	"
7	"	"	02/A-82/94-95	65793	"
8	"	Pipariya	14/A-82/07-08	13403	"
9	"	"	05/A-82/07-08	19197	"
10	Indore	Indore	5/A-82/06-07	355853	"
	<b>Total</b>			<b>691188</b>	

**Appendix 2.11**  
**(Reference: Paragraph 2.1.7.7, Page 23)**  
**Details of non-payment of Interest under Section 34**

(₹ in lakh)

Sl. No.	Name of District	Name of LAO	LA case no.	Balance Amount on which Interest was to be paid	No of Days for which Interest was to be given	Interest not paid
1	Badwani	Indira Sagar Pariyojna (Canal), Badwani	20/A-82/08-09	89.26	57	1.25
2	"	"	1/A-82/07-08	55.1	36	0.49
3	"	Rajpur	18/A-82/07-08	180.3	542	29.34
4	"	Sendhwa	6/A-82/07-08	3.81	93	0.087
5	"	"	4/A-82/06-07	31.36	495	4.5
6	Chhindwara	Saunsar	10/A-82/07-08	7.98	115	0.22
7	Khargone	Omkareshwar Pariyojna (Canal)	21/A-82/07-08	25.38	583 to 591	4.61
8	"	"	28/A-82/08-09	16	504 to 567	2.61
9	"	"	15/A-82/07-08	28.73	565	4.95
10	"	"	37/A-82/08-09	45.63	409 to 463	5.81
11	"	"	12/A-82/08-09	36.43	580 to 586	6.58
12	"	Indira Sagar Pariyojna (Canal)	17/A-82/08-09	36.16	196	1.75
13	"	Omkareshwar Pariyojna (Canal), Badwah	25/A-82/07-08	16.15	470	2.15
14	"	Omkareshwar/Maheshwar Pariyojna, Badwah	99/A-82/08-09	15.55	550 to 672	2.86
15	"	"	06/A-82/08-09	24.69	433 to 494	3.44
16	"	"	06/A-82/07-08	46.34	345 to 492	6.47
17	"	"	09/A-82/06-07	147.9	675	32.15
18	"	"	69/A-82/07-08	90.29	480	12.387
19	"	"	60/A-82/07-08	63.87	170	2.01
20	"	"	18/A-82/07-08	191.15	536	30.63
	<b>Total</b>			<b>1152.08</b>		<b>154.294</b>

**Appendix 2.12**  
**(Reference: Paragraph 2.1.7.8, Page 24)**  
**Statement showing non-disbursement of compensation to land owners**  
**(₹ in lakh)**

Sl. No.	Name of District	Name of LAO	No. of cases	No. of Beneficiaries	Amount of non-disbursed compensation
1	Anuppur	Anuppur	15	242	985.33
2	"	Jaithari	6	89	330.26
3	"	Kotma	8	712	310.83
4	"	Pushparajgarh	10	83	70.19
5	Badwani	Badwani	2	9	8.73
6	"	SSP, Badwani	69	331	302.71
7	"	ISP (Canal), Badwani	26	27	84.53
8	"	Lower Goi, Badwani	12	23	773.22
9	"	Sendhwa	6	27	88.30
10	"	Thikri	12	58	99.00
11	Bhopal	Bairasia	13	151	252.94
12	"	Huzur	12	-	508.72
13	Chhindwara	Chhindwara	21	47	8.68
14	"	Junnardev	02	14	43.00
15	"	Pandhurna	16	53	70.72
16	"	Saunsar	17	54	144.38
17	Hoshangabad	Hoshangabad	4	-	26.93
18	"	Itarsi	8	-	17.23
19	"	Pipariya	1	2	0.64
20	"	Sohagpur	3	-	1.97
21	Indore	Indore	11	470	3257.75
22	"	Mhow	2	37	43.64
23	"	Sanwer	16	-	156.47
24	Jhabua	Petlawad	27	77	30.27
25	Katni	Bahoriband	1	1	0.25
26	"	Dhimarkheda	1	1	0.34
27	"	Katni	7	76	198.20
28	"	Vijayraghav Garh	8	132	23.01
29	Khargone	Badwah	17	233	18.77
30	"	ISP, Badwah	69	138	60.74
31	"	Omkareshwar Pariyojna, Badwah	91	379	278.15
32	"	Bhikangaon	15	36	78.45
33	"	Kasaravad	30	51	15.36
34	"	Khargone	8	-	4.03
35	"	Maheshwar Jal Vidyut Pariyojna, Mandleshwar	10	522	811.24
36	"	Mandleshwar	1	-	0.03
37	"	Omkareshwar Pariyojna (Canals), Khargone	-	346	336.29
38	Mandsaur	Garoth	06	28	27.98
39	"	Malhargarh	12	-	6.46
40	"	Mandsaur	08	43	16.75
41	"	Sitamau	01	28	10.30
42	Neemuch	Jawad	5	30	15.55
43	"	Neemuch	4	20	20.43
44	Ratlam	Alot	1	1	4.30
45	"	Jaora	12	114	112.92
46	"	Ratlam	7	17	22.90
47	"	Sailana	5	23	7.49
48	Singrauli	Baidhan	8	-	1318.58
49	"	Deosar	9	373	1140.88
50	"	N.T.P.C., Baliyari	2	-	987.26
	<b>Total</b>		<b>657</b>	<b>5098</b>	<b>13133.1</b>

**Appendix 2.13**  
**(Reference: Paragraph 2.1.7.8, Page 24)**  
**Statement showing late payment of compensation**

(₹ in lakh)

Sl. No.	Name of District	Name of LAO	LA case no.	Award		Period of late payment	
				Date	Amount	Date	Period
1	Badwani	Lower Goi Project, Badwani	1/A-82/09-10	7.05.11	617.37	14.06.11	1 month
2	"	"	7/A-82/08-09	24.1.11	37.85	17.3.11	1.5 month
3	"	"	10/A-82/09-10	24.01.11	44.79	10.3.11	1 month
4	"	Rajpur, Badwani	01/A-82/07-08	25.03.10	124.42	29.10.10	6.5 months
5	"	Sendhwa	6/A-82/07-08	2.06.10	24.96	9/10	3 months
6	"	Sendhwa	4/A-82/06-07	20.01.09	104.94	22.09.09	7.5 months
7	Bhopal	Huzur	3/A-82/07-08	06.07.08	17.43	1/10	18 months
8	"	Rajdhani Pariyojna	09/A-82/07-08	1.11.10	119.91	03/2011	4 months
9	"	Bairasia	4/A-82/07-08	12.11.09	39	06/10	7 months
10	"	Bhopal	8/A-82/06-07	12.10.07	43.08	02/08	5 months
11	"	"	9/A-82/06-07	27.11.07	197.53	3/08	4 months
12	Chhindwara	Chhindwara	7/A-82/08-09	25.06.09	67.83	22.01.10	6.5 months
13	"	Pandhurna	1/A-82/06-07	18.12.07	50.52	2/08 to 5/08	5 months
14	"	Chhindwara	18/A-82/07-08	10.12.08	45.87	20.07.09 to 26.11.09	11 months
15	"	Amarwara	12/A-82/06-07	17.07.09	57.87	30.12.09	5 months
16	Hoshangabad	Hoshangabad	2/A-82/06-07	13.01.09	173.25	1.3.09	1 month
17	"	Itarsi	1,2/A-82/03-04	12/07	30.5	08/09	20 months
18	Indore	Indore	29/A-82/03-04	16.05.06	-	05/06 to 10/06	5 months
19	"	"	13/A-82/04-05	27.07.06	-	08/07 to 5/08	21 months
20	Jhabua	Petlawad	07/A-82/07-08	16.02.09	21.23	23.03.09 to 31.05.11	1 month to 26 months
21	"	"	15/A-82/2009-10	30.12.10	21.3	31.03.11	2.5 months
22	Katni	Katni	6/A-82/07-08	26.05.10	66.4	20.07.11	14 months
23	"	"	4/A-82/2001-02	29.05.10	2.15	27.11.10	6 months
24	"	"	1/A-82/06-07	9.09.08	83.84	12.03.10	18 months
25	"	Vijayraghav Garh	7/A-82/09-10	1.02.11	8.05	8.07.11	5 months
26	"	"	2/A-82/09-10	29.01.11	31.18	24.05.11	4 months
27	"	"	4/A-82/09-10	29.01.11	8.94	19.05.11	4 months
28	"	Bahoriband	1/A-82/08-09	12.04.10	26.92	18.01.11	9 months
29	"	Dhimerkheda	2/A-82/09-10	9.03.10	43.44	26.04.10	1 month
30	Khargone	Khargone	1/A-82/07-08	15.10.08	57.8	01.12.08	1 month
31	"	"	2/A-82/07-08	11.09.08	36.92	22.12.08	3 months
32	"	Bhikhangaon	7/A-82/06-07	25.02.09	39.19	08.04.09 to 25.05.09	1 month to 2.5 months
33	"	Mandleshwar	3/A82/07-08	25.08.09	4.84	1.04.10	6.5 months
34	"	Upperweda Project, Bhikangaon	9/A-82/05-06	30.05.08	75.4	1.9.08	2.5 months

**Appendix 2.14**  
**(Reference: Paragraph 2.1.7.9, Page 24)**  
**Statement showing LA cases for which Fund not received from Departments**  
**(₹ in lakh)**

Sl. No.	Name of District	Name of LAO	Department	LA case no./Cases	Date/ year of award	Amount awarded	Fund received	Balance Fund to be taken from Deptt.
1	Bhopal	Huzur	WRD	11/A-82/ 07-08	31.12.10	156.90	121	35.90
2	"	Govindpura	PWD	7/A-82/ 08-09	22.03.10	255.47	231.68	23.79
3	"	Bairasia	PWD	2/A-82/02-03	21.08.07	40.72	-	40.72
4	"	"	PWD	1/A-82/05-06	05.10.07	57.46	-	57.46
5	"	"	WRD	2/A82/06-07	11.04.08	2.47	-	2.47
6	"	"	PWD	1/A-82/98-99	25.06.07	53.6	-	53.6
7	"	"	BDA	12/A-82/06-07	30.08.08	332	-	332
8	Hoshangabad	Itarsi	Tawa Project	4/A-82/07-08	07.10.10	3.98	-	3.98
9	"	Itarsi	"	3/A-82/07-08	28.09.10	8.43	-	8.43
10	"	Hoshangabad	PWD	7 cases	2007-08	95.18	76.44	18.74
11	"	Seoni Malwa		3 cases (06-07)	2007-08	3.8	-	3.8
12	"	Hoshangabad	PWD	1/A82/04-05	28.10.07	3.38	3.03	0.35
13	Indore	Mhow	WRD	02/A-82/08-09	2009-10	65.37	43.00	22.37
14	"	Indore	IDA	8/A-82/07-08	17.03.09	670.88	-	670.88
	<b>Total</b>			<b>22 Cases</b>		<b>1749.64</b>	<b>475.15</b>	<b>1274.49</b>

**Appendix 2.15**  
**(Reference: Paragraph 2.1.7.10, Page 25)**  
**Statement showing details of non-deposit of service charges**

₹ in lakh

Sl.No.	Name of District	Name of LAO	Name of Department	LA case no.	Service Charges	
					Collected but not deposited	not collected
1	Anuppur	Anuppur	SECL, MBPL, WRD etc.	12 cases	-	33.45
2	"	Jaithari	SECL	1 case	9.55	1.02
3	"	Pushparajgarh	WRD, MPSMCL	10 cases	-	31.09
4	Badwani	Sendhwa	PWD, WRD	10 cases	67.18	Nil
5	"	Rajpur	"	05 cases	51.97	Nil
6	"	SSP, Badwani	NVDA	3 cases	Nil	24.10
7	"	SSP, Thikri	"	69 cases	Nil	591.14
8	Bhopal	Bairasia	PWD	1/A-82/05-06	Nil	5.75
9	"	Huzur	MPRDC	-	185.99	Nil
10	"	Huzur	WRD	-	15.94	Nil
11	Chhindwara	Amarwara	WRD	5 cases	25.21	-
12	"	"	"	31	-	65.02
13	"	Pandhurna	WRD, PWD	27 cases	10.99	-
14	"	Saunsar	Railway, PWD	44 cases	54.95	-
15	Hoshangabad	SDM Hoshangabad	PWD, WRD	19 cases	51.63	Nil
16	"	Itarsi	WRD, Tawa Project	-	6.69	Nil
17	"	Sohagpur	PWD	02/A-82/05-06	0.23	Nil
18	"	"	WRD	03/A-82/05-06	0.98	Nil
19	"	"	WRD	04/A-82/05-06	0.76	Nil
20	Indore	Indore	WRD, IDA, PWD	12 cases	281.12	67.08
21	"	Indore	National Highway	1 case	Nil	94.01
22	"	Mhow	WRD	7 cases	35.03	11.88
23	"	"	"	Bank account & fixed deposit	129.70	Nil
24	"	Depalpur	WRD	1/A-82/06-07	Nil	25.00
25	Jhabua	Petlawad	WRD		4.33	Nil
26	"	"	Mahi Project		74.83	Nil
27	"	Thandla	WRD	7cases	Nil	10.16
28	Katni	Dhimarkheda	WRD	1 case	-	0.36
29	"	"	"	3 case	1.30	-
30	"	Katni	WRD & PWD	-	49.97	-
31	"	Vijayraghav Garh	WRD	10 cases	7.87	-
32	Mandsaur	Garoth	PWD, WRD	23 cases	-	32.25
33	"	Malhargarh	PWD, WRD	12	-	44.60

Sl.No.	Name of District	Name of LAO	Name of Department	LA case no.	Service Charges	
					Collected but not deposited	not collected
34	Mandsaur	Sitamau	PWD	01	1.03	-
35	Neemuch	Neemuch	MPRDC, WRD	27 cases	104.97	-
36	"	Jawad	MPRDC, PWD	8 cases	78.93	-
37	Singrauli	Chitrangi Power Project	Chitrangi Power Project and Mahan Super Thermal Power Project	7 cases	496.02	-
38	"	Deosar	Hindalco, JP Power Ventures	16 cases	1003.19	-
39	"	N.T.P.C Project, Vindhyanagar	N.T. P. C.	1 case	538.44	-
40	"	"	"	1 case	-	283.13
41	"	Singrauli	Sasan Power Project, Mahan Super Thermal Power Project	17 cases	1479.25	-
<b>TOTAL</b>					<b>4768.05</b>	<b>1320.04</b>



**Appendix 2.16**  
**(Reference: Paragraph 2.1.9.5, Page 39)**  
**Non-Utilisation of Allotted/transferred Land**

Sl. No.	Name of District	Name of Lessee	Area (in hectare)	Purpose	Year of Allotment
1	Badwani	Sports and Youth Affairs	0.61	Sports Training	2006-07
2	"	Divisional Forest Officer, Kaveri compensatory forestation, Badwani	68.332	Kaveri compensatory forestation	2006-07
3	"	M.P. Power Transmission Company Limited, Indore	16.1	Establishing 400 KV substation	2007-08
4	"	Superintending Engineer, (Civil), BSNL, Indore	0.0037	Establishing mobile tower	2007-08
5	"	Additional Superintending Engineer, MPEB, Badwani	0.278	Establishing sub station	"
6	"	Assistant Commissioner, Tribal	0.8	Establishing High School	2008-09
7	"	Principal, Govt. Post Graduate College, Badwani	0.0037	Girls' Hostel	"
8	"	District Commandant, Home Guard, Badwani	2.47	Home Guard Line	"
9	"	Government College, Nivali	2.78		2009-10
10	Bhopal	Jeev Seva Sansthan Trust	0.417	Social & educational purpose	2004
11	"	-do-	0.583	"	2007
12	"	Janta Housing Society	4.453	Housing	1985
13	"	Dr. Iqbal housing Society	8.388	"	1998
14	"	Sofiya Housing Society	3.206	"	1997
15	"	Indian Express News Paper	0.405	News Paper	
16	"	Secy. Labour Sadhna Kendra	0.093		2006
17	"	Indian Labour Org.	0.093	Office	2006
18	"	Sansar Publication Indore	0.084	News Paper	1998
19	"	Lokmat Newspaper Ltd.	0.084		
20	"	Surdas manas mandal	0.053		2001
21	"	New Kendriya Housing Society	0.688		2007
22	"	Central Investigation Bureau	0.291		2010
23	"	Essel Infra Project Ltd.	20.526		2006
24	"	MP Tourism	8.097		2007
25	"	Makhan Lal Chaturvedi National Journalism University	20.243		2002
26	"	Ram krishna & Sons Charitable Trust New Delhi	6.073		2008
27	"	Tribal welfare Department	1.984		2008
28	"	Habib Tanvir Theater	0.243		2000
29	"	Abhivyakti Housing Society	2.587		2008
30	"	All India Pal Samaj	0.046		2008
31	"	National Hindi Mail	0.037		2008
32	Hoshangabad	Panchayat & Rural Development Department	0.186	Weekly Bazar	2008
33	"	Panchayat & Rural Development Department	0.839	Weekly Bazar	2009
34	Khargone	Managing Director, MP State Marketing Federation Limited, Khargone	0	Godown	2000
35	"	MPSEB, Khargone	0	Electric Generation Centre	2002
	<b>Total</b>		<b>171.0764</b>		

**Appendix 2.17**  
**(Reference: Paragraph 2.1.9.11, Page 41)**  
**Statement showing details of land acquisition for companies in which required certificates were not obtained**

Sl. No.	Name of District	Name of LAO	Case no.	Name of Village	Name of Company	Purpose	Area acquired (in hectare)	Award Amount (₹ in crore)
1	Singrauli	Deosar	1/A-82/06-07	Orgari	Ms. Hindalco Industries Limited (Mahan Aluminium Pariyojna)	Establishment of Captive Power plant	286.21	22.45
2	"	"	2/A-82/06-07	Gidher	-do-	Power plant and aluminium plant	67.92	4.89
3	"	"	3/A-82/06-07	Dhaurar	-do-	Aluminium smelter and captive power plant	408.45	27.68
4	"	Singrauli	865/A-82/07-08	Siddhikalan	Sasan Power Limited	Ultra Mega Power Plant	51.50	3.37
5	"	"	1/A-82/07-08	Siddhikhurd	-do-	-do-	315.49	29.97
6	"	"	1427/A-82/08-09	Harrahwa	-do-	-do-	234.02	24.26
7	"	Chitrangi Power Project	1/A-82/09-10	Khokhawa	Chitrangi Power Private Limited	Establishment of Power plant	138.31	7.27
8	"	"	4/A-82/09-10	Jamtihwa	-do-	-do-	182.93	11.09
9	"	"	2/A-82/09-10	Bagaiya	-do-	-do-	52.41	3.00
10	"	N.T.P.C., Baliyari	643/A-82/09-10	Baliyari	NTPC Limited	Establishment of Ash Dike	190.995	53.84
<b>Total</b>							<b>1928.235</b>	<b>187.82</b>

**Appendix 2.18**  
**(Reference: Paragraph 2.1.10, Page 41)**  
**Resettlement & Rehabilitation under different Projects**

(₹ in lakh)

Name of district	Name of project	Total displaced families	Families resettled	Families yet to be rehabilitated	Rehabilitation grant not paid		Employment resource grant/ Employment not provided		Special rehabilitation grant not paid	
					No	Amount	No	Amount	No	Amount
Badwani	SSP Thikri (NVDA)	5941	1731	4210	1929	N.A.	-	-	32	69.95
	SSP, Badwani (NVDA)	5773	4719	1054	-	-	-	-	811	1769.71
Khargone	Upperweda, Bhikangaon (NVDA)	1529	885	644	290	51.99	103	56.70	N.A.	N.A.
	Sardar Sarovar Project, Khargone (NVDA)	563	183	380	306	29.27	124	N.A.	4	10.28
	<b>Total</b>	<b>13806</b>	<b>7518</b>	<b>6288</b>	<b>2525</b>	<b>81.26</b>	<b>227</b>	<b>56.70</b>	<b>847</b>	<b>1849.94</b>
Singrauli	J.P. Power Plant, Nigri	179	163	16	32	5.80	179	-	-	-
	Hindalco Mega Power Project, Bargawan	1628	854	774	774	123.84	1411	-	-	-
	J. P. Minerals, Majholi	59	10	49	47	7.05	59	-	-	-
	Sasan Power Limited, Singrauli	1050	636	414	NA	NA	NA	-	-	-
	<b>Total</b>	<b>2916</b>	<b>1663</b>	<b>1253</b>	<b>853</b>	<b>136.69</b>	<b>1649</b>			

(Source: Data furnished by LAOs/ROs)

**Appendix-2.19**  
**(Reference: Paragraph 2.2.3, Page 47)**  
**Statement showing physical and financial position under various components**  
**(₹ in lakh)**

Sl. No.	Name of component	Unit	Annual Action Plan		Budgetary Targets		Achievement	
			Phy.	Fin.	Phy.	Fin.	Phy.	Fin.
1.	Production of Planting Material (A)Public Sector (i)Model Nursery(Big) (ii)Model Nursery(Small) (iii)Tissue Culture Lab (B)Private Sector (i)Model Nursery(Big) (ii)Model Nursery(Small) (iii)Tissue Culture Lab	No. No. No. No. No. No. No.	65 90 11 96 144 ---	1219.00 299.25 130.00 881.50 238.75 ----	39 52 8 34 45 ---	702.00 156.00 64.00 306.00 67.50 ----	42 55 3 48 58 02	674.94 176.99 28.32 329.63 52.04 25.00
2.	Vegetable Seed Production (i)Public Sector (ii)Private Sector (iii)Vegetable seed infrastructure	Ha Ha No.	1551 2174 21	775.25 543.38 372.00	775 895 18	387.50 223.75 340.00	1268.36 1921.98 9	417.72 291.62 139.63
3.	(i)Establishment of new gardens (ii)maintenance of gardens 2 <sup>nd</sup> year (iii)maintenance of gardens 3 <sup>rd</sup> year (iv)Non-Perennial Banana	Ha Ha Ha Ha	59030 36542 17273 18189	7088.51 2131.29 887.69 1319.06	45661 28977 14422 16048	5384.75 1620.66 759.39 1158.52	47044 18066.86 10965.17 14952.82	4746.35 1077.66 644.67 1089.16
4.	Flowers	Ha	12489	3011.70	7917	1942.15	11395	2575.79
5.	Spices (chilli, garlic and coriander)	Ha	54520	6264.76	44400	5118.76	51015.25	5749.32
6.	Rejuvenation of old orchards	Ha	15535	2330.25	10150	1522.50	12372.75	1833.07
7.	Protected cultivation (i)Hi-tech green house (ii)Fan and Pad Structure (iii)Mulching (iv)Shadenet (v)Vegetable growing poly house (vi)Flowers growing poly house	Ha Ha Ha Ha Ha Ha	8 1 554 310 6 5	281.28 36.63 44.78 387.22 30.45 112.50	6.7 0.5 451.0 7.7 6.0 4.5	250.85 36.62 37.57 176.94 30.46 112.50	9.85 0.10 1828.13 1792.92 0.10 0.05	159.89 ---- 119.73 426.292 0.53 1.25
8.	(A)Promotion of INM/IPM (B)(i)Bio control lab (Public) (ii)Bio control lab (Private) (iii)Leaf tissue analysis lab (iv)Leaf tissue analysis lab (Private) (v)Phyto sanitary lab (vi)Plant health clinic (private) (vii)Disease forecasting unit	Ha No. No. No. No. No. No. No.	42161 6 2 8 12 2 16 6	421.61 240.00 40.00 160.00 120.00 230.00 170.00 24.00	25815 3 ---- 7 ---- 1 ---- 3	258.15 104.87 ---- 140.00 ---- 80.00 ---- 12.00	28977 1 ---- 2 ---- ---- ---- ----	282.51 16.05 ---- 45.32 ---- ---- ---- ----

Sl. No.	Name of component	Unit	Annual Action Plan		Budgetary Targets		Achievement	
			Phy.	Fin.	Phy.	Fin.	Phy.	Fin.
9.	Organic Farming	Ha	38040	4014.70	9473	1237.30	13457	1099.25
10.	Vermi Compost Unit	No.	4000	575.50	3021	358.61	2737	325.72
11.	Creation of water storage tanks	No.	1815	9780.20	839	4628.58	775	5663.09
12.	CAP including infrastructure	Ha	500	25.00	----	----	----	----
13.	Horticulture Mechanisation	No.	49	22.63	49	22.63	23	10.30
14.	Post Harvest Management							
	(i) Pack House	No.	838	599.88	41	25.62	101	22.99
	(ii) Refrigerated Van	No.	39	241.20	1	3.40	1	3.40
	(iii) Cold Storage	No.	22	2080.00	14	690.58	13	686.69
	(iv) Grading and Waxing units	No.	12	150.00	12	207.00	12	266.36
	(v) Ripening Plant	No.	1	120.00	---	----	1	3.77
15.	Marketing Infrastructure							
	(i) Whole sale market	No.	8	950.00	1	----	1	918.62
	(ii) Rural Market	No.	232	955.00	5	18.75	4	15.00
16.	Bee Keeping	No.	6750	54.00	6550	52.40	222	1.62
17.	HRD							
	(i) Training	No.	61375	1232.89	42210	816.00	48870	918.24
	(ii) Training Infrastructure	No.	5	50.00	1	10.00	----	10.00
	(iii) Gardener Training Centre	No.	30	311.13	9	151.87	15	68.91
	(iv) Information Communication System	No.	40	36.00	20	18.00	20	18.00
	(v) Mass Communication Events	No.	----	----	----	45.75	----	11.80
18.	Technology Dissemination	No.	170	983.00	35	175.00	24	106.05

**Appendix-2.20 (A)**  
**(Reference: Paragraph 2.2.3, Page 47)**  
**Statement showing the expenditure incurred less of funds received**

(₹ in lakh)

Sl. No.	Component	Funds received		Expenditure incurred		Less expenditure
		Physical	Financial	Physical	Financial	
1.	Tissue culture lab (Public)	8 No.	64.00	3 No.	28.32	35.68
2.	Vegetable seed infrastructure	18 No.	340.00	9 No.	139.63	200.37
3.	Vegetable growing Poly house	6 ha	30.46	0.10 ha	0.53	29.93
4.	Flowers growing Poly house	4.5 ha	112.50	0.05 ha	1.25	111.25
5.	Bio control lab (Public)	3 No.	104.87	1 No.	16.05	88.82
6.	Leaf Tissue analysis lab (Public)	7 No.	140.00	2 No.	45.32	94.68
7.	Phyto Sanitary lab	1 No.	80.00	-	-	80.00
8.	Disease forecasting unit	3 No.	12.00	-	-	12.00
9.	Horticulture Mechanisation	49 No.	22.63	23 No.	10.30	12.33
10.	Bee keeping	6550 No.	52.40	222 No.	1.62	50.78
11.	Technology Dissemination	35 No.	175.00	24 No.	106.05	68.95
	<b>Total</b>		<b>1133.86</b>		<b>349.07</b>	<b>784.79</b>

**or 7.85 crore**

**Appendix-2.20 (B)**  
**(Reference: Paragraph 2.2.3, Page 47)**  
**Statement showing the expenditure incurred in excess of funds received**  
**(₹ in lakh)**

Sl. No.	Component	Funds received	Expenditure incurred	Excess expenditure
1.	Model Nursery Small (Public)	156.000	176.994	20.994
2.	Model Nursery Big (Private)	306.000	329.631	23.631
3.	Vegetable Seed Production (Public)	387.500	417.721	30.221
4.	Vegetable Seed Production (Private)	223.750	291.619	67.869
5.	Establishment of New Gardens (Guava)	452.835	553.549	100.714
6.	Maintenance of Gardens (2 <sup>nd</sup> year Pomegranate)	6.345	9.824	3.479
7.	Maintenance of Gardens (3 <sup>rd</sup> year Guava)	8.775	34.660	25.885
8.	Area expansion of flowers			
	(i) Cut flowers	589.748	703.026	113.278
	(ii) Bulbous flowers	824.400	1079.463	255.063
	(iii) Loose flowers	528.000	793.301	265.301
9.	Spices			
	(i) Chilli	3329.185	3965.071	635.886
	(ii) Coriander	854.480	1112.188	257.708
10.	Rejuvenation of old orchards			
	(i) Orange	870.750	1495.856	625.106
	(ii) Guava	172.500	178.746	6.246
11.	Protected Cultivation			
	(i) Mulching	37.570	119.731	82.161
	(ii) Shadenet	176.940	426.292	249.352
12.	Promotion of INM/IPM			
	(i) Chilli	53.700	81.874	28.174
	(ii) Garlic	9.010	17.321	8.311
	(iii) Coriander	5.000	8.234	3.234
13.	Organic farming			
	(i) Mango	88.000	103.144	15.144
	(ii) Orange	152.500	185.914	33.414
	(iii) Banana	30.000	54.100	24.100
	(iv) Chilli	145.000	266.251	121.251
	(v) Coriander	85.000	122.393	37.393
	(vi) Garlic	91.800	148.194	56.394
	(vii) Vegetables	90.000	145.582	55.582
14.	Creation of water storage tanks (Community tanks)	4388.580	5619.891	1231.311
15.	PHM (grading and waxing plants)	207.000	266.362	59.362
16.	Training and visit outside state	445.090	549.636	104.546
	<b>Total</b>	<b>14715.458</b>	<b>19256.568</b>	<b>4541.110</b>

**Appendix-2.21**  
**(Reference: Paragraph 2.2.4.2 (i), Page 48)**  
**Statement showing the availability of infrastructural facilities in big model nursery in public sector**

Sl No.	District	No. of Nursery	Expenditure on infrastructure (₹ In lakh)	Polycover Of 500 M <sup>2</sup>	Propogation House with insect proof netting of 500 M <sup>2</sup>	Sprinkler irrigation facilities	Net house with 35% Light of 2000 M <sup>2</sup>	Pump house and water tank	Soil sterilisation
1.	Badwani	1	7.46	Available	Not available	Available	Available on 560 M <sup>2</sup>	Not available	Not available
2.	Betul	1	4.01	N.A.	N.A.	Available	Available	Water tank not constructed	N.A.
3.	Bhopal	1	11.22	N.A.	Available	Available	Working shade 800 sq ft. constructed	Available	N.A.
4.	Burhanpur	1	6.22	N.A.	Insect netting not provided	N.A.	Available	Available	N.A.
5.	Chhindwara	1	12.32	N.A.	Available	N.A.	Constructed but damaged on 5/5/07	Available	N.A.
6.	Hoshangabad	1	2.85	N.A.	N.A.	Available	Available	Available	N.A.
7.	Indore	1	6.22	Available (damaged)	N.A.	N.A.	Available (damaged)	N.A.	N.A.
8.	Khandwa	1	12.74	N.A.	N.A.	N.A.	Net house of 560M <sup>2</sup> (damaged)	Pump house N.A.	N.A.
9.	Shajapur	1	13.54	N.A.	N.A.	N.A.	Available	Available	N.A.
10.	Ujjain	1	12.95	N.A.	N.A.	Available	Available	Water tank not constructed	N.A.
<b>Total</b>			<b>89.53</b>						

N.A.-----Not available.



## Appendix-2.22

(Reference: Paragraph 2.2.4.2 (i), Page 49)

Statement showing the production of planting material in big model nurseries in public sector

SI No.	District	No. of Nursery	Expenditure Incurred (₹ in lakh)	Year of Establishment	Production of plants (As per norms 4 lakh per year)	Actual Production of improved fruit plants	Percentage of production	Remarks
1.	Badwani	1	15.31	2007-08	16 lakh	12700	1	-----
2.	Betul	1	15.51	2007-08	16 lakh	21970	1	-----
3.	Bhopal	1	17.97	2007-08	16 lakh	180700	11	-----
4.	Burhanpur	1	18.00	2007-08	16 lakh	140177	9	No production during(09-10 and 10-11)
5.	Chhindwara	1	17.14	2007-08	16 lakh	68342 (34321 plants damaged)	4	Same as above
6.	Hoshangabad	1	18.00	2007-08	16 lakh	nil	0	-----
7.	Indore	1	18.27	2007-08	16 lakh	39335	2	-----
8.	Khandwa	1	18.83	2007-08	16 lakh	4000	0	No Production during 10-11
9.	Shajapur	1	18.00	2007-08	16 lakh	22000	1	-----
10	Ujjain	1	18.00	2007-08	16 lakh	9260	1	-----
	<b>Total</b>	<b>10</b>	<b>175.03</b>					

**Appendix-2.23**

(Reference: Paragraph 2.2.4.2 (i), Page 49)

**Statement showing the production of the planting material of small nurseries in public sector**

Sl. No	Districts	No. of nurseries	Expenditure (₹ in lakh)			Year of establishment	Production of plants (As per norms of 50000 per year)	Actual production	Percentage of production
			On infra-structure	Other	Total				
1.	Badwani	1	0.11	2.89	3.00	2007-08	2 lakh	565	0
2.	Betul	2	2.23	2.18	4.41	2007-08	2 lakh	5000	3
3.	Bhopal	1	2.13	0.87	3.00	2007-08	2 lakh	26900	13
4.	Burhanpur	1	1.83	1.17	3.00	2007-08	2 lakh	22420	11
5.	Chhindwara	2	4.95	1.05	6.00	2007-09	3.50 lakh	nil	0
6.	Hoshangabad	3	2.36	4.19	6.55	2007-08	6 lakh	21300	4
7.	Indore	1	0.22	2.41	2.63	2007-08	2 lakh	6104	3
8.	Khandwa	3	6.70	1.78	8.48	2008-09	4.50 lakh	16943	4
9.	Shajapur	1	0.73	2.27	3.00	2007-08	2 lakh	9000	5
10.	Ujjain	1	2.42	0.58	3.00	2007-08	2 lakh	53576	27
<b>Total</b>		<b>16</b>	<b>23.68</b>	<b>19.39</b>	<b>43.07</b>				

**Appendix-2.24**  
(Reference: Paragraph 2.2.4.2 (ii), Page 49)  
**Statement showing the details of Private Model Nurseries (Big and Small)**

Sl.No.	District	Big Nursery			Small Nursery		
		Number	Expenditure (₹ in lakh)	Name of beneficiary	Number	Expenditure (₹ in lakh)	Name of Beneficiary
1	Badwani	--	--	--	1	1.50	Ram Singh/ Chandan Singh
2	Betul	3	23.45	(i) Vishal/ Nathuram Agrawal (ii) Mohammed Salim/ Mohammed Iqbal Patel (iii) Smt. Sadhana/ Subhash Pandey	1	1.50	Smt. Shashibala/ Jitendra Singh
3.	Bhopal	1	9.00	Ghan Shyam Patidar	1	1.50	Padam Singh/ Chhinu Ram
4	Burhanpur	2	6.00	(i) Balkishan/ Baldev Das Saraf (ii) Yuvraj/Santosh Rao Patil	--	--	--
5	Chhindwara	7	63.00	(i) Amit Tulsyan/ Ambika Tulsyan (ii) Manish Vaidhyamudha (iii) Vijay Pal Singh (iv) Amit Saxena (v) Akshat/Pramod Jain (vi) Manohar Singh Thakur (vii) Smt. Archana/ Devidas	6	9.00	(i) Smt. YogitaMalviya (ii) Vitthal KisanaGore (iii) Niranjan Raghuwanshi (iv) Arvind Jain/ P.L.Jain (v) Bhagwan Khawase (vi) Smt.Varsha Devi/Jaswant Singh Thakur
6.	Hoshangabad	5	40.00	(i) Kapil Roy/H.P. Roy (ii) S.C.Sahu/J.P. Sahu (iii) Bhaialal Dhuna (iv) Pratap Singh/ Vijay Singh (v) Amit Jain	4	6.00	(i) Smt. Dipti Singh (ii) Sanjay Jaiswal (iii) Kamlesh Patel (iv) Smt. Rama Verma
7	Indore	1	9.00	Ashok Patidar	----	----	----
8	Shajapur	3	27.00	(i) Mangilal/ Genda lal Pawar (ii) Ram Prasad/Sawai Singh (iii) Govind Singh/Baldev Singh	2	3.00	(i) Gowardhan/Pooran Singh (ii) Sita Ram/Laxmi Narayan
9	Ujjain	--	---	----	1	1.00	Man Singh/ Tara Singh
<b>Total</b>		<b>22</b>	<b>177.45</b>		<b>16</b>	<b>23.50</b>	

**Grant Total of expenditure : 177.45 lakh + 23.50 lakh = 200.95 lakh or 2.01 crore**

**Appendix-2.25**  
**(Reference: Paragraph 2.2.4.5 (b), Page 51)**  
**Statement showing the assistance admissible, paid and excess payment on**  
**account of second installment**

(₹ in lakh)

Name of Crop	Year	Area (in ha)	Assistance actually Paid	Assistance payable @ 4500 per ha	Assistance excess paid
Orange	2007-08	1450.00	89.06	65.25	23.81
	2008-09	2451.50	205.80	110.33	95.47
	2009-10	3244.30	285.16	145.99	139.17
	2010-11	2937.50	134.22	132.19	2.03
Aonla	2008-09	1331.80	80.90	59.93	20.97
Mango	2009-10	292.25	19.84	13.15	6.69
	2010-11	278.60	12.88	12.54	0.34
Custard Apple	2008-09	101.75	5.05	4.58	0.47
Guava	2009-10	705.15	36.12	31.73	4.39
	2010-11	614.40	30.33	27.65	2.68
Pomegranate	2009-10	82.35	5.52	3.71	1.81
<b>Total</b>		<b>13489.60</b>	<b>904.88</b>	<b>607.05</b>	<b>297.83</b>

**Appendix -2.26**  
**(Reference: Paragraph 2.2.4.5(b), Page 51)**  
**Statement showing the rate of assistance paid during third year in the State**

Year	Crop	Area(in ha)	Assistance paid (₹ in lakh)	Average rate per ha (₹)
2008-09	Orange	2576.80	167.39	6496.04
	Aonla	1377.70	81.40	5908.40
2009-10	Orange	2115.70	140.65	6647.92
	Guava	232.90	11.59	4976.38
	Custard Apple	51.50	3.14	6097.09
	Mango	24.85	1.82	7323.94
2010-11	Orange	2592.20	141.37	5453.67
	Aonla	338.25	16.92	5002.22
	Guava	332.30	23.08	6945.53
	Mango	91.00	5.66	6219.78
	Pomegranate	53.50	3.61	6747.66
<b>Total</b>		<b>9786.70</b>	<b>596.63</b>	

**Appendix -2.27**  
**Reference: Paragraph 2.2.4.5 (c), Page 52)**  
**Statement showing survival of plants below norms and expenditure thereon**

(₹ in lakh)

S. No	District	Name of crop	Period of plantation	Area of Plantation (ha.)	Expenditure incurred	Survival 75% & Above (ha.)	Survival Below 75% (ha.)	Expenditure incurred on unsuccessful Plantation in 1 <sup>st</sup> year	Survival below 90% (ha.)	Expenditure incurred on unsuccessful plantation during the years of plantation and subsequent years	Total expenditure incurred on unsuccessful plantation
1.	Badwani	Aonla, Guava	2006-10	812.50	129.63	411.81	400.69	44.50	97.11	16.08	60.58
2.	Betul	Orange, Aonla, Guava, Custard apple	2006-10	2625.35	324.29	959.00	1666.35	175.21	642.00	91.09	266.30
3.	Bhopal	Guava, Mango, Orange, Aonla, Pomegranate	2006-10	1427.25	88.34	nil	1427.25	88.34	-----	-----	88.34
4.	Burhanpur	Aonla, Guava	2007-09	193.00	36.51	193.00	nil	-----	140.00	24.78	24.78
5.	Chhindwara	Orange	2006-10	3574.09	690.85	2949.30	624.79	74.25	259.44	46.81	121.06
6.	Hoshangabad	Mango, Orange, Aonla	2005-09	1292.00	146.61	449.50	842.50	71.50	292.10	44.49	115.99
7.	Indore	Aonla, Mango, Guava	2006-11	750.00	29.66	-----	750.00	29.66	-----	-----	29.66
8.	Khandwa	Aonla, Ber, Guava, Pomegranate	2007-10	550.00	51.70	9.00	541.00	50.04	2.25	0.41	50.45
9.	Shajapur	Aonla, Orange, Guava	2006-10	6794.75	1342.06	6648.00	146.75	16.54	585.75	98.59	115.13
10	Ujjain	Aonla, Mango, Guava, Orange	2006-11	2784.00	259.11	407.40	2376.60	152.37	130.50	18.10	170.47
	<b>Total</b>			<b>20802.94</b>	<b>3098.76</b>	<b>12027.01</b>	<b>8775.93</b>	<b>702.41</b>	<b>2149.15</b>	<b>340.35</b>	<b>1042.76</b>

NOTE:- In Indore district only plants were given. No assistance for inputs were given.

**Appendix --2.28**  
**(Reference: Paragraph 2.2.4.5(c) (i), Page 52)**  
**Statement showing the delayed purchase of fruit plants**

Sl. No.	District	Crop	Date of purchase	Quantity	Cost (₹)	Area for which purchased (ha)
1.	Badwani	Aonla	03-10-06	9650	173700	62
		Aonla	23-11-06	17600	316800	113
		Guava	10-10-08	15035	210490	54
2.	Betul	Orange	Oct 2006	56300	436888	202.50
		Orange	19-10-10	7000	54320	200
		Custard apple	06-11-07	19600	196000	50
		Aonla	01-02-07	15600	280800	100
3.	Bhopal	Aonla	20-10-08	5600	112000	36
		Orange	04-10-10	2940	38220	10.50
4.	Burhanpur	Aonla	29-11-06	10000	180000	100
		Aonla	14-12-06	5600	101000	
5.	Indore	Aonla	12-10-06	10000	180000	64
		Aonla	13-12-08	15600	280800	100
		Mango	12-11-07	10000	160000	100
		Guava	12-11-07	6925	76175	25
6.	Khandwa	Guava	Oct 2007	7000	70000	25
7.	Shajapur	Orange	12-10-10	26880	349440	96
8.	Ujjain	Aonla	31-10-06 to 28-03-07	49243	886374	316
		Orange	18-10-06 to 14-11-06	115450	895892	412
<b>Total</b>				<b>406023</b>	<b>4998899</b>	<b>2066</b>

**Appendix-2.29**

**(Reference: Paragraph 2.2.4.5(c) (ii), Page 52)**

**Statement showing the delayed purchase and supply of inputs for fruit crops**

SL. No.	District	Crop	Date of purchase	Cost of inputs (₹)	Area of plantation (in ha)	Date of distribution	Delay in months
1.	Bhopal	Mango,	07-03-10	1566125	256	27-03-10 to	07
		Aonla, Orange	24-01-11 to 28-01-11	917280	185	24-04-10 30-01-11	04
2.	Burhanpur	Aonla	Jan 2007	618000	100	Jan 2007	04
3.	Indore	Aonla	04-01-07	469628	64	04-01-07	04
4.	Ujjain	Aonla	15-11-06 to 06-08-07	2749029	412.27	15-11-06 to	03 to 12
		Orange	15-11-06 to 06-08-07	3803762	478	06-08-07	
<b>Total</b>				<b>10123824</b>	<b>1495.27</b>		



## Appendix—2.30

(Reference: Paragraph 2.2.4.5(c) (iii), Page 52)

## Statement showing delayed release of assistance for maintenance of fruit plantation

Sl. No.	District	Year of plantation	Crop	Area (in ha)	Amount (₹ in lakh)	Period of release of maintenance assistance	Delay In months
1.	Chhindwara	2006-07	Orange	773.00	52.18	2008-09 2 <sup>nd</sup> against 2007-08	12
		2007-08	Orange	882.75	77.10	2008-09 1 <sup>st</sup> against 2007-08	12
		2007-08	Orange	900.00	76.05	June to Sept 2008	10-13
		2008-09	Orange	882.75	62.85	Jan to Mar 2009	5-7
		2009-10	Orange	799.75	64.13	Jan to Mar 2010	5-7
		2010-11	Orange	599.65	77.28	Dec 2010 to Mar 2011	4-7
2.	Shajapur	2007-08	Orange	1177.75	99.60	2008-09 1 <sup>st</sup> installment	12
		2008-09	Orange	1625.00	106.68	2009-10 1 <sup>st</sup> installment	12
		2009-10	Orange	1200.00	38.53	2010-11 1 <sup>st</sup> installment	12
		2007-08	Aonla	400.00	33.82	2009-10 1 <sup>st</sup> installment	24
		2008-09	Aonla	150.00	12.20	2009-10 1 <sup>st</sup> installment	12
		2007-08	Guava	50.00	3.38	2009-10 1 <sup>st</sup> installment	24
		2008-09	Guava	50.00	3.98	2009-10 1 <sup>st</sup> installment	12
		2009-10	Guava	42.00	3.78	2010-11 1 <sup>st</sup> installment	12
		2009-10	Pomegranate	45.00	2.80	2010-11 1 <sup>st</sup> installment	12
		2006-07	Orange	1450.00	83.34	2009-10 2 <sup>nd</sup> installment	24
		2007-08	Orange	1100.00	68.49	2009-10 2 <sup>nd</sup> installment	12
		2008-09	Orange	1625.00	91.82	2010-11 2 <sup>nd</sup> installment	12
		2006-07	Aonla	650.00	25.21	2009-10 2 <sup>nd</sup> installment	24
		2007-08	Aonla	384.00	19.36	2010-11 2 <sup>nd</sup> installment	24
		2008-09	Aonla	150.00	7.54	2010-11 2 <sup>nd</sup> installment	12
		2007-08	Guava	50.00	2.37	2009-10 2 <sup>nd</sup> installment	12
		2008-09	Guava	50.00	2.68	2010-11 2 <sup>nd</sup> installment	12
		2006-07	Orange	1421.00	61.47	2010-11 3 <sup>rd</sup> installment	24
		2007-08	Orange	1066.00	44.70	2010-11 3 <sup>rd</sup> installment	12
		2006-07	Aonla	488.00	15.73	2010-11 3 <sup>rd</sup> installment	24
2007-08	Aonla	322.00	11.77	2010-11 3 <sup>rd</sup> installment	12		
2007-08	Guava	36.00	1.62	2010-11 3 <sup>rd</sup> installment	12		
3.	Ujjain	2007-08	Orange	36.60	07.05	2009-10 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> installment	24
		2008-09	Orange	174.50	11.46	2010-11 1 <sup>st</sup> installment	24
		2008-09	Orange	174.50	11.78	2010-11 2 <sup>nd</sup> installment	24
		2009-10	Orange	112.75	8.72	2010-11 1 <sup>st</sup> installment	12
		2007-08	Mango	9.10	1.82	2009-10 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> installment	24
		2008-09	Mango	3.00	0.46	2009-10 1 <sup>st</sup> and 2 <sup>nd</sup> installment	12
		2007-08	Aonla	11.00	2.11	2009-10 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> installment	24
		2008-09	Aonla	14.50	1.90	2009-10 1 <sup>st</sup> and 2 <sup>nd</sup> installment	12
		2007-08	Guava	18.00	3.66	2009-10 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> installment	24
2008-09	Guava	44.00	5.49	2009-10 1 <sup>st</sup> and 2 <sup>nd</sup> installment	12		
<b>Total</b>				<b>18967.60</b>	<b>1204.91</b>		

**Appendix-2.31**

**(Reference: Paragraph 2.2.4.5(c) (iv), Page 52)**

**Statement showing the area for which assistance for maintenance was given without supplying plants**

Sl No.	District	Year	Crop	Area of Plantation (in ha)	No. of plants supplied	Plants required as per norms (per ha)	Coverage of area from plants supplied (in ha)	Area for which plants not supplied (in ha)	Assistance paid for area for which plants not supplied (₹ in lakh)
1.	Badwani	2006-07	Aonla	480	68950	156	442	38	3.22
2.	Betul	2006-07	Orange	459.35	56300	278	202.50	256.85	26.06
		2007-08	Orange	366.00	74720	278	268.80	97.20	3.43
		2009-10	Orange	400.00	99400	278	355.0	45.0	3.78
		2010-11	Orange	200.00	7000	278	25.00	175.00	22.63
3.	Khandwa	2007-08	Guava	50.00	7000	278	25.00	25.00	1.62
		2009-10	Guava	50.00	Nil	278	--	50.00	4.55
		2010-11	Guava	100.00	Nil	278	--	100	4.44
4.	Ujjain	2007-08	Aonla	300.00	32726	156	210	90	--
		2007-08	Mango	250.00	18300	100	183	67	--
		2007-08	Guava	50.00	7000	280	25	25	--
<b>Total</b>				<b>2705.35</b>			<b>1736.30</b>	<b>969.05</b>	<b>69.73</b>

**Appendix-2.32**  
**(Reference: Paragraph 2.2.4.7, Page 53)**  
**Statement showing the delayed purchase of seed and inputs**

Sl. No.	District	Year	Crop	Sowing Period	Date of Purchase of seeds	Quantity of seeds purchased (kg)	Cost of seeds (₹ in lakh)	Area (ha)	Expenditure on inputs	
									Date of purchase	Cost (₹ in lakh)
1.	Badwani	2008-09	Chilli	May-June	31-07-08	112.50	28.06	450	24-09-08	7.49
		2009-10	Chilli	May-June	03-07-10	25	6.19	100	26-12-08 03-07-10	14.96 6.13
2.	Burhanpur	2008-09	Chilli	May-June	16-09-08	25	6.25	100	16-09-08	4.94
		2009-10	Chilli	May-June	06-07-09	50	12.50	200	23-10-09	9.95
		2010-11	Chilli	May-June	06-07-10	25	6.25	100	22-07-10	6.24
		2007-08	Chilli	May-June	23-07-07	12.50	3.00	50	26-10-07	2.69
3.	Indore	2006-07	Chilli	May-June	29-08-06	15	3.75	60	17-01-07	3.33
		2008-09	Chilli	May-June	30-08-08	25	6.25	100	10-01-09	7.47
		2010-11	Chilli	May-June	04-08-10	25	6.25	100	21-08-10	6.23
		2010-11	Chilli	Dec-Jan	08-03-11 to 22-03-11	75	18.75	300	April 2011	19.39
4	Bhopal	2008-09	Chilli	May-June	15 & 17- 07-08	50	12.50	200	13-10-08 to 28-11-08	9.91
<b>Total</b>						<b>440</b>	<b>109.75</b>	<b>1760</b>		<b>98.73</b>
1.	Indore	2006-07	Coriander	October	17-01-07	2400	1.92	120	12-10-06	11.09
		2007-08	Coriander	October	03-11-07	1000	1.30	50	20-12-07	26.55
		2007-08	Coriander	October	25-02-08	3595	2.88	179.75	20-12-07	
		2008-09	Coriander	October	10-01-09	2000	4.60	100	10-01-09	6.65
		2009-10	Coriander	October	09-11-09	1000	1.30	50	11-11-09	4.31
		2010-11	Coriander	October	14-11-10	4000	3.72	200	21-09-10 & 30-11-10	21.34
<b>Total</b>						<b>13995</b>	<b>15.72</b>	<b>699.75</b>		<b>69.94</b>

**Appendix-2.33**

(Reference: Paragraph 2.2.4.8 (b), Page 54)

Statement showing the Gladiolus Bulbs purchased, required, coverage of area, etc

Sl. No.	Year and District	Coverage of area reported (ha)	Month/Year of purchase of bulbs against achievements reported	Number of bulbs purchased	Cost (₹)	minimum bulbs required as per ICAR norms of 1,11,111 per ha	Actual coverage of area of bulbs purchased as per ICAR (ha)	Coverage of area reported Excess (ha)	Actually Bulbs per ha given	Expenditure on area for which bulbs were supplied (₹ in lakh)
1.	Indore 2006-07	200	March 2007	5358000	5625900	22222200	57.713	142.287	32063	63.79
		150	October 2007	1054545	2319999					
	2007-08	150	December 2007	3068181	6749998	16666650	27.614	122.386	20455	55.07
	2008-09	200	January 2009	3000000	4500000	22222200	54.00	146.000	30000	65.70
	2009-10	175	March 2009	3000000	4500000					
2009-10	175	175	November 2009	3000000	4500000	19444425	47.250	127.750	30000	57.49
			March 2010	2250000	3375000					
2010-11	40	40	August 2010	1200000	1800000	4444440	10.800	29.200	30000	13.14
<b>Total</b>		<b>765</b>		<b>21930726</b>	<b>33370897</b>	<b>84999915</b>	<b>197.377</b>	<b>567.623</b>		<b>255.19</b>
2.	Ujjain 2006-07	140	March 2007	6021830	6322921	15555540	54.197	85.803	43013	38.75
<b>Total</b>		<b>140</b>		<b>6021830</b>	<b>6322921</b>	<b>15555540</b>	<b>54.197</b>	<b>85.803</b>	<b>43013</b>	<b>38.75</b>
3.	Bhopal 2008-09	150	Oct.-Nov. 2008	3001000	4501500	16666650	33.764	116.236	25010	51.57
			Dec.-08 –Jan.09	750560	1125840					
	2009-10	75	75	January-2010	1875000	2812500	8333325	16.875	58.125	25000
2010-11	30	30	July-Aug. 2010	2148000	1181400	3333330	19.332	10.668	71600	4.79
<b>Total</b>		<b>255</b>		<b>7774560</b>	<b>9621240</b>	<b>28333305</b>	<b>69.971</b>	<b>185.029</b>		<b>81.05</b>
4.	Shajapur 2010-11	40	October 2010	1620000	1782000	4444440	14.580	25.420	40500	11.32
<b>Total</b>		<b>40</b>		<b>1620000</b>	<b>1782000</b>	<b>4444440</b>	<b>14.580</b>	<b>25.420</b>	<b>40500</b>	<b>11.32</b>
<b>Grand Total</b>		<b>1200</b>		<b>37347116</b>	<b>51097058</b>	<b>133333200</b>	<b>336.125</b>	<b>863.875</b>	<b>-----</b>	<b>386.31</b>

## Appendix-2.34

(Reference: Paragraph 2.2.4.8(c), Page 54)

Statement showing the purchase of rose plants, plants required for area reported covered, actual covered etc

S.no.	Year and District	Coverage of area reported	Month/Year of plants purchased	Number of plants purchased	Cost (₹)	Plants required as per SHM norms of 10000 plants per ha	Actual coverage of area as per norms (ha)	Coverage of area reported excess	Plants actually given per ha (average)	Expenditure on area for which plants not supplied (₹ in lakh)
<b>1.</b>	<b>Bhopal</b>	100	October-November 2008	500000	2325000	1000000	50.000	50.000	5000	17.72
	2008-09	75	January2010	375000	1875000	750000	37.500	37.500	5000	12.59
	2010-11	40	December2010	200000	1050000	400000	20.00	20.00	5000	7.02
<b>Total</b>		<b>215</b>		<b>1075000</b>	<b>5250000</b>	<b>2150000</b>	<b>107.500</b>	<b>107.500</b>	<b>--</b>	<b>37.33</b>
<b>2.</b>	<b>Indore</b>	285	November2007	299970	4724528	2850000	63.297	221.703	2221	77.55
	2006-08	100	December2007	333000	5244799					
	2008-09	100	January 2009	218750	3500000	1000000	21.875	78.125	2188	27.34
	2009-10	150	November2009	164025	2624400	1500000	32.805	117.195	2187	41.01
	2010-11	30	March 2010	164025	2624400					
		30	August 2010	65625	1050000	300000	6.563	23.437	2188	8.20
<b>Total</b>		<b>565</b>		<b>1245395</b>	<b>19768127</b>	<b>5650000</b>	<b>124.540</b>	<b>440.460</b>		<b>154.10</b>
<b>3.</b>	<b>Shajapur</b>	40	October 2010	86000	1376000	400000	8.600	31.40	2150	10.80
<b>Grand Total</b>		<b>820</b>		<b>2406395</b>	<b>26394127</b>	<b>8200000</b>	<b>240.640</b>	<b>579.360</b>		<b>202.23</b>

**Appendix-2.35**  
**(Reference: Paragraph 2.2.4.13, Page 58)**  
**Statement showing the physical and financial targets and achievements**  
**Post Harvest Management**

Sl. No.	Particulars	Targets as per AAP		Achievements	
		Physical (number)	Financial (₹ in lakh)	Physical (number)	Financial (₹ in lakh)
1.	Pack House	838	599.88	101	22.99
2.	Refrigerated Van	39	241.20	1	3.40
3.	Cold Storage	22	2080.00	13	686.69
4.	Market Intelligence	5	100.00	-----	-----
5.	Terminal Market	5	1000.00	-----	-----
6.	Mobile Processing Unit	27	708.00	-----	-----
7.	Grading & Waxing Unit	12	150.00	12	266.36
8.	Pre cooling unit	2	12.00	-----	-----
9.	Ripening Chamber	1	120.00	1	3.77
10.	Low cost preservation unit	30	30.00	----	-----
<b>Total</b>		<b>981</b>	<b>5041.08</b>	<b>128</b>	<b>983.21</b>

**Marketing Infrastructure**

Sl. No.	Particulars	Targets as per AAP		Achievements	
		Physical (number)	Financial (₹ in lakh)	Physical (number)	Financial (₹ in lakh)
1.	Wholesale Market	8	950.00	1	918.62
2.	Rural Market	232	955.00	4	15.00
3.	Retail Market	5	20.00	-----	-----
4.	Marketing Extension	4	12.00	-----	-----
<b>Total</b>		<b>249</b>	<b>1937.00</b>	<b>5</b>	<b>933.62</b>

**Appendix 2.36**  
**(Reference: Paragraph 2.3.7.2, Page 70)**  
**Statement showing expenditure on extra quantities in cut and cover structure**

Sl no	Item no	Item of work	Quantity as per schedule I	Rate	Quantity up to 10 per cent	Quantity executed beyond 10 per cent	Rate paid	Amount in ₹
1	(1)	Dry and wet excavation	4374.77 cu m	45 per cu m	4812.25 cu m	1366.605 cu m	30.75 per cu m	42023
2	(5) a	Providing and placing M-10 Cement concrete	2846.74 cu m	3700 per cu m	3131.410 cu m	758.249 cu m	2000 per cu m	1516498
3	(7)	Providing and placing M-20 Cement concrete	31804.93 cu m	5300 per cu m	34985.423 cu m	9891.594 cu m	4000 per cu m	39566376
4	(10)	Providing and fixing in position PVC pipe	2336.38 RM	650 per RM	2569.996 RM	546.544 RM	650 per RM	355253
5	(11)	Providing and fixing in position 12 mm thick pre moulded fillers	1317.66 sqm	600 per sqm	1449.415 sqm	743.463 sqm	600 per sqm	446078
6	(13)	Filling foundation	14583.80 cu m	75 per cu m	16042.18 cu m	26236.98 cu m	74.98 per cu m	1967248
							<b>Total</b>	<b>43893476</b>

Say ₹ 4.39 crore

**Appendix 2.37**  
**(Reference: Paragraph 2.3.8.2, Page 73)**  
**Statement showing abnormal variation in the quantities due to inadequate estimates**

(Amount in ₹)

Item no	Item	Scheduled quantity + 10 per cent	Total Quantity	Difference	Rate paid	Rate payable	Difference	Payment for the quantity beyond 10 per cent	Excess Payment
1	Excavation in hard soil and moorum with boulders	16420 cu m	55897.09	39476.27	60.36	40.00	20.36	2382787.66	803736
2	D/S & SR	25773 cu m	97128.33	71355.33	197.17	125	72.17	14069130.42	5149714
9	Supply and fixing of tested steel reinforcement	4313.40 kg	11003.87	6690.47	31.26	25	6.26	209144.09	41882
10B	PRV 100 mm	514.8 nos	588	73.20	386.72	300	86.72	28307.90	6347
11	160 mm perforated PVC pipe	6600 mts	11277.16	4677.16	407.92	300	107.92	1907907.11	504759
14	M-10 (1:3:6) with 40 mm graded metal	1563.71 cu m	3644.257	2080.54	2157.5 2	1900	257.52	4488806.66	535781
							<b>Total</b>	<b>23086083.84</b>	<b>7042219</b>



**Appendix 2.38**  
**(Reference: Paragraph 2.3.9.2, Page 78)**  
**Statement showing irregular payment of performance security and bank guarantee**

Sl no	Name of work	Type of contract	Type of security	Name of contractor	Amount refunded in lakh ₹
1	Construction of earthwork, CC lining and structure of Majholi branch canal RD 16.50 to RD 27.70 (2DL/2005-06)	Item Rate	Performance security	M/s SK Jain	75.15
2	Construction of RBMC RD 92 to 102 km (3DL/04-05)	Item Rate	ASD	M/s SK Jain	59.89
3	Construction of earthwork, CC lining and structure of Majholi branch canal RD zero km to RD 16.50 km (2DL/2005-06)	Item Rate	Performance security	M/s APR Construction	200.04
4	Construction of RBMC RD 129 to 154 km (2DL/07-08)	Turn key	Bank Guarantee	M/s JTEGC-APRCL (JV)	700.00
5	Construction of RBMC RD 154 to 197.650 km (4DL/08-09)	Turn key	Bank Guarantee	M/s Monte Carlo	150.00
	<b>Total</b>				<b>1185.08</b>

Say ₹ 11.85 crore

**Appendix 2.39**

(Reference: Paragraph 2.3.9.3, Page79)

**Statement showing excess payment due to inflated measurements in construction of Belkund siphon**

(Amount in ₹)

Sl no	Item No	Particulars of item	Schedule component	Quantity paid	Amount paid	Quantity payable	Amount payable	Excess payment
1	1 (A)	On establishing camp	0.5 per cent	0.5 per cent	463500	0.5 per cent	463500	NIL
	1 (B)	Exploratory work	0.5 per cent	0.5 per cent	463500	0.5 per cent	463500	NIL
	1 (C)	River diversion	0.5 per cent	0.5 per cent	463500	0.5 per cent	463500	NIL
2	2 (A)	Foundation, RCC barrel	8 per cent	8 per cent	7416000	5 per cent	4635000	2781000
	2 (B)	Excavation and laying foundation	6 per cent	6 per cent	5562000	3 per cent	2781000	2781000
	2 (C)	River training works	2 per cent	2 per cent	1854000	2 per cent	1854000	0
3	3 (A)	RCC barrel of canal siphon	30 per cent	26.5 per cent	24565500	16.5 per cent	15295500	9270000
	3 (B)	Road bridge piers cap	18 per cent	13.35 per cent	12375450	9.9 per cent	9177300	3198150
4	5 (D)	Running item like name plate and silt clearance	2.5 per cent	2.5 per cent	2085750	0 per cent	NIL	2085750
						<b>Total</b>		<b>20115900</b>

Say ₹ 2.01 crore

**Appendix 2.40**  
**(Reference: Paragraph 2.3.9.5, Page 80)**  
**Statement showing extra cost due irregular modification of escalation clause**

(₹ in crore)

SI no	Name of division	Agreement no (Date of opening of price bid)	Name of work	Last bill paid	Escalation paid as per revised formula	Escalation payable	Extra Cost
1	ND Dn 4 Jabalpur	01 DL/ 08-09 (March 2008)	Construction of cut and cover structure	52.73 (January 2011)	1.81	0.47	1.76
2	ND Dn 5 Katni	01 DL/ 07-08 (February 2008)	Construction of Sleemanabad carrier canal	233.99 (June 2011)	1.49	0.58	0.91
3	ND Dn 9 Maihar	04 DL/ 08-09 (February 2009)	Construction of RBMC from RD 154 km to RD 196.65 km	102.00 (July 2011)	4.01	0.71 <sup>1</sup>	3.30
				<b>Total</b>			<b>5.97</b>

<sup>1</sup> Computation was done using price index of cement published by office of Economic Adviser, GOI and multiplying factor of 0.85, as the tender was accepted after approval of revised formula for computation of price escalation from the Government.

**Appendix 2.41**

(Reference: Paragraph 2.3.9.6, Page 81)

**Statement showing delay and penalty recoverable from the contractors under the item rate contracts**

Sl No	Name of Division	Agreement no (contract value in lakh ₹)	Period of delay	Delay in days	Value of work done in lakh ₹		Shortfall	Amount of penalty @ 0.1 per day in lakh ₹	Penalty leviable <sup>2</sup> in lakh ₹
					Target	Achievement			
1	EE ND Dn no 2 Panagar	01 DL/ 2007-08	Feb-08 to Aug-08	218	1088.31	1.08	979.76281	213.59	
		(3247.83)	Aug-08 to Feb-09	310	1223.33	Nil	1223.33	379.23	
							Total	592.82	325.00
2	EE ND Dn No 4 Jabalpur	01 DL/ 2008-09	Sept- 08 to Mar- 09	118	2060.00	807.00	1253.00	147.85	
		(4866.45)	Apr- 09 to Sept- 09	258	2453.00	645.00	1808.00	466.46	
							Total	614.32	486.00
3	EE ND Dn No 4 Sihora	2 DL/ 2009-10 (94.91)	Sept- 09 to May-11	439	94.91	45.90	49.01	21.51	9.49
	<b>Grand Total</b>								<b>820.49</b>

Say ₹ 8.20 crore

<sup>2</sup> Penalty leviable: The amount of penalty limited to the 10 per cent of contract value as per the clause 3.47 of the contract agreement

**Appendix 2.42**  
(Reference: Paragraph 2.3.9.9, Page 83)  
**Statement showing non accountal of hard rock**

(Amount in ₹)

Sl no	RD in km	Total excavation as per clubbing	Percentage of hard rock as per clubbing	Actual execution till 43 <sup>rd</sup> RA bill (in cu m)	Total HR excavated (in cu m)	Rate of stacking in ₹ (per cu m)
1	129 to 139.70	1718611.50/ 412683 (HR)	24	1608608.169	386065.96	9.6
2	Cut and cover	432500.74/ 373129.68	86.27	328393	283304.64	9.6
3	140 to 154	1949592.3/ 111045	5.6	1355740.965	75921.49	9.6
				Total	745292.09	
Amount At the rate 9.6 per cu m					7154804	
Amount Recovered (34 <sup>th</sup> RA bill)					1000000	
<b>Excess Payment</b>					<b>6154804</b>	

**Appendix 2.43**  
(Reference: Paragraph 2.3.10.2, Page 84)

**Statement showing extra cost due to unwarranted provision and execution of tamping and trimming**

(Amount in ₹)

Sl no	Name of division	Item	Agreement no	Name of contractor	Vr no and date	Quantity of tamping / trimming	Rate	Amount paid
1.	ND Dn 2 Panagar	Tamping	3DL/02-03	M/s G V Reddy	8DL/ 12-12-08	161957.984	6.00	971748
2.	ND Dn 2 Panagar	Tamping	2DL/04-05	M/s KLA Bangalore	20/ 30-03-07	66988.335	7.30	489015
3.	ND Dn 2 Panagar	Tamping	1DL/04-05	M/s B SriNiwasa	28/ 29-02-08	241884.69	4.00	967000
4	ND Dn 4 Sehora	Trimming	1DL/ 06-07	M/s B SriNiwasa	4/ 29-03-11	306666.61	6.00	1839999
						<b>Total</b>		<b>4267762</b>

**Appendix-2.44**  
**(Reference: Paragraph 2.4.6.3 (ii), Page 92)**  
**Statement showing excess payment due to inflated measurement**

(Amount in ₹)

Sl.No.	PIU	Package No.	Item/units	Qty. in penultimate bill	Qty. in incomplete final bill	Excess paid qty.	Rate	Amount	Tender percentage above or below (-)	Gross Amount (in ₹)
1	Jabalpur	1804B.W	Prime coat (sq m)	23913.00	14725.50	9187.50	11.30	103819	37.97	143239
	Jabalpur		T.coat (sq m)	23913.00	13975.5	9937.50	05.20	51675	37.97	71296
	Jabalpur		OGPC (sq m)	23913.00	14725.500	9187.50	44.00	404250	37.97	557744
	Jabalpur		Seal coat (sq m)	23480.00	11617.5	11812.50	14.80	181973	37.97	241206
2	Jabalpur	2801	Prime coat (sq m)	103442.78	100882.902	2559.88	11.30	28927	14.00	32976
	Jabalpur		T.coat (sq m)	102692.77	100882	1810.77	05.20	9416	14.00	10734
	Jabalpur		OGPC (sq m)	107024.14	105964.28	1059.86	44.00	46634	14.00	53163
	Jabalpur		CC pavement(cu m)	6977.66	0	6977.66	449.82	3138691	14.00	3578108
3	Ratlam	3104	Prime coat (sq m)	53310	47528.41	5781.59	12.43	71865	-16.90	59720
	Ratlam		T.coat (sq m)	53310	47528.41	5781.59	05.72	33071	-16.90	27482
	Ratlam		OGPC (sq m)	43432.5	37650.91	5781.59	48.40	279829	-16.90	232538
	Ratlam		MSS (sq m)	55432.125	0	55432.13	16.42	910195	-16.90	756372
	Ratlam		CC pavement(cu m)	3540.04	0	3540.04	504.90	1787366	-16.90	1485301
	Ratlam		M-20 (cu m)	16.914	0	16.91	2220.00	37549	-16.90	31203
	Ratlam		M-10 (cu m)	2593.511	973.843	1619.67	1615.00	2615764	-16.90	2173700
	Ratlam		M-15 (cu m)	144.093	0	144.09	2010.00	289627	-16.90	240680
	Ratlam		H.Rock (cu m)	97.220	0	97.22	180.00	17500	-16.90	14542
	Ratlam		RCC hume pipe(RM)	450.000	119.5	330.50	2955.00	976628	-16.90	811577
4	Ratlam	3107	Prime coat (sq m)	83284.575	80852.39	2432.19	13.00	31618	4.49	33038
	Ratlam		T.coat (sq m)	83284.575	80852.39	2432.19	05.00	12161	4.49	12707
	Ratlam		OGPC (sq m)	83284.575	80852.39	2432.19	51.00	124041	4.49	129611
	Ratlam		Seal coat (sq m)	83290.575	72939.89	10350.69	18.00	186312	4.49	194678

Sl.No.	PIU	Package No.	Item/units	Qty. in penultimate bill	Qty. in incomplete final bill	Excess paid qty.	Rate	Amount	Tender percentage above or below (-)	Gross Amount (in ₹)
5	Sehore	3510B	T.coat (sq m)	962.25	-43783.875	44746.13	04.73	211649	-8.20	194294
	Sehore		OGPC (sq m)	84732.026	78751.026	5981.00	48.40	289480	-8.20	265743
	Sehore		Seal coat (sq m)	84732.026	40467.026	44265	16.28	720634	-8.20	661542
	Sehore		MSS (sq m)	962.25	481.125	481.13	53.90	25933	-8.20	23806
	Sehore		CC pavement (cu m)	4198.345	4137.625	60.72	504.90	30658	-8.20	28144
	Sehore	3511	Prime coat (sq m)	32687.585	24196.065	8491.52	12.43	105550	7.30	113255
	Sehore		T.coat (sq m)	32687.585	24196.065	8491.52	05.72	48571	7.30	52117
	Sehore		OGPC (sq m)	32687.585	24196.065	8491.52	48.40	410990	7.30	440992
	Sehore		Seal coat (sq m)	32687.585	24196.065	8491.52	16.28	138242	7	148334
			CC pavement (cu m)	14323.615	13491.066	832.549	504.90	420354	7	451040
		3511 (SP)	Prime coat (sq m)	22704.18	19612.47	3091.71	12.43	38429.955	54	59182
			T.coat (sq m)	31195.7	28103.99	3091.71	05.72	17684.581	54	27234
			OGPC (sq m)	44559.19	41394.72	3164.47	48.40	153160.35	54	235867
			BM (cu m)	2265.441	2107.235	158.206	2183.50	345442.8	54.00	531982
			Seal coat (sq m)	27350.44	27153.2	197.24	16.28	3211.0672	54.00	4945
		3513	Seal coat (sq m)	41711.468	26362.75	15348.718	18.00	276276.92	-1.25	272823
	Shahdol	3807	CC pavement (cu m)	5617.5	5381.25	236.25	504.90	119282.63	17.90	140634
		3808	CC pavement (cu m)	3089.99	2859.365	230.625	504.90	116442.56	17.90	137286
<b>Total</b>	<b>4</b>	<b>10</b>								<b>14680835</b>

**Appendix-2.45**  
**(Reference: Paragraph 2.4.6.3 (iii), Page 93)**  
**Statement showing short levy of liquidated damages & undue financial aid to contractor**

Package No.	Name of PIU	Name of Contractor	Work awarded & Initial contract value (in lakh)	Stipulated date of completion	Actual date of completion	Total delay in completion	Delay attributable to Govt. by PIUs	Delay attributable to contractor by PIUs	Liquidated damages leviable (₹ in lakh)	Liquidated damages levied (₹ in lakh)	Short levy (₹ in lakh)
MP-3660	Seoni-1	M/s Sukhadev prasad patel	28.06.08 ₹ 387.55 lakh	27.06.09	28.02.10	246 days	135 days	111 days (16 weeks)	38.75 lakhs (10%)	0.97 (0.25%)	37.78
MP-3677	--do--	M/s Osho Asso.	01.09.08 ₹ 331.99 lakh	31.08.09	31.03.10	212 days	120 days	92 days (13 week)	33.19 lakhs (10%)	0.83 (0.25%)	32.36
MP-0133	Balaghat-I	M/s Sancheti cont.	16.11.07 ₹ 637.99 lakh	15.11.08	30.11.09	380 days	Nil	380 days (54 week)	63.80 lakhs (10%)	12.76 (2%)	51.04
MP-0129	Balaghat-II	N.N. Pugalia	05.11.07 484.68 lakh	04.11.08	22.03.09	137 days	Nil	137 days (19 weeks)	48.47 lakhs (10%)	1.21 (0.25%)	47.26
MP-0130	Balaghat-II	M/s R.K. Sancheti	06.11.07 ₹ 873.60 lakh	05.11.08	20.10.10	714 days	Nil	714 days (102 weeks)	87.36 lakhs (10%)	13.10 (1.5%)	74.26
MP-3820	Shahdol	Khodiyar Contrn.	26.12.06 ₹ 349.60 lakh	25.12.07	30.06.08	187 days	105 days	82 days (11 weeks)	34.96 lakhs (10%)	1.75 (0.50%)	33.21
MP-1155	PIU-III Dhar	M/s Sita Contrn.	01.02.06 ₹ 492.82 lakh	31.01.07	31.12.07	335 days	Nil	335 days (47 weeks)	49.28 lakh (10%)	9.86 (2%)	39.42
MP-3105	PIU Ratlam	M/s L.G. Choudhary Contrn.	05.03.04 ₹ 501.20 lakh	04.03.05	31.03.06	392 days	257 days	135 days (19 weeks)	50.12 lakh (10%)	2.50 (0.5%)	47.62
<b>Total</b>			<b>4059.43</b>						<b>405.93</b>	<b>42.98</b>	<b>362.95</b>



**Appendix-2.46**  
**(Reference: Paragraph 2.4.6.3 (iv), Page 94)**

**Statement showing undue financial aid to contractor due to non-insurance of work**

Sl. No.	Name of Packages	Name of contractor	PAC (in lakh)	Date of Work order	Insurance amount 0.2% of PAC (in lakh)
1	2	3	4	5	6
<b>PIU Balaghat-1</b>					
1	MP0133	Sancheti Construction, Waraseoni	610.87	16/11/07	1.22174
2	MP0134	R.D. Construction, Hariyana	401.19	29/11/07	0.80238
3	MP0135	Raising & Co., Lanji Balaghat	363.89	04/01/08	0.72778
4	MP0136	N.C. Nahar, Durg (CG)	410.10	08/01/08	0.8202
5	MP0137	Raising & Co., Lanji Balaghat	30.81	04/06/08	0.06162
6	MP0139	R.K. Traders, Waraseoni	170.54	05/06/08	0.34108
7	MP0140	Manu Builders, Jabalpur	59.49	26/06/08	0.11898
8	MP0141	N.C. Nahar, Durg (CG)	4205.00	24/09/08	8.41
9	MP0195	Raising & Co., Lanji Balaghat	287.90	24/09/08	0.5758
10	MP0152	N.N. Pugalia, Nagpur	278.04	11/12/06	0.55608
11	MP0154	V.K.Agrawal, Surajpur (CG)	454.18	14/12/06	0.90836
12	MP0156	Paras Kothari, Katangi	38.83	14/12/06	0.07766
13	MP0137	Raising & Co., Lanji Balaghat	31.65	06/04/08	0.0633
14	MP0146	Raising & Co., Lanji Balaghat	906.64	09/12/08	1.81328
15	MP0147	R.K. Engineering, New Dehli	627.10	19/09/08	1.2542
16	MP0156	Paras Kothari, Katangi	265.69	14/12/06	0.53138
17	MP0192	Risewada To Dongargaon	204.39	24/09/08	0.40878
18	MP0194	Paldongri To Ameda	291.16	24/09/08	0.58232
19	MP0142	Sanjay Agrawal, Raipur (CG)	2235.06	02/09/08	4.47012
		<b>Total</b>	<b>11872.53</b>		<b>23.74506</b>
<b>PIU Balaghat-2</b>					
1	MP0123	M/s. N.N. Pugalia	242.56	08/07/03	0.48512
2	MP0124	M/s. Raising & Co.	310.92	03/04/02	0.62184
3	MP0125	M/s. Raising & Co.	368.85	05/07/03	0.7377
4	MP0126	M/s. Raising & Co.	257.98	08/07/03	0.51596
5	MP0129	M/s. N.N. Pugalia	463.81	13/05/04	0.92762
6	MP0130	M/s. R.K. Sancheti	843.25	13/05/04	1.6865
7	MP0131	M/s. N.C. Nahar	1006.86	13/09/05	2.01372
8	MP0132	M/s. N.N. Pugalia	636.35	13/09/05	1.2727
9	MP0138	M/s. Raising & Co.	429.58	18/01/07	0.85916
10	MP0151	M/s. Raising & Co.	510.60	25/06/02	1.0212
11	MP0153	M/s. Raising & Co.	441.75	27/06/02	0.8835
12	MP0155	M/s. V.K. Agrawal	246.21	06/07/02	0.49242
13	MP0179	M/s Land mark Engineer& Contractor	407.79	30/01/06	0.81558

Sl. No.	Name of Packages	Name of contractor	PAC (in lakh)	Date of Work order	Insurance amount 0.2% of PAC (in lakh)
14	MP0181	M/s Shardha Construction	343.92	01/04/07	0.68784
15	MP0182	M/s Shardha Construction	233.16	23/12/06	0.46632
16	MP0183	M/s Walia & Brothers	407.87	22/01/10	0.81574
17	MP0184	M/s Shardha Construction	271.60	22/01/07	0.5432
18	MP0185	M/s. Raising & Co.	319.76	22/01/07	0.63952
19	MP0186	M/s Sancheti Construction	254.35	05/11/07	0.5087
20	MP0187	M/s. Raising & Co.	280.50	06/11/07	0.561
21	MP0188	M/s. Raising & Co.	321.93	05/11/07	0.64386
22	MP0190	M/s. Raising & Co.	411.64	05/11/07	0.82328
23	MP0191	M/s N.C. Nahar	320.40	14/05/08	0.6408
		<b>Total</b>	<b>9331.64</b>		<b>18.66328</b>
<b>PIU-1 Seoni</b>					
1	MP 3619	Bhawani Prasad Sharma	412.71	22/06/06	0.82542
2	MP 3620	Bhawani Prasad Sharma	436.82	26/07/06	0.87364
3	MP 3622	Anoj Kumar Agarwala, Nagpur	619.38	22/06/06	1.23876
4	MP 3624	MKS Engg Co. Pvt. Ltd. Jabalpur	505.77	26/07/06	1.01154
5	MP 3625	MKS Engg Co. Pvt. Ltd. Jabalpur	587.17	01/09/06	1.17434
6	MP 3632	Prasann Chand Maloo Seoni	592.13	14/06/07	1.18426
7	MP 3636	Suresh Kumar Agrawal, Mandla	609.77	23/04/07	1.21954
8	MP 3637	Suresh Kumar Agrawal, Mandla	434.61	23/04/07	0.86922
9	MP 3642	Gokulkrishna Constr. Pvt. Ltd.	1013.69	19/07/07	2.02738
10	MP 3643	V.P. Singh, Jabalpur	1069.78	27/09/07	2.13956
11	MP 3665	Manvendra Constr Datiya	171.20	16/06/08	0.3424
12	MP 3667	Sewa Singh Oberai & Co. Durg	629.72	11/07/08	1.25944
13	MP 3668	Sewa Singh Oberai & Co. Durg	1206.39	03/09/08	2.41278
14	MP 3669	S.K. Jain, Bhopal	201.63	13/06/08	0.40326
15	MP 3670	Galaxy Developer, Gwalior	284.12	24/04/08	0.56824
16	MP 3672	Rajdeep Constr., Dhanora	124.35	31/05/08	0.2487
17	MP 3673	V.P. Singh, Jabalpur	434.05	26/05/08	0.8681
18	MP 3674	S.K. Jain, Bhopal	169.83	02/05/08	0.33966
19	MP 3675	Sukhdev Prasad Patel, Seoni	335.42	28/06/08	0.67084
20	MP 3677	Osho Associates Gwalior	324.57	01/09/08	0.64914
21	MP 3679	Sukhdev Prasad Patel, Seoni	363.18	30/09/08	0.72636
22	MP 3681	V.P. Singh, Jabalpur	418.18	26/05/08	0.83636
23	MP 3682	V.P. Singh, Jabalpur	314.89	26/05/08	0.62978
24	MP 3683	V.P. Singh, Jabalpur	469.89	05/09/08	0.93978
25	MP 3684	Gour Road Tar Coat, Jabalpur	262.97	31/07/08	0.52594
26	MP 3685	Rai singh & Co, Balaghat	597.41	13/06/08	1.19482

Sl. No.	Name of Packages	Name of contractor	PAC (in lakh)	Date of Work order	Insurance amount 0.2% of PAC (in lakh)
27	MP 3686	Kasliwal Trading Co. Nagpur	700.92	29/08/08	1.40184
28	MP 3687	Galaxy Developer, Gwalior	292.69	11/08/08	0.58538
29	MP 3689	Osho Associates Gwalior	212.21	02/03/09	0.42442
30	MP 3690	C.K. Sharma, Jabalpur	394.50	09/09/08	0.789
31	MP 3691	Sewa Singh Oberai & Co. Durg	678.25	23/05/08	1.3565
32	MP 3694	Sewa Singh Oberai & Co. Durg	397.01	23/05/08	0.79402
33	MP 3698	A.J. Associates, Jabalpur	95.15	21/04/08	0.1903
34	MP 3699	S.K. Jain, Bhopal	366.48	02/05/08	0.73296
35	MP 36100	R.K. Rai, Narsinghpur	351.35	19/04/08	0.7027
36	MP 36102	Rajdeep Constr., Dhanora	90.25	24/04/08	0.1805
37	MP 36103	Radhika Engg. Co., Seoni	276.03	19/06/08	0.55206
38	MP 36110	Sami Ansari, Seoni	186.01	26/04/08	0.37202
39	MP 36111	Sami Ansari, Seoni	439.16	26/04/08	0.87832
40	MP 36115	Shiva Engineering, Chhapara	84.68	29/05/08	0.16936
		<b>Total</b>	<b>17154.32</b>		<b>34.3086</b>
<b>PIU Sagar</b>					
1	MP 3321	M/s Jain Const. Co.	422.24	05/10/05	0.84448
2	MP 3322	M/s S k Jain	363.58	06/09/05	0.72716
3	MP 3325	M/s Nairain singh	570.15	15/06/06	1.1403
4	MP 3327	M/S Pooja Const.	588.88	07/11/06	1.17776
5	MP 3328	M/s Nairain singh	587.43	02/03/09	1.17486
6	MP 3329	M/s S k Jain	406.00	24/10/06	0.812
7	MP 3330	M/s Jitendra G Gupta	584.05	16/10/06	1.1681
8	MP 3332	M/s Yadav Brothers	302.45	16/10/06	0.6049
9	MP 3356	M/s Gyanodaya group	491.67	16/10/06	0.98334
10	MP 3357	Shri Dlip Singh	537.31	07/08/06	1.07462
11	MP 3333	M/s Ashok Kumar	409.98	31/10/07	0.81996
12	MP 3334	M/s mahesh Guru	571.75	05/06/08	1.1435
13	MP 3335	M/s Dulara const.	377.83	05/06/08	0.75566
14	MP 3336	M/s Ashok Kumar	569.44	30/09/08	1.13888
15	MP 3337	Jitendra Kumar Jain	363.76	12/12/08	0.72752
16	MP 3338	M/s Essar Associates	250.47	19/09/08	0.50094
17	MP 3339	M/s Gyanodaya group	30.94	15/12/08	0.06188
18	MP 3340	M/s Gyanodaya group	345.39	17/09/08	0.69078
19	MP 3341	M/s Sureshchand Gupta	342.28	17/09/08	0.68456
		<b>Total</b>	<b>8115.6</b>		<b>16.2312</b>
<b>PIU-1&amp;5, Chhindwara</b>					
1	MP 7123	Kalbande Construction Chhindwara	48.87	12/09/08	0.09774
2	MP 740	Om Prakash Kalia, Chhindwara	344.99	11/02/08	0.68998
3	MP 7103	P.K Construction Nagpur	233.25	15/05/08	0.4665
4	MP 726	Arcons Infrastructures & Construction (P) Ltd., Chhindwara	880.57	10/04/07	1.76114
5	MP 741	TCIL New Dehli	583.52	24/12/07	1.16704
6	MP 787	P.K Construction Nagpur	393.88	03/09/09	0.78776

Sl. No.	Name of Packages	Name of contractor	PAC (in lakh)	Date of Work order	Insurance amount 0.2% of PAC (in lakh)
7	MP 781	Raising & Co.Langhi Balaghat	298.17		0.59634
8	MP 789	Raising & Co, Balaghat	409.63	17/06/08	0.81926
9	MP 791	Anish Ahamad Khan Parasia, Dist. Chhindwara	205.65	15/05/08	0.4113
10	MP 793	Monghyr Construction Co, Mujaffarpur	266.2	02/06/08	0.5324
11	MP 797	Lark Const. Co. New Panvel (M.H.)	468.32	15/05/08	0.93664
12	MP 799	Omprakash Kalia Const. Co., Chhindwara	563.84	12/06/08	1.12768
13	MP 751(B)	Kalbande Construction Co. Chhindwara	77.89	18/06/08	0.15578
14	MP 751©	Sanee Infrastructure Pvt.Ltd. Bhopal	384.82	07/02/09	0.76964
15	MP 742	Laxmi Civil Engineering Services Pvt. Ltd.	573.98	16/10/09	1.14796
16	MP 743	Laxmi Civil Engineering Services Pvt. Ltd.	545.88	16/10/09	1.09176
17	MP 790	Raising & Co, Balaghat	451.26	21/05/08	0.90252
18	MP 792	R.K. Transport & Cons. Co. Korba	153.57	28/06/08	0.30714
19	MP 798	Kurmi Bena Const. Co., Kawardha(CG)	357.46	15/05/08	0.71492
20	MP 7104	Bajjnath Const. Co. Kawardha (C.G.)	282.14	16/05/08	0.56428
21	MP 7115	Kasliwal Trading Co., Nagpur	124.35	30/05/08	0.2487
22	MP 751 (A)	Omprakash Kalia Const. Co., Chhindwara	250.6	30/07/08	0.5012
		<b>Total</b>	<b>7898.84</b>		<b>15.79768</b>
<b>PIU- Vidisha</b>					
1	MP 4559	M/s Raj laxmi const.	907.35	25/02/10	1.8147
2	MP 4570	M/s Infra Developers	222.15	26/02/10	0.4443
3	MP 4563	M/s Ankur Construction	489.43	26/02/10	0.97886
4	MP 4567	M/s A K Shivhare	437.89	06/03/10	0.87578
5	MP 4564	M/s Manish contractor	822.04	05/04/10	1.64408
6	MP 4560	M/s A K Shivhare	478.79	16/04/10	0.95758
7	MP 4561	M/s A K Shivhare	501.1	16/04/10	1.0022
8	MP 4562	M/s A K Shivhare	497.05	16/04/10	0.9941
9	MP 4568	M/s Raj laxmi const.	716.17	28/05/10	1.43234
10	MP 4569	M/s Raj laxmi const.	441	28/05/10	0.882
		<b>Total</b>	<b>5512.97</b>		<b>11.02594</b>
		<b>Grand Total</b>	<b>59885.90</b>		<b>119.7718</b>

**Appendix 2.47**  
**(Reference: Paragraph 2.5.7.1, Page 98)**  
**Statement showing details regarding non functional of schemes**

(₹ in lakh)

Sl. No.	Name of scheme	Name of division	Total expenditure	Maintenance cost					Irrigation potential (ha)	Reasons
				06-07	07-08	08-09	09-10	10-11		
1.	Panch Imlee	Burhanpur	25.49	0	0	0	0	0	45	Disconnection/non-connection of electricity
2.	Bhensa	Ashoknagar	48.90	0	0	0	0	0	160	
3.	Patehra	Rewa	33.17	1.88	1.92	3.75	2.49	0	606	
4.	Mohra	Rewa	87.90	4.94	7.44	6.43	7.78	0.07	3158	
5.	Barauly	Rewa	54.17	3.35	4.08	5.78	6.07	0.05	1858	
6.	Garha	Rewa	74.80	3.46	6.37	5.88	7.13	0.41	2958	
7.	Jawa	Rewa	96.20	6.57	7.67	9.02	11.07	0.06	4480	
8.	Chandi	Rewa	60.70	5.07	6.54	8.87	11.94	0.03	3553	
9.	Manikwar	Rewa	1.10	1.40	1.92	2.44	2.74	0.05	122	
10.	Khadda	Rewa	30.27	9.55	4.08	10.45	10.92	0.50	223	
11.	Mehmoodpur	Rewa	59.72	1.31	3.47	1.26	0	0	283	
12.	Prokhar	Rewa	5.06	2.60	8.79	10.80	8.14	3.27	243	
13.	Silpara	Rewa	17.90	2.57	0.83	10.46	8.20	2.24	227	
14.	Godaha	Rewa	23.72	8.74	7.56	8.98	1.01	2.44	606	
15.	Bidaha	Rewa	20.79	5.96	7.02	13.85	13.11	0.078	405	
16.	Bandraha	Satna	3.41	0	0	0	0	0	400	
17.	Beehar	Satna	3.00	0	0	0	0	0	142	
18.	Devra	Satna	56.01	0	0	0	0	0	423	
19.	Magraj	Satna	32.40	0	0	0	0	0	164	
20.	Bigori	Satna	30.62	0	0	0	0	0	120	
21.	Tala	Satna	8.28	0	0	0	0	0	70	

Sl. No.	Name of scheme	Name of division	Total expenditure	Maintenance cost					Irrigation potential (ha)	Reasons	
				06-07	07-08	08-09	09-10	10-11			
22.	Madi	Satna	9.73	0	0	0	0	0	70	Non availability of water	
23.	Deori Amangaon	Jabalpur	56.33	0	0	0	0	0	323		
24.	Maa Rewa	Khargone	14.18	0	3.99	0	2.23	0	50		
25.	Pipaldagrhi	Dhar	321.45	6.71	2.38	0	0	0	710		
26.	Dobra	Guna	21.00	0	0	0	0	0	100		
27.	Pachora	Guna	25.00	0	0	0	0	0	331		
28.	Beerakhedi	Raghogarh	20.52	0.13	1.29	0.13	0.76	0.46	646		
29.	Gondalpur	Raghogarh	49.51	0.13	1.29	0.13	0.76	0.46	323		
30.	Tumankhedi	Raghogarh	28.56	0.13	1.29	0.13	0.76	0.46	130		
31.	Semra Khurd	Raghogarh	37.13	0.13	1.29	0.13	0.76	0.46	170		
32.	Dehri Kalan	Raghogarh	55.29	0.12	1.29	0.12	0.75	0.46	142		
33.	Ikodia	Raghogarh	36.14						81		
34.	Russia	Raghogarh	45.48						120		
35.	Kotar	Satna	60.08	0	0	0	0	0	400		
36.	Bamnala	Khargone	20.00	0	0	0	0	0	243		
37.	Khanpura	Khargone	20.59	0	0	0	0	0	227		
38.	Mothapura	Khargone	1.92	0	0	0	0	0	80		
39.	Thaib Gaon	Khargone	1.90	0	0	0	0	0	80		
40.	Vidisha LIS	Vidisha	2.70	0	0	0	0	0	516		
41.	Chayan	Dhar	2.00	0	0	0	0	0	60		
42.	Tity	Dhar	3.38	0	0	0	0	0	150		
43.	Nagda	Dhar	3.90	0	0	0	0	0	120		
44.	Bhamakheda	Indore	4.50	0	2.46	2.04	0	0	155		
45.	Sengari	Rewa	1.60	2.48	1.48	0.17	0.43	0	61		Insufficient water, damage of canal and

Sl. No.	Name of scheme	Name of division	Total expenditure	Maintenance cost					Irrigation potential (ha)	Reasons
				06-07	07-08	08-09	09-10	10-11		
46.	Mohana	Rewa	1.43	1.64	0.52	0.09	0.17	0	61	low voltage of electricity
47.	Rupauli Kariyari	Rewa	15.47	5.95	2.71	2.57	0.78	0	304	Due to pump not available, full time electricity not available
48.	Nipaniya	Rewa	16.54	2.60	12.25	6.14	0.40	0.04	142	Due to damage of canal and electricity not available
49.	Karaiya	Rewa	10.45	2.84	6.51	1.03	1.44	0	81	Due not working of pump, full time electricity not available
50.	Amirity	Rewa	5.08	2.36	4.58	6.64	12.37	0	243	Non working of pump and full time electricity not available
51.	Asawati	Ratlam	61.42	0	5.89	0	0	0	303	Due non availability of water and electricity, repair and maintenance of motor pump.
52.	Mankameshwar	Ratlam	10.50	0	10.25	0	0	0	264	
53.	Jolpura	Ratlam	4.95	0	2.30	0	0	0	220	
54.	Salejdewda	Ratlam	5.71	0	0	0	0	0	220	
55.	Mazodiya	Ratlam	5.00	0	2.30	0	0	0	132	
56.	Kanadiya	Ratlam	29.10	0	6.47	0	0	0	280	
57.	Arniya	Ratlam	2.41	0	2.1	0	0	0	100	
58.	Bajrangarh	Ratlam	32.40	0	0	0	0	0	120	
59.	Rauganwa	Satna	94.51	0	0	0	0	0	510	
60.	Ghumchihai	Satna	2.60	0	0	0	0	0	111	Due to insufficient water & disconnection of electricity
61.	Pachore	Shajapur	32.44	0	0	0	0	0	576	Non construction of intake well, damage of rising and pumping main, non working of pump, due damage of canal, due to disconnection of electricity, due to allotment of fund
62.	Choma	Shajapur	25.91	0	0	0	0	0	376	
63.	Pipaliya nagar A	Shajapur	5.86	0	0	0	0	0	231	
64.	Pipaliya nagar B	Shajapur	5.24	0	0	0	0	0	194	
65.	Dhabla Dhir A	Shajapur	6.97	0	0	0	0	0	172	

Sl. No.	Name of scheme	Name of division	Total expenditure	Maintenance cost					Irrigation potential (ha)	Reasons
				06-07	07-08	08-09	09-10	10-11		
66.	Dhabla Dhir B	Shajapur	7.02	0	0	0	0	0	194	Due to insufficient of water and non working of pumps
67.	Soyatkurd	Shajapur	24.00	0	0	0	0	0	1003	
68.	Rawali	Shajapur	17.71	0	0	0	0	0	425	
69.	Pithapura	Shajapur	2.92	0	0	0	0	0	81	
70.	Dhobikhedi	Sehore	4.91	0	0	0	0	0	172	
71.	Lasudiya	Sehore	6.74	0.56	0.55	0.45	0	0	178	
72.	Aroliya	Sehore	6.84	0.68	0.53	0.24	0	0	214	
73.	Papnas	Sehore	2.74	0	0.07	0	0	0	486	
74.	Borkheda	Sehore	47.75	0.19	0.59	0.12	0	0	505	
75.	Achharohi	Sehore	290.01	0.86	0.84	0	0	0	526	
76.	Shaktidhar	Chhindwara	2.31	0	2.70	0	0	0	41	Insufficient water, non working of pump, disconnection of electricity, damage of rising main
77.	Shahpura	Chhindwara	4.69	0	2.59	0	0	0	81	
78.	Goranghat	Chhindwara	3.07	0	2.94	0	0	0	49	
79.	Polia	Chhindwara	31.35	0	0.99	0	0	0	202	
80.	Hirankhedi	Chhindwara	3.27	0	2.65	0	0	0	101	
81.	Mayawadi	Chhindwara	0.81	0	3.27	0	0	0	81	
82.	Kundali kalan	Chhindwara	2.99	0	1.59	0	0	0	48	
83.	Harrai	Chhindwara	2.99	0	1.93	0	0	0	81	
84.	Basuria	Chhindwara	2.90	0	2.24	0	0	0	40	
85.	Rajdoh	Chhindwara	15.22	0	2.32	0	0	0	141	
86.	Haranbhata	Chhindwara	3.75	0	0	0	0	0	81	
87.	Koprawadi	Chhindwara	0.74	0	0	0	0	0	81	
88.	Khairi	Chhindwara	2.98	0	0	0	0	0	40	
89.	Panchdhar	Chhindwara	3.36	0	0	0	0	0	81	
90.	Singodi	Chhindwara	3.27	0	0	0	0	0	61	



Sl. No.	Name of scheme	Name of division	Total expenditure	Maintenance cost					Irrigation potential (ha)	Reasons
				06-07	07-08	08-09	09-10	10-11		
91.	Bisapur	Chhindwara	3.44	0	2.71	0	0	0	40	
92.	Belkheri	Narsinghpur	6.46	0	0	0	0	0	243	Poor demand of irrigation
93.	Khan	Ujjain	14.00	1.43	0.31	0.37	0	0	466	Insufficient water, non working of pump, disconnection of electricity, damage of rising main and canal, encroachment, paucity of funds and damage of intake well etc.
94.	Sutia	Ujjain	0.88	0	0	0.006	0	0	53	
95.	Biharia	Ujjain	2.07	1.83	0	0	0	0	141	
96.	Khankari Sultan	Ujjain	0.96	0	0	0	0	0	40	
97.	Indokh	Ujjain	17.95	0.003	0.10	0.19	0	0	280	
98.	Mochhikheda	Ujjai	7.92	0.003	0	0	0	0	100	
99.	Kadiyali	Ujjain	24.28	0	0	0	0	0	243	
100.	Pachlasi	Ujjain	2.00	0	0	0	0	0	70	
101.	Delchi Khurd	Ujjain	9.49	0	0	0	0	0	240	
102.	Dhablahardu	Ujjain	0.50	0.03	0.03	0.001	0	0	48	
103.	Parboti	Ujjain	6.00	1.12	0	0.47	0	0	200	
104.	Harbakhedi	Ujjain	70.36	0.003	0.30	0.23	0	0	310	
105.	Piploda	Ujjain	17.13	0	0	0.19	0	0	243	
106.	Kajlana	Ujjain	2.30	0.19	0	0.45	0	0	70	
107.	Paslod	Ujjain	7.28	0.47	0.19	0	0	0	240	
108.	Itwa	Ujjain	6.64	0.40	0.09	0	0	0	160	
109.	Birgond	Ujjain	18.10	2.67	0.14	5.83	0	0	200	
110.	Bakakhodri	Betul	80.82	0	0	0	0	0	202	Damage of canal, disconnection of electricity, not allotment of fund
111.	Kotmi	Betul	68.35	0	0	0	0	0	202	Damage of rising main, damage of canal and disconnection of electricity
112.	Agalgaon	Badwani	21.08	0	0	0	0	0	272	Damage of canal, intake well, not working of pumps and disconnection of electricity
113.	Palsood	Badwani	4.50	0	0	0	0	0	121	
114.	Mohgaon	Badwani	3.25	0	0	0	0	0	81	

Sl. No.	Name of scheme	Name of division	Total expenditure	Maintenance cost					Irrigation potential (ha)	Reasons
				06-07	07-08	08-09	09-10	10-11		
115.	Bidroni	Shivpuri	173.92	0	0	0	0	0	971	Damage of intake well, rising main, canal, disconnection of electricity and non working of pump
116.	Datoni	Dewas	6.09	0	0	0	0	0	250	Damage of rising main, canal, insufficient water, non working of pump and disconnection of electricity
117.	Bagdi	Dewas	3.47	0	0	0	0	0	210	
118.	Limbodapar	Indore	80.00	0	0	0	0	0	368	Insufficient water and disconnection of electricity
119.	Pati	Badwani	4.26	0	0	0	0	0	121	Due to damage of canal
120.	Mehkar	Betul	14.73	0	0	0	0	0	44	Due to overlapping with Ranipur tank
121.	Phokalya	Betul	5.65	0	0	0	0	0	101	Dulahara tank
122.	Tirmau	Betul	2.11	0	0	0	0	0	79	Abandoned
123.	Churiya	Betul	35.54	0	0	0	0	0	48	Abandoned
124.	Badona	Sidhi	15.80	0	0	0	0	0	170	Due to overlapping with Bansagar project
125.	Rehi	Sidhi	14.55	0	0	0	0	0	284	
126.	Hatwa	Sidhi	2.40	0	0	0	0	0	237	
127.	Chorgadi	Sidhi	11.03	0	0	0	0	0	200	
128.	Dithora	Sidhi	20.24	0	0	0	0	0	202	
129.	Chamarsal	Raisen	2.10	0	0	0	0	0	363	Due to overlapping of upper Palakmati tank project command area
130.	Lokipar	Narsinghpur	2.02	0	0	0	0	0	121	Due to overlapping with major project (RABLS)
131.	Girota	Indore	3.30	0	3.10	0	0	0	142	Submergence of Gambhir dam
	<b>Total</b>		<b>3277.8</b>	<b>93.319</b>	<b>175.68</b>	<b>126.097</b>	<b>113.72</b>	<b>12.458</b>	<b>43343</b>	

**Appendix 2.48**  
(Reference: Paragraph 2.5.7.1, Page 98)  
**Statement showing less utilisation of irrigation potential**

(₹ in lakh)

Sl. No.	Name of scheme	Name of division	Total expenditure	Irrigation potential (in ha)					Expenditure on PIM					Maintenance cost					
				Desig ned	Utilised					06-07	07-08	08-09	09-10	10-11	06-07	07-08	08-09	09-10	10-11
					06-07	07-08	08-09	09-10	10-11										
1.	Jormi	Neemuch	30.73	789	150	130	0	0	0	0	0	0	0	0	0	0.51	0	0	0.11
2.	Rajpura	Neemuch	24.96	120	20	35	0	0	0	0	0	0	0	0	0.02	0.15	0	0	0.03
3.	Antri	Neemuch	176.43	524	45	140	50	0	40	0	0	0	0	0	0.02	0.34	0.02	0	0.43
4.	Karnpura	Neemuch	60.96	206	23	40	5	0	0	0	0	0	0	0	0.39	0.12	0.04	0.06	0.09
5.	Champakhedhi	Vidisha	140.29	243	0	0	0	40	0	0	0	0	0	0	0	0	0.25	1.61	0
6.	Satpada	Vidisha	125	911	130	0	12	108	0	0	0	0	0	0	0.22	1.23	2.45	1.82	0
7.	Ponia	Vidisha	15.44	952	65	0	8	21	0	0	0	0	0	0	0.37	0.88	0.28	2.65	0.16
8.	Ekoda	Vidisha	6.83	384	0	31	0	111	0	0	0	0	0	0	0.23	1.14	2.10	5.11	0
9.	Chhulheta	Vidisha	106.63	122	0	0	4	59	0	0	0	0	0	0	0	1.23	2.19	0.95	0
10.	Kaliasote	Raisen	2.66	405	35	36	13	24	12	0.26	0.26	0.26	0.24	0.26	3.57	9.43	6.44	0.98	0.28
11.	Majuskalan	Raisen	1.77	243	60	100	166	73	77	0.16	0.18	0.17	0.16	0.18	4.79	5.68	5.8	2.35	1.06
12.	Palakmati	Raisen	2.20	263	120	148	177	125	121	0.38	0.35	0.35	0.32	0.35	8.77	6.02	4.52	5.73	2.34
13.	Majuskhurd	Raisen	62.46	210	0	26	56	14	32	0.22	0.22	0.21	0.20	0.22	5.34	4.24	3.65	6.8	1.32
14.	Pagneshwar	Raisen	311.08	1740	295	196	234	250	219	1.74	1.44	1.44	1.30	1.54	30.24	12.67	29.84	15.09	13.57
15.	Narmada	Khargone	9.99	40	7	10	10	10	6	0	0	0	0	0	0	0	0	0	0
16.	Hinota	Satna	50.02	273	41	20	31	20	16	0	0	0	0	0	0.95	2.70	3.61	1.68	0
17.	Kotar	Satna	60.08	400	09	0	32	0	0	0	0	0	0	0	1.49	0.98	2.69	0.49	0
18.	Kajghawa	Satna	94.51	510	0	122	157	31	30	0	0	0	0	0	0	0	0	0	0
19.	Gopad	Singroli	1613	5658	1300	1374	810	1092	1214	0	0	0	0	0	0	8.09	50.06	38.73	6.93
20.	Chandwar	Singroli	5.56	243	20	20	0	1	5	0	0	0	0	0	0	0.93	0.05	2.57	0.10
21.	Musreli	Raghogarh	180.35	518	0	139	255	0	210	0	0	0	0	0	0.19	0.19	0.19	0.19	0.19
22.	Ghatakhedhi	Raghogarh	33.92	324	0	0	42	0	54	0	0	0	0	0	0.19	0.19	0.19	0.19	0.19
23.	Bhamavadh	Raghogarh	38.00	243	0	33	66	0	89	0	0	0	0	0	0	0	0	0	0
24.	Ramnagar	Sehore	63.74	102	75	35	0	11	11	0.08	0.08	0.08	0.08	0.08	2.59	1.27	0.44	0.98	0.93

Sl. No.	Name of scheme	Name of division	Total expenditure	Irrigation potential (in ha)					Expenditure on PIM					Maintenance cost					
				Desig ned	Utilised				06-07	07-08	08-09	09-10	10-11	06-07	07-08	08-09	09-10	10-11	
					06-07	07-08	08-09	09-10											10-11
25.	Bagwada	Sehore	157.25	183	82	75	0	17	15	0.15	0.15	0.15	0.15	0.15	1.95	0.87	0.57	1.81	3.23
26.	Gwadiya	Sehore	215.31	304	140	60	0	0	140	0.24	0.24	0.24	0.24	0.24	3.50	4.78	0.81	2.63	2.12
27.	Dhamantodi	Bhopal	70.51	235	0	0	50	75	52	0.192	0.192	0.192	0.192	0.192	0	0	0	0	0
28.	Patra	Bhopal	73.50	220	120	100	30	62	35	0.226	0.226	0.226	0.226	0.226	0	0	0	0	0
29.	Intkhedi	Bhopal	1.92	356	140	75	0	75	0	0.334	0.334	0.334	0.334	0.334	0	0	0	0	0
30.	Jaitpur	Nagsinghpur	1.41	73	06	10	06	09	12	0.073	0.073	0.073	0.073	0.073	0	1.08	0.21	2.29	0.276
31.	Patha	Nagsinghpur	68.69	162	0	28	20	13	10	0.162	0.162	0.162	0.162	0.162	10.01	2.89	1.56	7.85	2.68
32.	Shreenagar	Nagsinghpur	16.28	138	08	13	13	05	0	0.138	0.138	0.138	0.138	0.138	1.69	0.63	0	1.53	1.364
33.	Bamhori	Nagsinghpur	0.41	109	06	05	10	12	0	0.109	0.109	0.109	0.109	0.109	0	0.58	0	0.47	0.069
34.	Gorkhpur	Nagsinghpur	57.25	162	0	35	20	12	24	0.162	0.162	0.162	0.162	0.162	4.97	3.92	1.63	7.53	2.75
35.	Dasniyadana	Betul	8.25	60	02	0	0	10	0	0	0	0	0	0	0	0.62	0	0	0
36.	Mahendrawadi	Betul	7.74	48	04	0	0	12	0	0	0	0	0	0	0	0.62	0	0	0
37.	Juawadi	Betul	15.58	48	0	0	0	14	0	0	0	0	0	0	0	0.62	0	0	0
38.	Narmada	Mandla	166.00	690	14	42	30	8	0	0	0	0	0	5.02	6.84	11.02	2.92	0.33	
															<b>22.93</b>	<b>0</b>	<b>7.77</b>	<b>2.89</b>	
39.	Saliwara	Mandla	98.72	340	0	48	46	22	21	0	0	0	0	3.44	2.94	4.24	0.60	0.20	
															<b>15.21</b>	<b>0</b>	<b>3.72</b>	<b>1.27</b>	
40.	Jhirpa	Chhindwara	168.50	462	131	171	140	70	91	0.44	0.09	0.56	0.09	0.63	3.19	8.35	6.95	0	0
															<b>19.67</b>	<b>20.58</b>	<b>21.58</b>	<b>16.70</b>	
41.	Rangari	Chhindwara	9.68	202	34	0	0	0	0	0.13	0.19	0.10	0	0.21	0	1.84	0	0	0
42.	Saori	Chhindwara	0.58	48	13	0	0	0	0	0	0.18	0	0.22	0.13	0	1.98	0	0	0
43.	Bangaon	Chhindwara	25.00	102	16	0	0	0	0	0.015	0.018	0.018	0	0	0	1.26	0	0	0
44.	Ganjpura	Dewas	9.60	389	30	35	0	0	0	0	0	0	0	0	1.19	7.99	0.68	0.84	0.19
45.	Dehri	Dewas	24.93	199	0	0	0	0	0	0	0	0	0	0	0.78	8.74	0.50	0.37	0.10
46.	Araniya	Dewas	27.33	96	0	0	0	0	0	0	0	0	0	0	0.43	3.97	1.01	0.97	0.05
47.	Bhindota	Indore	7.10	162	5	25	0	25	0	0	0	0	0	0	0	2.36	0	0	0
48.	Noulana	Indore	18.73	65	166	144	0	120	160	0	0	0	0	0	0	3.39	0	0	0
49.	Maidat	Indore	3.86	121	120	65	0	184	180	0	0	0	0	0	0	2.05	0	0	0
	<b>Total</b>		<b>4470.74</b>	<b>20397</b>	<b>3432</b>	<b>3566</b>	<b>2493</b>	<b>2735</b>	<b>2876</b>	<b>5.211</b>	<b>4.794</b>	<b>4.974</b>	<b>4.396</b>	<b>5.386</b>	<b>95.54</b>	<b>184.12</b>	<b>164.57</b>	<b>150.86</b>	<b>61.949</b>

**Appendix 2.49**  
**(Reference: Paragraph 2.5.7.1, Page 98)**  
**Statement showing details regarding excess expenditure on repair and maintenance of LIS**

(₹ in lakh)

Sl. No.	Name of scheme	Name of division	Irrigation potential (ha)	Total expenditure	Maintenance cost					Expenditure through PIM					Total Expenditure	Admissible expenditure (₹ 100 per ha per year)	Excess expenditure
					2006-07	2007-08	2008-09	2009-10	2010-11	2006-07	2007-08	2008-09	2009-10	2010-11			
1.	Patehra	Rewa	606	33.17	1.88	1.92	3.75	2.49	0	0	0	0.56	0.52	0.52	11.64	3.03	8.61
2.	Mohra	Rewa	3158	87.9	4.94	7.44	6.43	7.78	0.07	0	0	2.07	1.91	1.91	32.55	15.79	16.76
3.	Barauly	Rewa	1858	54.17	3.35	4.08	5.78	6.07	0.05	0	0	1.12	1.12	1.20	22.77	9.29	13.48
4.	Garha	Rewa	2958	74.8	3.46	6.37	5.88	7.13	0.41	0	0	1.73	1.6	1.6	28.18	14.79	13.39
5.	Jawa	Rewa	4480	96.2	6.57	7.67	9.02	11.07	0.06	0	0	2.77	2.56	2.56	42.28	22.4	19.88
6.	Chandi	Rewa	3553	60.7	5.07	6.54	8.87	11.94	0.03	0	0	2.49	2.3	2.3	39.54	17.765	21.775
7.	Manikwar	Rewa	122	1.1	1.4	1.92	2.44	2.74	0.05	0	0	0.1	0.09	0.09	8.83	0.61	8.22
8.	Khadda	Rewa	223	30.27	9.55	4.08	10.45	10.92	0.5	0	0	0.16	0.15	0.15	35.96	1.115	34.845
9.	Mehmoodpur	Rewa	283	59.72	1.31	3.47	1.26	0	0	0	0	0.14	0.06	0	6.24	1.415	4.825
10.	Prokhar	Rewa	243	5.06	2.6	8.79	10.8	8.14	3.27	0	0	0.17	0.16	0.16	34.09	1.215	32.875
11.	Silpara	Rewa	227	17.9	2.57	0.83	10.46	8.2	2.24	0	0	0.16	0.15	0.15	24.76	1.135	23.625
12.	Godaha	Rewa	606	23.72	8.74	7.56	8.98	1.01	2.44	0	0	0.3	0.28	0.28	29.59	3.03	26.56
13.	Bidaha	Rewa	405	20.79	5.96	7.02	13.85	13.11	0.078	0	0	0.18	0.17	0.17	40.538	2.025	38.513
14.	Sengari	Rewa	61	1.6	2.48	1.48	0.17	0.43	0	0	0	0.05	0.04	0.04	4.69	0.305	4.385
15.	Mohana	Rewa	61	1.43	1.64	0.52	0.09	0.17	0	0	0	0.05	0.04	0.04	2.55	0.305	2.245
16.	Rupauli Kariyari	Rewa	304	15.47	5.95	2.71	2.57	0.78	0	0	0	0.09	0.08	0.08	12.26	1.52	10.74
17.	Nipaniya	Rewa	142	16.54	2.6	12.25	6.14	0.4	0.04	0	0	0.09	0.09	0.09	21.7	0.71	20.99
18.	Karaiya	Rewa	81	10.45	2.84	6.51	1.03	1.44	0	0	0	0.06	0.06	0.06	12	0.405	11.595
19.	Amirity	Rewa	243	5.08	2.36	4.58	6.64	12.37	0	0	0	0.17	0.16	0.16	26.44	1.215	25.225
20.	Maa Rewa	Khargone	50	14.18	0	3.99	0	2.23	0	0	0	0	0	0	6.22	0.25	5.97
21.	Pipaldagri	Dhar	710	321.45	6.71	2.38	0	0	0	0	0	0	0	0	9.09	3.55	5.54
22.	Beerakhedi	Raghogarh	646	20.52	0.13	1.29	0.13	0.76	0.46	0.86	0.86	0.86	0.86	0.86	7.07	3.23	3.84
23.	Gondalpur	Raghogarh	323	49.51	0.13	1.29	0.13	0.76	0.46	0	0	0	0	0	2.77	1.615	1.155
24.	Tumankhedi	Raghogarh	130	28.56	0.13	1.29	0.13	0.76	0.46	0	0	0	0	0	2.77	0.65	2.12
25.	Semra Khurd	Raghogarh	170	37.13	0.13	1.29	0.13	0.76	0.46	0	0	0	0	0	2.77	0.85	1.92

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Sl. No.	Name of scheme	Name of division	Irrigation potential (ha)	Total expenditure	Maintenance cost					Expenditure through PIM					Total Expenditure	Admissible expenditure (₹ 100 per ha per year)	Excess expenditure
					2006-07	2007-08	2008-09	2009-10	2010-11	2006-07	2007-08	2008-09	2009-10	2010-11			
26.	Dehri Kalan	Raghogarh	142	55.29	0.13	1.29	0.13	0.76	0.46	0	0	0	0	0	2.77	0.71	2.06
27.	Ikodia	Raghogarh	81	36.14	0.13	1.29	0.13	0.76	0.46	0	0	0	0	0	2.77	0.405	2.365
28.	Russia	Raghogarh	120	45.48	0.12	1.29	0.12	0.76	0.46	0	0	0	0	0	2.75	0.6	2.15
29.	Bhamakheda	Indore	155	4.5	0	2.46	2.04	0	0	1.50	1.50	1.50	1.50	1.50	12	0.775	11.225
30.	Limbodapar	Indore	360	80.00	0	0	0	0	0	1.50	1.50	1.50	1.50	1.50	7.5	1.8	5.7
31.	Girota	Indore	142	3.30	0	3.10	0	0	0	1.48	1.48	1.48	1.48	1.48	10.5	0.71	9.79
32.	Asawati	Ratlam	303	61.42	0	5.89	0	0	0	0	0	0	0	0	5.89	1.515	4.375
33.	Mankameshwar	Ratlam	264	10.5	0	10.25	0	0	0	0	0	0	0	0	10.25	1.32	8.93
34.	Jolpura	Ratlam	220	4.95	0	2.3	0	0	0	0	0	0	0	0	2.3	1.1	1.2
35.	Mazodiyi	Ratlam	132	5.0	0	2.3	0	0	0	0	0	0	0	0	2.3	0.66	1.64
36.	Kanadiya	Ratlam	280	29.1	0	6.47	0	0	0	0	0	0	0	0	6.47	1.4	5.07
37.	Arniya	Ratma	100	2.41	0	2.1	0	0	0	0	0	0	0	0	2.1	0.5	1.6
38.	Shaktidhar	Chhindwara	41	2.31	0	2.7	0	0	0	0	0	0	0	0	2.7	0.205	2.495
39.	Shahpura	Chhindwara	81	4.69	0	2.59	0	0	0	0	0	0	0	0	2.59	0.405	2.185
40.	Goranghat	Chhindwara	49	3.07	0	2.94	0	0	0	0	0	0	0	0	2.94	0.245	2.695
41.	Polia	Chhindwara	202	31.35	0	0.99	0	0	0	0	0	0	0	0	0.99	1.01	-0.02
42.	Hirankhedi	Chhindwara	101	3.27	0	2.65	0	0	0	0	0	0	0	0	2.65	0.505	2.145
43.	Mayawadi	Chhindwara	81	0.81	0	3.27	0	0	0	0	0	0	0	0	3.27	0.405	2.865
44.	Kundali kalan	Chhindwara	48	2.99	0	1.59	0	0	0	0	0	0	0	0	1.59	0.24	1.35
45.	Harrai	Chhindwara	81	2.99	0	1.93	0	0	0	0	0	0	0	0	1.93	0.405	1.525
46.	Basuria	Chhindwara	40	2.9	0	2.24	0	0	0	0	0	0	0	0	2.24	0.2	2.04
47.	Rajdoh	Chhindwara	141	15.22	0	2.32	0	0	0	0	0	0	0	0	2.32	0.705	1.615
48.	Bisapur	Chhindwara	40	3.44	0	2.71	0	0	0	0	0	0	0	0	2.71	0.2	2.51
49.	Khan	Ujjain	466	14	1.43	0.31	0.37	0	0	0	0	0	0	0	2.11	2.33	-0.22
50.	Sutia	Ujjain	53	0.88	0	0	0.006	0	0	0	0	0	0	0	0.006	0.265	-0.259
51.	Biharia	Ujjain	141	2.07	1.83	0	0	0	0	0	0	0	0	0	1.83	0.705	1.125
52.	Indokh	Ujjain	280	17.95	0.003	0.1	0.19	0	0	0	0	0	0	0	0.293	1.4	-1.107
53.	Mochhikheda	Ujjain	100	7.92	0.003	0	0	0	0	0	0	0	0	0	0.003	0.5	-0.497
54.	Dhablahardu	Ujjain	48	0.5	0.03	0.03	0.001	0	0	0	0	0	0	0	0.061	0.24	-0.179
55.	Parboti	Ujjain	200	6.0	1.12	0	0.47	0	0	0	0	0	0	0	1.59	1	0.59
56.	Harbakhedi	Ujjain	310	70.36	0.003	0.3	0.23	0	0	0	0	0	0	0	0.533	1.55	-1.017

Sl. No.	Name of scheme	Name of division	Irrigation potential (ha)	Total expenditure	Maintenance cost					Expenditure through PIM					Total Expenditure	Admissible expenditure (₹ 100 per ha per year)	Excess expenditure
					2006-07	2007-08	2008-09	2009-10	2010-11	2006-07	2007-08	2008-09	2009-10	2010-11			
57.	Piploda	Ujjain	243	17.13	0	0	0.19	0	0	0	0	0	0	0	0.19	1.215	-1.025
58.	Kajlana	Ujjain	70	2.30	0.19	0	0.45	0	0	0	0	0	0	0	0.64	0.35	0.29
59.	Paslod	Ujjain	160	7.28	0.47	0.19	0	0	0	0	0	0	0	0	0.66	0.8	-0.14
60.	Itwa	Ujjain	160	6.64	0.4	0.09	0	0	0	0	0	0	0	0	0.49	0.8	-0.31
61.	Birgond	Ujjain	200	18.1	2.67	0.14	5.83	0	0	0	0	0	0	0	8.64	1	7.64
62.	Dhobikhedi	Sehore	172	4.91	0	0	0	0	0	0.1	0.1	0.1	0.1	0.1	0.5	0.86	-0.36
63.	Lasudiya	Sehore	178	6.74	0.56	0.55	0.45	0	0	0.09	0.09	0.09	0.09	0.09	2.01	0.89	1.12
64.	Aroliya	Sehore	214	6.84	0.68	0.53	0.24	0	0	0.11	0.11	0.11	0.11	0.11	2	1.07	0.93
65.	Papnas	Sehore	486	2.74	0	0.07	0	0	0	0.39	0.39	0.39	0.39	0.39	2.02	2.43	-0.41
66.	Borkheda	Sehore	505	47.75	0.19	0.59	0.12	0	0	0.28	0.28	0.28	0.28	0.28	2.3	2.525	-0.225
67.	Achharohi	Sehore	526	290.01	0.86	0.84	0	0	0	0.31	0.31	0.31	0.31	0.31	3.25	2.63	0.62
68.	Pachore	Shajapur	576	32.44	0	0	0	0	0	0.4	0.4	0.4	0.4	0.4	2	2.88	-0.88
69.	Choma	Shajapur	376	25.91	0	0	0	0	0	0.23	0.23	0.23	0.23	0.23	1.15	1.88	-0.73
70.	Pipliya nagar A	Shajapur	231	5.86	0	0	0	0	0	0.18	0.18	0.18	0.18	0.18	0.9	1.155	-0.255
71.	Pipliya nagar B	Shajapur	194	5.24	0	0	0	0	0	0.19	0.19	0.19	0.19	0.19	0.95	0.97	-0.02
72.	Dhabla Dhira-A	Shajapur	172	6.97	0	0	0	0	0	0.17	0.17	0.17	0.17	0.17	0.85	0.86	-0.01
73.	Dhabla Dhira-B	Shajapur	194	7.02	0	0	0	0	0	0.19	0.19	0.19	0.19	0.19	0.95	0.97	-0.02
74.	Soyat Khurd	Shajapur	1003	24	0	0	0	0	0	0.63	0.63	0.63	0.63	0.63	3.15	5.015	-1.865
75.	Rawali	Shajapur	425	17.71	0	0	0	0	0	0.26	0.26	0.26	0.26	0.26	1.3	2.125	-0.825
76.	Pithapura	Shajapur	81	2.92	0	0	0	0	0	0.08	0.08	0.08	0.08	0.08	0.4	0.405	-0.005
77.	Dewra	Satna	423	56.01	0	0	0	0	0	0.49	0.49	0.49	0.49	0.49	2.45	2.115	0.335
78.	Tala	Satna	70	8.28	0	0	0	0	0	0.18	0.18	0.18	0.18	0.18	0.9	0.35	0.55
	<b>Total</b>		<b>33104</b>	<b>2221.03</b>	<b>93.319</b>	<b>175.6</b>	<b>126.097</b>	<b>113.7</b>	<b>12.45</b>	<b>9.62</b>	<b>9.62</b>	<b>22.08</b>	<b>21.16</b>	<b>21.18</b>	<b>604.954</b>	<b>165.52</b>	<b>439.434</b>

**Appendix 2.50**  
**(Reference: Paragraph 2.5.7.2, Page 99)**  
**Statement showing details of schemes completed after March 2006**

(₹ in lakh)

Sl. No.	Name of scheme	Name of division	Total expenditure	Irrigation potential (in ha)						Expenditure on PIM						Maintenance cost					Reasons			
				Designed	Utilised					06-07	07-08	08-09	09-10	10-11	06-07	07-08	08-09	09-10	10-11					
					06-07	07-08	08-09	09-10	10-11															
1.	Barda	Hoshangabad	298.70	354	0	130	132	160	80	0	0	0	0	0	0	0	0	0	0	5.96	5.64	6.02	11.38	Functional
2.	Majganwa	Satna	92.51	510	0	122	157	31	30	0	0	0	0	0	0	12.50	17.99	29.00	5.84	4.00			Functional	
3.	Jharbira	Harda	277.61	324	0	0	324	322	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Functional	
4.	Shahgarh	Jabalpur	120.35	466	0	0	20	40	28						0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	Functional	
5.	Silwani	Hoshangabad	221.68	366	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Electric connection	
6.	Akbarpur	Vidisha	110.37	267	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Due to insufficient water	
7.	Bhagwantpur	Vidisha	143.43	243	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
8.	Arjani	Raisen	120.83	140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.04		
9.	Parkhedi	Raisen	37.89	180	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
10.	Magrora	Satna	103.57	421	0	0	0	0	0	0	0	0	0	0	12.00	16.00	20.99	5.00	4.00			4.00	Theft of transformer in 08-09	
11.	Tejakhedi	Raghogarh	112.07	368	0	0	0	0	0	0	0	0	0	0	0.13	1.29	0.12	0.76	0.45					Due to insufficient water
12.	Gangapura	Raghogarh	114.20	249	0	0	0	0	0	0	0	0	0	0	0.13	1.29	0.12	0.76	0.45					
13.	Dehri	Raghogarh	134.91	425	0	0	0	0	0	0	0	0	0	0	0.13	1.29	0.12	0.76	0.45					
14.	Rusalikalan	Raghogarh	26.69	100	0	0	0	0	0	0	0	0	0	0	0.13	1.29	0.12	0.76	0.45					
15.	Maloni	Raghogarh	134.17	324	0	0	0	0	0	0	0	0	0	0	0.13	1.29	0.12	0.76	0.45					
16.	Manadehi	Mandla	163.83	170	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	<b>Total</b>		<b>2212.81</b>	<b>4907</b>	<b>0</b>	<b>252</b>	<b>633</b>	<b>553</b>	<b>138</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25.45</b>	<b>46.70</b>	<b>56.53</b>	<b>20.96</b>	<b>21.97</b>					

(A) Expenditure on repair and maintenance of four schemes = ₹99.83 lakh  
 Admissible expenditure @ ₹100 per ha per year (1654 x 4 x 100) = ₹ 6.62 lakh  
 Excess expenditure (98.33 – 4.75) = ₹93.21 lakh  
 (B) Expenditure on repair and maintenance of 12 schemes(non-functional) = ₹71.78 lakh



## Appendix 2.51

(Reference: Paragraph 2.5.8.1, Page 100)

Statement showing the position of excess expenditure over administrative approval

(₹ in lakh)

Sl. No.	Name of scheme	Name of division	Amount of AA	Expenditure incurred	Excess over AA
1.	Hirri Chapara	Seoni	17.71	27.76	10.05
2.	Sarai Tola	Banjer River	16.19	18.55	2.36
3.	Sukri	Hiran WR Jabalpur	16.95	85.37	68.42
4.	Shahgarh	Hiran WR Jabalpur	22.33	120.35	98.02
5.	Kanwla	Gandhisagar	39.18	537.20	498.02
6.	Raipuria	Gandhisagar	49.98	155.52	105.54
7.	Arjani	Raisen	24.82	115.03	90.21
8.	Parkhedi	Raisen	24.50	37.89	13.39
9.	Hardua	Raisen	24.23	112.49	88.26
10.	Tejakhedi	Raghogarh	46.55	112.07	65.52
11.	Gangapura	Raghogarh	42.70	124.20	81.50
12.	Dehri	Raghogarh	109.79	134.91	25.12
13.	Malono	Raghogarh	83.43	134.17	50.74
14.	Tharka	Mandla	24.18	161.40	137.22
15.	Manadehi	Mandla	23.84	163.18	139.34
		<b>Total</b>	<b>566.38</b>	<b>2040.09</b>	<b>1473.71</b>

**Appendix 2.52**

(Reference: Paragraph 2.5.8.3, Page 101)

**Statement showing the details of excess payment on account of price variation**

Name of LIS	Agt. No.	Qty. (MT)	Base rate (per MT)	Escalation paid			Escalation payable			Excess payment
				Base rate	Difference	Amount	Base rate	Difference	Amount	
Chambal	01/2007-08	922.608	25200 (09/2006)	52200	27000	24910416	34500	9300	8580254	16330162
Teonthar	01/2008-09	2377.43	24100 (12/2007)	53800	29700	70094000	29000	4900	11649407	58444593
Banetha	146/2007-08	696.73	25350 (09/2006)	52200	26850	18707201	34500	9300	6479589	12227612
		232.24	51200	25850	6003404	32000	6800	1579232	4424172	
	323/2008-09	247.14	24100 (12/2007)	45200	21100	5214654	29000	4900	1210986	4003668
						<b>Total</b>			<b>29499468</b>	<b>95430207</b>

**Appendix-2.53**

(Reference: Paragraph 2.5.8.5, Page 103)

**Statement showing the details regarding non recovery of liquidated damage**

(₹ In lakh)

Sl. No.	Name of work	Agt. No	Estimated cost of work	last date of completion	Work done	Cost of Balance work	Delay in days	Rate of LD	LD
1	Const. of Jack well	01/08-09	51.02	31.8.08	39.74	11.28	1033	@ 8 per cent maximum	4.08
2	Supply Erection of V.T.pumps	6/08-09	141.25	22.2.09	126.86	14.39	859		11.30
3	P/E of M.S.pipe	07/08-09	455.80	22.8.09	265.45	190.35	677		36.46
4	Const.of canal 0 to 5790 M RD	40/08-09	196.87	1.3.10	141.33	55.04	487		17.05
5	RD5790 M to 9300 M	41/08-09	103.72	1.3.10	22.37	80.85	487		24.80
6	Const.of V.R B	32/09-10	27.49	16.2.11	14.45	25.79	135		8.30
7	Const.of canal E/W lining of minor 1&2and sub minor No. 1 of Mardanpur Canal	33/09-10	88.81	16.2.11	1.72	87.09	135		7.10
<b>Total</b>									<b>109.09</b>
<b>B-Banetha LIS</b>									
8	Rising main of Banetha LIS	146/07-08	1250.41	19.12.08	1151.10	99.31	924		100.03
9	VT pump of Banetha LIS	72/09-10	179.49	05.04.10	118.58	60.91	453		14.29
<b>Total</b>									<b>114.32</b>
<b>Grand Total</b>									<b>223.41</b>

**Appendix 3.1**  
**(Reference: Paragraph 3.1.4.2, Page 113)**  
**Statement showing extra expenditure due to excess execution of granular sub-base**

Thickness of GSB laid taking sub-grade with CBR 2 per cent (in mm)		Thickness of GSB required for sub-grade with CBR 7 per cent (in mm)		Excess thickness (mm)		Quantity of GSB required for 19.5 km (in cu m)	Qty. of GSB actually paid (in cu m)	Excess quantity (in cu m)	Rate (in ₹)	Tender percentage	Excess payment (in ₹)
Existing portion	Widened Portion	Existing portion	Widened Portion	Existing Portion	Widened Portion						
165	435	Nil	150	165	285	2148.75	29014.26	26865.51	387	(-) 11%	92,53,288

**Appendix 3.2**  
(Reference: Paragraph-3.1.5, Page 114)  
**Statement showing details of extra expenditure in construction of field channels**

Construction of W/C & F/C Village	Name of Contractor	Vr. No.	Amount paid	Quantity of CC lining in RM	Rate paid	Rate Payable	Difference in cost	Extra cost
Navgoan	A.K Harinkhede	01/03.11.08	507500	812	812	518 <sup>1</sup>	294	238728
Alejhari	Talkram Thakare	01/03.10.08	625000	1000	625	344	281	281000
Navegoan	Deelan singh Bhagat	7/07.10.08	2707906	2635	812	518	294	774690
Mendki	Vijay Tembare	08/---do--	2626326	3900	625	344	281	1095900
Lalpur	Raju Bokade	09/---do---	2208960	1935	812	518	294	568890
Sikanlra	-----do-----	10/---do---	4077373	2975	812	518	294	874650
Alejhari	Tilakram Thakare	20/--do---	1476800	2230	625	344	281	626630
Murmadi	Adeep Mesharam	21/---do--	625000	1000	625	344	281	281000
Thanegoan	Dilan singh Bhagat	31/--do--	4178908	4321	812	518	294	1270374
Bandi	Sunil Bisen	82/--do--	625000	51000	625	344	281	281000
Pipariya	Raju Bokade	121/25.10.08	459250	550	812	518	294	161700
Murmadi	Adeep Meshram	123/--do--	875000	1400	625	344	281	393400
Lendijhari	Mijhen lal shende	01/03.09.08	1076113	1560	542	405	137	213720
Maharajpur	Sunil Bisen	82/22.09.08	1134269	1720	625	344	281	483320
Mehdoli	Mattharlal Thende	112/29.09.08	1819814	2763	542	405	137	378531
Rangotola	Anand Lihare	117/25.08.08	1481178	1400	812	518	294	411600
Jagpur	-----do-----	118/--do---	1700145	1740	812	518	294	511560
Dahigadawa	Darshalal Nagpure	124/08.08.08	339484					0
Kayadi	Smt Lekha Pardi	49/11.08.08	2983636	2750	812	518	294	808500
Dini	Mittanlal Shenday	324/11.08.08	1957818	2690	812	518	294	790860
Pipariya	Ashok Hirankhede	328/--do--	2742393	3190	625	344	281	896390
Jhargoan	Raju Bokade	329/27.06.08	1712282	1250	812	518	294	367500
---do---	---do---	332/--do--	4530497	3375	812	518	294	992250
Mangi Hari	Mittanlal Shenday	334/27.06.08	1967324	2042	812	518	294	600348

<sup>1</sup> Based on rate analysis as indicated in Appendix -3.2 A

Construction of W/C & F/C Village	Name of Contractor	Vr. No.	Amount paid	Quantity of CC lining in RM	Rate paid	Rate Payable	Difference in cost	Extra cost
Garra	Dilan Singh Bhagat	335/--do---	4079338	6189	542	405	137	847893
Garra	----do----	336/---do---	1322915	929	812	518	294	273126
Devgoan	B P Dubey	364/30.06.08	1478509	630	812	518	294	185220
Manda	----do---	365/--do--	564709	500	625	344	281	140500
Baghmara	---do---	366/--do---	2333248	1250	542		137	171250
Devgoan	Anand Lihare	367/---do--	1429198	800	812	518	294	235200
Kohaka	Meshram	368/--do--	550197	560	625	344	281	157360
Rattapaily	B P Dubey	94/07.07.08	1212669	665	542		137	91105
Mohgoan Kala	Dilan Singh Bhagat	154/21.07.08	1428638	1069	812	518	294	314286
---do---	B P Dubey	216/29.07.08	2218311	1478	812	518	294	434532
Tiwodikala	Darshanlal Nagpure	217/--do--	426975	452	625	344	281	127012
Hatta	--do--	218/--do--	301618			344		0
Mohgoan Kala	Raju Bokade	219/--do--	1119990	1167	625	344	281	327927
Mangoli khurd	---do---	220/30.07.08	1803193	1794	625	344	281	504114
Sarad	Anand Lillahare	529/30.03.08	1001778	526	542	405	137	72062
Jhadgoan	Raju Bokade	531/--do--	2795270	2500	812	518	294	735000
Devgoan	Dilan Singh	532/--do--	791223	929	812	518	294	273126
Khodsemi	Darshanlal Nagpure	533/--do---	1627290	2263	542	405	137	310031
Kasapur	Mittal Lal Shandy	201/25.02.08	2016594	2825	542	405	137	387025
Lendejhari	---do----	01/01.01.08	1016239	1560	542	405	137	213720
Palhri	Raju Bokade	46/04.10.07	1019154	853	542	405	137	116861
		<b>Total</b>	<b>74975032</b>	<b>77177</b>				<b>19219891</b>

**Appendix 3.2 A**  
**(Reference: Appendix 3.2, Page 256)**  
**Statement showing comparative cost of providing and**  
**laying pre cast CC lining and NP2 RCC half round hume pipe**

Pre-cast CC Lining					NP2 RCC half round hume pipe			
S. No.	Item	Qty.	Rate	Amount	Item	Qty.	Rate	Amount
1.	Supply of PCC pre-cast one meter long lining with all lead and cost of all pre-casting material	1Meter	345	345	Supply of half round RCC pipe (N2) 450 mm dia. Incl. taxes and cartage.	1 M. Long	329.63	329.63
2.	Excavation in hard soil including 50 m lead and 1.50 meter lift with dressing	0.47 cu m	23	10.81	Excavation in hard soil including 50 m lead and 1.50 meter lift with dressing	0.47 cu m	23	10.81
3.	Filling of moorum (hard moorum)	0.105	27	2.83	Filling of moorum (hard moorum)	0.105	27	2.83
4.	Stacking and boxing of moorum	0.105	5.90	0.61	Stacking and boxing of moorum	0.105	5.90	0.61
5.	Moorum filling for sub base with dressing	0.105	14.90	1.56	Moorum filling for sub base with dressing	0.105	14.90	1.56
6.	Excavation in hard soil including 50 meter lead	2.96	7.50	22.20	Excavation in hard soil including 50 meter lead	2.96	7.50	22.20
7.	Compaction of earth work by non-power roller	0.296	7.00	2.07	Compaction of earth work by non-power roller	0.296	7.00	2.07
8.	Transportation of material from quarry to road site				Transportation of material from quarry to road site			
(i)	Pre-cast lining place to road with in 10 km. radius	1	29.00	29.00	Pre-cast lining place to road with in 10 km. radius	1	29.00	29.00
(ii)	Pre-cast lining from road site to fixation place one km lead	1	51.00	51.00	Pre-cast lining from road site to fixation place one km lead	1	51.00	51.00
(iii)	Moorum from local quarry lead 12 km	0.105	126.09	13.23	Moorum from local quarry lead 12 km	0.105	126.09	13.23
(iv)	Cement from Balaghat lead 25 km			15.00	Cement from Balaghat lead 25 km			15.00
	Cost of CC pre-cast lining			493.4	Cost of half round RCC hume pipe.			477.94
	Add 5 per cent contingency			24.67	Add 5 per cent contingency			23.90
	<b>Total cost of CC pre-cast lining</b>			<b>518.07</b>	<b>Total cost of lining with RCC half round NP 2 hume pipes</b>			<b>501.83</b>

**Appendix 3.3**  
**(Reference: Paragraph 3.1.6, Page 115)**

**Statement showing extra cost due to higher specification in canal lining**

<b>WR Dn Shajapur-Para-2(05.10.09 to 14.10.09)</b>					
<b>Agt.No./ Contractor</b>	<b>Last paid Vr. No./date</b>	<b>Qty paid for 75 mm thick c.c. lining(in cu m)</b>	<b>Qty payable for 60 mm thick lining (in cu m)</b>	<b>Extra Qty.</b>	<b>Extra cost</b>
		<b>A</b>	<b>B</b>	<b>(A-B)</b>	
16/06-07	30/13.07.09(10 <sup>th</sup> R.Bill)	4427.26	$4427.26 \times 0.60 / 0.75 = 3541.90$	885.45	$885.45 @ 2983 = 2641297.00$
<b>Pipariya Branch Canal Dn. Sohagpur-Para-1(B)-(24.01.09 to 04.02.09)</b>					
04/07-08/S.K.Jain	17th RA 12/22.05.11	9298.06	$8107.05 \times 0.60 / 0.75 = 6485.64$ $1191.11 \times 0.60 / 0.75 = 952.88$	1621.41 238.23	$1621.41 @ 3790 = 6145144$ $238.23 @ 2672 = 636551$
03/07-08/ S.K. Jain	09th RA 08/17.06.11	6927.30	$5663.02 \times 0.60 / 0.75 = 4530.41$ $1264.78 \times 0.60 / 0.75 = 1011.82$	1132.61 252.96	$1132.61 @ 4000 = 4530440$ $252.96 @ 2616 = 661743$
02/07-08/Govind Const.	10th RA 10/21.06.11	2487.71	$2487.71 \times 0.60 / 0.75 = 1990.16$	497.55	$497.55 @ 3550 = 1766303$
01/07-08/Banco Const.	8th RA 05/22.12.09	2514.72	$2514.72 \times 0.60 / 0.75 = 2011.36$	503.36	$503.36 @ 3500 = 1761760$
<b>Rockfill Dam Dn. Deolond – Para(i)-(30.04.08 to 12.05.08)</b>					
4/04-05/Vijay mishra	593/29.02.08	21965.136	$21965.136 \times 0.60 / 0.75 = 17572.108$	4393.03	$4393.03 @ 1890 = 83,02,827.00$
				<b>Total</b>	<b>2,64,46,065</b>

**Appendix 3.4**

(Reference: Paragraph 3.1.8, Page 117)

**Statement showing undue financial aid to contractors due to non deduction of additional security for unbalanced rate items**

S.No.	Period of Audit	Para No	Agt. No.	Name of Unit	Contract amount	Latest bill paid vide Vr. No.	Amount (₹ in lakh)	Amount for undue financial aid(₹ in lakh)	Loss to Government(₹ in lakh)
1.	23.03.09 to 01.04.09	1(1)	1/06-07	EE, Bariarpur LBC Dn. Chhatarpur	332.92	56/31.03.2009	302.96	44.74	
2.	21.04.08 to 29.04.08	02	1/06-07	EE Mahan Canal Dn. Sidhi	445.11	179/29.03.2008	722.75	89.27	
3	11.01.10 to 22.01.10	2.2	2/07-08	EE WR Dn. Dindori	380.68	1/1. 1. 2010	522.16	96.38	
4	23.02.10 to 05.03.10	1(2)	48/06-07	EE G. S. Dam Dn. Gandhi Sagar	154.69	42/24.08.09	154.77	73.86	
5	03.05.10 to 13.05.10	01	01/09-10	EE Mahi Project Dn. Petlawad	4197.00	04/31.03.10	1858.91	133.37	
6	10.06.09 to 19.06.09	1.1	2/06-07 3/06-07	EE WR Dn. No.1 Sagar	98.25 76.78		24.62 58.34	-- --	2.96 4.76
7	22.06.09 to 29.06.09	02	28/06-07	EE WR Dn. Agar	565.25	5/23.04.09	260.06	63.35	
8	07.02.11 to 17.02.11	1.3	1/10-11	EE WR Dn. Burhanpur	274.44	134/31.03.10	206.57	31.62	
9	20.06.11 to 28.06.11	01 03 05	12/09-10 25/06-07 21/08-09	EE Sanjay Sagar(Bah) Project Dn. Ganjbasoda	5207.00 5242.27 789.73	13/16.05.11 42/31.05.11 63/31.05.11	3474.43 3805.42 231.28	352.64 46.78 11.92	
10	31.01.08 to 08.02.08	01	01/01-02	EE Mahi Project Dn. Labaria,Dhar	619.44	24/31.05.06	465.72	---	30.13
11	18.12.09 to 31.12.09	01(a)	09/07-08	EE WR Dn. Damoh	233.21	04/ 5.5.09	150.15	---	29.84
	Total		14 cases					943.93	67.69



**Appendix-3.5**  
**(Reference: Paragraph 3.2.1, Page 118)**  
**List of split up purchase orders**

<b>Date</b>	<b>Number of purchase order</b>	<b>Amount in ₹</b>
11.01.07	33	2997700
12.01.07	20	1800500
13.01.07	6	560000
14.01.07	30	2703600
15.01.07	8	745100
16.01.07	5	444100
17.01.07	5	462200
18.01.07	4	370200
19.01.07	8	648200
19.04.07	2	191180
20.01.07	9	830700
21.01.07	9	838200
22.01.07	8	742200
23.01.07	5	466200
24.01.07	7	646200
25.01.07	6	557100
26.01.07	3	277100
26.11.06	2	144000
27.01.07	2	181100
27.11.06	2	144000
28.01.07	3	217700
28.11.06	2	144000
29.01.07	3	205800
03.01.07	7	649100
30.01.07	9	664050
04.01.07	2	184000
18.04.07	2	191590
<b>Total</b>	<b>202</b>	<b>18005820</b>

**Appendix- 3.6**  
**(Reference: Paragraph 3.2.1, Page 118)**  
**Difference between the rate of M.P.Rajya Sahkari Upbhokta Sangh Maryadit and Laghu Udhyog Nigam**  
*(Amount in ₹)*

Sr. No.	Name of equipment	Bill no./Date of M.P.Rajya Sahkari Upbhokta Sangh maryadit	Numbers of equipments	Rate of M.P.Rajya Sahkari Upbhokta Sangh Maryadit (per unit of item)	Total cost (including 4 per cent VAT)	Rate of Madhya Pradesh Laghu Udhyog Nigam (per unit of item)	Total cost (including 4 per cent VAT)	Difference of Cost
1	2	3	4	5	6	7	8	9 (6-8)
1	IV CANULA	13131 TO 13137 DATED 18/03/2007	15000	40	624000	7.25	113100	510900
2	WEIGHING MACHINE ADULT SIZE	13153 TO 13155 DATED 28/03/07 7005 DATED 01/05/07, 7012-14 DATED 03/05/2007	432	1210	543629	375	168480	375149
3	LANSET	13151,13152 DATED 28/03/2007	48000	2.95	147264	37.30 per 100	18620	128644
4	SUCTION APPARATUS WITH ACCESSORIES	12942,12943 DATED 14/01/2007 3048 DATED 23/03/2007 3503 TO 3508 DATED 14/04/2007	41	17800	758992	5200	221728	537264
5	OPERATION TABLE	7009 DATED 02/05/2007	2	48000	99840	43157	89767	10073
6	MONOCULAR HEAD PATHOLOGICAL MICROSCOPE SUPERIOR QUALITY	3351 DATED 18/01/07 3352 DATED 19/01/07 3353 DATED 20/01/07 3354 DATED 21/01/07 3355 DATED 22/01/2007 3356 DATED 23/01/2007 3357 DATED 24/01/2007 3358 & 3359 DATED 28/01/07 3402 DATED 29/01/2007 3151 DATED 07/01/07 3152 & 3153 DATED 13/01/07 3154 DATED 15/01/07 3155 DATED	76	29700	2347488	5300	418912	1928576

Sr. No.	Name of equipment	Bill no./Date of M.P.Rajya Sahkari Upbhokta Sangh maryadit	Numbers of equipments	Rate of M.P.Rajya Sahkari Upbhokta Sangh Maryadit (per unit of item)	Total cost (including 4 per cent VAT)	Rate of Madhya Pradesh Laghu Udhog Nigam (per unit of item)	Total cost (including 4 per cent VAT)	Difference of Cost
		17/01/07 3156&3157 DATED 18/01/2007 3158 DATED 20/01/07 3159 DATED 21/01/07 3160 DATED 22/01/07 3161 DATED 23/01/2007 3162 &3163 DATED 25/01/2007 3164 DATED 26/01/2007 3401 DATED 27/01/07 3403 & 3404 DATED 28/01/2007						
7	FINGER PULSE OXYMETER SUPERIOR QUALITY Q1	3087 DATED 07/01/07 3088 DATED 15/01/07 3089 TO 3091 DATED 20/01/2007 3092 DATED 21/01/2007 3093 DATED 23/01/2007 3094&3095 DATED 25/01/2007 3096 DATED 26/01/2007 3097 & 3098 DATED 18/01/07 3406 DATED 29/01/2007 3407 DATED 30/01/2007 10301 &10302DATED 06/12/06 10308,10310,10311DATED 07/12/06 3405 DATED 29/01/07 12505 to 12510 dated 8/03/2007 12945 dated 11/01/2007 12946,12947 dated 14/01/07	51	48000	2545920	27750	1471860	1074060
8	(A) DISPOSABLE GLOVES PRE POWDERED ISI MARK	13031 TO 13043 DATED 30/01/2007 13138 TO 13150 DATED 28/03/07	200000	12	2496000	5.90	1227200	1268800
	(B) DISPOSABLE	10304 & 10306 DATED 06/12/06	48000	6	299520	5.90	294528	4992

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Sr. No.	Name of equipment	Bill no./Date of M.P.Rajya Sahkari Upbhokta Sangh maryadit	Numbers of equipments	Rate of M.P.Rajya Sahkari Upbhokta Sangh Maryadit (per unit of item)	Total cost (including 4 per cent VAT)	Rate of Madhya Pradesh Laghu Udhog Nigam (per unit of item)	Total cost (including 4 per cent VAT)	Difference of Cost
	GLOVES FREE SIZE	10309 DATED 07/12/06						
9	ELECTRO CARDIOGRAPH DIGITAL (ECG)	12944 DATED 11/01/07 13177 DATED 28/03/2007	4	35500	147680	28900	120224	27456
10	GLUCOMETER WITH ACCESSORIES PRIKER 1 NOS TEST TRIPS 25 NOS BLOOD LANCET 10 NOS	12404 DATED 08/03/2007 12501 TO 12504 DATED 08/03/2007	120	3500	436800	2250	280800	156000
11	AUTOMATIC B.P. APPARATUS	11732 TO 11736 DATED 15/01/2007 8602 to 8623 dated 08/03/07 9924 to 9938 dated 08/03/07 9940 to 9943 dated 08/03/07 8852 to 8859, 8861 to 8863, 8865, 8867, 8869, 8872 to 8886, 8888 to 8894 dated 30/01/07 13156 to 13168 dated 28/03/07 12904 dated 14/01/07 12405 dated 8/03/07	763	11500	9125480	1875	1487850	7637630
							<b>TOTAL</b>	<b>13659544</b>

**Appendix 3.7**  
**(Reference: Paragraph 3.2.3, Page 120)**  
**Kudratola Tank**

S. No	As per Muster					As per Measurement Book					Total Payable (As per MB)	Excess Paid (6 - 11)
	Muster Dated	Muster No	No of tractor days	Rate	Amount paid vide muster for tractors	Nomenclature	Quantity (cu m.)	Rate	Amount			
1	2	3	4	5	6	7	8	9	10	11	12	
1	14-02-08 - 19-02-08	140551	105	800	84000	Earth Work	530.91			51200		
	<b>Total for 140551</b>				<b>84000</b>					<b>51200</b>	<b>32800</b>	
2	20-02-08 - 26-02-08	140553	285	800	228000	Sand	440			35715		
						Earth Work	972			14400		
	<b>Total for 140553</b>				<b>228000</b>					<b>50115</b>	<b>177885</b>	
3	03-03-08 - 08-03-08	140555	66	800	52800	Water				27200		
						Puddle Earth	784			63637		
	<b>Total for 140555</b>				<b>52800</b>					<b>90837</b>		
4	09-03-08 - 14-03-08	140557	147	800	117600	Puddle Earth	464			51611		
			12	2000	24000	Water	1360			37808		
	<b>Total for 140557</b>				<b>141600</b>					<b>89419</b>	<b>52181</b>	
5	15-03-08 - 20-03-08	140559	260	800	208000	Boulders	550			96069		
			14	2000	28000	Water				9600		
	<b>Total for 140559</b>				<b>236000</b>					<b>105669</b>	<b>130331</b>	
6	23-03-08 - 28-03-08	140562	330	800	264000	Quarry Spells	562			95021		
						Water	2403.9			44424		
						Earth Work	2164			114605		
	<b>Total for 140562</b>				<b>264000</b>					<b>254050</b>	<b>9950</b>	
7	30-03-08 - 04-04-08	140924	318	800	254400	Earth Work	3608			151864		
						Water				48000		
	<b>Total for 140924</b>				<b>254400</b>					<b>199864</b>	<b>54536</b>	
8	05-04-08 - 10-04-08	140568	59	800	47200	Metal	50			7887		
						Water	0			4800		
	<b>Total for 140568</b>				<b>47200</b>					<b>12687</b>	<b>34513</b>	
	12-04-08 - 18-04-08	140572	59	800	47200	Water	0			4800		
						Metal	110.2			16738		
	<b>Total for 140572</b>				<b>47200</b>					<b>21538</b>	<b>25662</b>	
9	19-04-08 - 25-04-08	140574	60	800	48000	Water	595.35			15802		
						Earth	297.5			15756		
	<b>Total for 140574</b>				<b>48000</b>					<b>31558</b>	<b>16442</b>	

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1	2	3	4	5	6	7	8	9	10	11	12
10	26-04-08 - 01-05-08	140576	58	800	46400	Water	749.43			13844	
						Earth	375			19860	
	<b>Total for 140576</b>				<b>46400</b>					<b>33704</b>	<b>12696</b>
11	04-05-08 - 09-05-08	140566	12	800	9600	Water	204.39			3777	
						Earth	204.39			10824	
	<b>Total for</b>	<b>140566</b>			<b>9600</b>					<b>14601</b>	
12	19-05-08 - 24-05-08	140570	85	800	68000	Water	1158.21			21403	
						Earth	1158.21			61339	
	<b>Total for</b>	<b>140570</b>			<b>68000</b>					<b>82742</b>	
13	25-05-08 - 30-05-08	140578	150	800	120000	Water	2156.12			39845	
						Earth	2104			111457	
	<b>Total for</b>	<b>140578</b>			<b>120000</b>					<b>151302</b>	
14	31-05-08-05-06-08	140580	95	800	76000	Water	1936.7			36798	
						Earth	1317.71			69786	
	<b>Total for</b>	<b>140580</b>			<b>76000</b>					<b>106584</b>	
15	07-06-08 - 12-06-08	140582	51	800	40800	Water	2253			42807	
						Earth	788			7412	
	<b>Total for 140582</b>				<b>40800</b>					<b>50219</b>	
16	21-06-08 - 26-06-08	140589	29	800	23200	Water	1397			16485	
						Earth	1047.75			9901	
	<b>Total for 140589</b>				<b>23200</b>					<b>26386</b>	
17	27-06-08 - 02-07-08	140592	24	800	19200	Water	1517			17901	
						Earth	152			1436	
	<b>Total for 140592</b>				<b>19200</b>					<b>19337</b>	
18	27-06-08 - 02-07-08	140593	48	800	38400	Earth	126			1190	
	<b>Total for 140593</b>				<b>38400</b>					<b>1190</b>	<b>37210</b>
	<b>Total Excess Payment</b>				<b>₹ 1844800</b>						<b>584206</b>
<b>Kanadi Tank</b>											
1	14.2.08 -19.2.08	15	96	800	76800	Item No 4	72	800	57600	57600	19200
2	20.2.08 - 25.02.08	15	102	800	81600	Item No 4	58	800	46400	46400	35200
3	26.2.08 -29.2.08	15	38	800	30400		0	800	0	0	30400
4	7.3.08 - 13.3.08	15	55	800	44000	Item No 4	6	800	4800	4800	39200
5	16.3.08 -21.3.08	15	90	800	72000	Item No 4	3	800	2400	2400	69600
6	24.3.08 -29.3.08	15	127	800	101600	Item No 4	12	800	9600	9600	92000

1	2	3	4	5	6	7	8	9	10	11	12
7	31.3.08 -5.4.08	15	136	800	108800		0	800	0	0	108800
8	12.4.08 - 17.4.08	15	40	800	32000	Item No 4	6	800	4800	4800	27200
9	13.5.08 -19.5.08	15	112	800	89600	Item No 3	720	46.27	33314	33314	56286
10	20.5.08 - 25.5.08	15	125	800	100000	Item No 3	876.94	46.27	40576	40576	59424
11	26.5.08 - 1.6.08	15	120	800	96000	Item No 3	1724.85	46.27	79809	79809	16191
12	2.6.08 - 8.6.08	15	158	800	126400	Item No 4	14	800	11200	11200	115200
13	9.6.08 - 15.6.08	15	137	800	109600	Item No 3	1248.3	46.27	57759	57759	51841
14	23.6.08 -28.6.08	15	2	800	1600		0	800	0	0	1600
15	1.7.08 - 7.7.08	15	14	800	11200	Item No 5	14	800	11200	11200	0
16	18.1.09 - 24.1.09	15	36	800	28800		0	800	0	0	28800
17	25.1.09 - 31.1.09	15	47	800	37600	Item No 5	6	800	4800	4800	32800
18	1.2.09 - 7.2.09	15	47	800	37600	Item No 2	1248.3	46.27	57759	57759	0
19	8.2.09 - 14.2.09	14	9	800	7200		0	800	0	0	7200
<b>Total</b>			<b>1491</b>		<b>1192800</b>						<b>790942</b>
<b>Ratga Tank</b>											
1	2	3	4	5	6	7	8	9	10	11	12
1	14.2.08 - 19.2.08	15	97	800	77600	Item No 1	30	800	24000		
						Item No 8	240	46.719	11212.56	35213	42387.44
2	20.2.08 -22.2.08	15	57	800	45600	Item No 2	400	81.17	32468	32468	13132
3	23.2.08 - 28.2.08	15	101	800	80800	Item No 1	202.5	81.17	16436.93	16437	64363
4	29.2.08 - 6.3.08	15	257	800	205600	Item No 3	98	800	78400	78400	127200
5	7.3.08 - 12.3.08	2	146	800	116800	Item No 1	10	800	8000		
						Item No 7	180	151.89	27340.2	35340	81459.8
6	14.3.08 - 20.3.08	15	180	800	144000	Item No 1	14	800	11200	11200	132800
7	24.3.08 - 30.3.08	15	147	800	117600	Item No 8	467.3	46.27	21621.97	21622	95978.029
8	1.4.08 - 6.4.08	15	120	800	96000	Item No 4	7	800	5600	5600	90400
9	8.4.08 - 13.4.08	15	96	800	76800	Item No 3	966.46	46.27	44718.1		
						Item No 4	9	800	7200	51918	24881.8958
10	16.4.08 -21.4.08	15	90	800	72000	Item No 3	841	46.27	38913.07		
						Item No 4	9	800	7200	46113	25886.93
11	23.4.08 - 28.4.08	15	87	800	69600	Item No 3	688.86	46.27	31873.55		
						Item No 4	12	800	9600	41474	28126.4478

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1	2	3	4	5	6	7	8	9	10	11	12
12	30.4.08 - 6.5.08	15	98	800	78400	Item No 3	907	46.27	41966.89		
						Item No 4	12	800	9600	51567	26833.11
13	7.5.08 - 13.5.08		10	800	8000	Item No 3	628	46.27	29057.56		
14	14.5.08 - 20.5.08	15	68	800	54400	Item No 3	594	46.27	27484.38		
						Item No 4	7	800	5600	33084	21315.62
15	21.5.08 - 27.5.08	15	56	800	44800	Item No 3	123.4	46.27	5709.718	5710	39090
16	28.5.08 - 3.6.08	15	75	800	60000	Item No 3	610	46.27	28224.7		
						Item No 5	1	800	800	29025	30975.3
17	4.6.08 - 10.6.08	15	45	800	36000	Item No 3	603	46.27	27900.81		
						Item No 4	7	800	5600	33501	2499.19
18	11.6.08 - 17.6.08	15	30	800	24000	Item No 3	24	800	19200	19200	4800
19	24.6.08 - 30.6.08	15	28	800	22400	Nil	Nil	Nil	0	0	22400
20	27.9.08 - 3.10.08	15	29	800	23200	Item No 1	18	800	14400	14400	8800
21	4.10.08 - 10.10.08	15	21	800	16800	Item No 5	220	119.6	26312	26312	
22	12.10.08 - 16.10.08	15	0	800	0	Item No 1	3	800	2400	2400	
				800	0	Item No 2	230	119.6	27508	27508	
23	17.10.08 - 22.10.08	15	6	800	4800	Nil	Nil	Nil	0	0	4800
24	23.10.08 - 28.10.08	15	7	800	5600					0	5600
25	29.10.08 - 3.11.08	15	0	800	0					0	0
26	21.3.09 - 27.3.09		7	800	5600	Nil	Nil	Nil	0	0	5600
27	29.3.09 - 4.4.09	16	6	800	4800	Nil	Nil	Nil	0	0	4800
28	14.5.09 - 19.5.09	18	0	Nil	0	Nil	Nil	Nil	0	0	0
29	20.5.09 - 26.5.09	14	0	Nil	0	Nil	Nil	Nil	0	0	0
30	27.5.09 - 2.6.09	14	0	Nil	0	Nil	Nil	Nil	0	0	0
31	3.6.09 - 4.6.09	14	0	Nil	0	Nil	Nil	Nil	0	0	0
	<b>Total</b>		<b>1864</b>		<b>1491200</b>						<b>904129</b>
	<b>Grand Total</b>				<b>4528800</b>						<b>2279277</b>

Kudratola tank ₹ 584,206  
 Kanadi Tank ₹ 790,942  
 Ratga Tank ₹ 904,129  
 Total Excess Payment ₹ 22,79,277



**Appendix – 3.8**  
**(Reference: Paragraph 3.4.1, Page 124)**  
**Statement showing the unsold property (as of March 2011)**

Sl. No.	Name of the District	Name of the assets	Year of Construction/ Development	Unsold Assets		Reasons
				No. of Buildings/ plots	Cost of Assets (₹ in lakh)	
1.	Estate Manager, Madhya Pradesh Housing and Infrastructure Development Board, Guna	<b>Residential Building</b> 25 LIG Building, Deendayal Nagar, Rajgarh	2002-03	19	20.60	Seizure of property by Tehsildar
		<b>Residential Plots</b>				
		(1) 20 Senior LIG plots, Vidhyarthi Nagar, Guna	2005-06	01	1.68	Applications not received
		(2) 41 EWS plots, Bhujaria Talab, Guna	2008-09	41	28.08	Scheme was changed(Plots to Buildings)
		(3) 68 LIG plots, Monipura, Biaora	2007-08	61	54.90	Pending approval of Revised Layout from Town and country planning department
		(4) 15 LIG plots, Monipura, Biaora	2007-08	15	27.94	
		<b>Commercial Building/Plots</b>				
		(1) 9 Shop Vidyarthi Nagar, Guna	1997-98	02	0.70	Process of selling is in progress
		(2) 30 Commercial Plots Monipura, Biaora	1997-98	24	43.20	Pending approval of Revised Layout from Town and country planning department
		(3) 18 Shop Plots, Monipura, Biaora	1997-98	12	10.40	
<b>Total</b>				<b>175</b>	<b>187.50</b>	
2.	Estate Manager, Madhya Pradesh Housing and Infrastructure Development Board, Hoshangabad	<b>Residential Building</b>				
		(1) 11 LIG, Palakmati nagar, Itarsi	1998-99	1	2.43	Due to pending court case for compensation
		(2) 15 LIG – A, Palakmati nagar, Itarsi	2002-03	15	34.80	Due to pending court case for compensation
		(3) 20 LIG- B, Palakmati nagar, Itarsi	2002-03	1	3.29	Due to pending court case for compensation
		(4) 5 MIG First, Palakmati nagar, Itarsi	1998-99	1	5.70	Due to pending court case for compensation
		(5) 9 MIG Second, Seoni Malwa	2005-06	3	26.28	Due to lack of demand
		<b>Residential Building</b> 10 LIG, Seoni Malwa	2005-06	1	5.76	Due to lack of demand
		<b>Commercial Building/Plots</b> 25 shops, Hoshangabad	1996-97	16	29.12	Due to technical defects in shops
<b>Total</b>				<b>38</b>	<b>107.38</b>	
3.	Executive Engineer, Madhya Pradesh Housing and Infrastructure Development Board, Ratlam	<b>Residential Plots</b>				
		(1) 51 MIG, Sailana, Ratlam	1994-95	51	48.75	Site being far away from the town
		(2) 4 MIG, Sailana, Ratlam	1994-95	4	4.14	
		(3) 82 EWS, Sailana, Ratlam	1994-95	82	31.60	
		(4) 68 EWS, Sailana, Ratlam	1994-95	68	29.49	
		(5) HIG, Jawad, Neemuch	2001-02	12	50.32	
		(6) MIG, Jawad, Neemuch	2001-02	36	70.76	
		(7) LIG, Jawad, Neemuch	2001-02	118	101.42	
		(8) EWS, Jawad, Neemuch	2001-02	87	299.90	
		<b>Commercial Building/Plots</b>				
		(1) Commercial plots, Jawad, Neemuch	2001-02	1	17.76	Site being far away from the town
		(2) School plots, Jawad, Neemuch	2001-02	1	3.06	
<b>Total</b>				<b>460</b>	<b>657.20</b>	

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Sl. No.	Name of the District	Name of the assets	Year of Construction/ Development	Unsold Assets		Reasons		
				No. of Buildings/ plots	Cost of Assets (₹ in lakh)			
4	Executive Engineer, Madhya Pradesh Housing and Infrastructure Development Board, Division-3, Bhopal	<b>Residential Building</b>				Non receipt of demand		
		(1) 128 MIG Flat, Patel Nagar	1989	3	16.95			
		(2) 315 LIG Flat Patel Nagar	1989	1	3.26			
				(3) 50 Junior MIG Mandideep, Satlapur	1989	4	26.40	
				<b>Residential Plots</b>				Non receipt of demand
				(1) 58 MIG (H-II) Patel Nagar, Mandideep	1989	4	28.00	
				<b>Commercial building/Plots</b>				Non receipt of demand
				(1) C Block Shop, Bagmugalia extension	2003	1	9.22	
				(2) A Block (Office) Bagmugalia extension	2003	2	20.20	
				(3) C Block Commercial Chamber, Bagmugalia Extension	2003	4	39.60	
						2	19.44	
						2	40.94	
						1	14.75	
						1	17.66	
				1	20.45			
				1	10.35			
				1	10.77			
				1	10.16			
				1	9.96			
				1	17.66			
		<b>Total</b>		<b>31</b>	<b>315.77</b>			
		<b>Grand Total</b>		<b>704</b>	<b>1267.85</b>			

**Appendix 3.9**  
(Reference: Paragraph 3.4.2 (A), Page 125)  
Statement showing short recovery of penalty towards delay.

S.No	Period	Target in ₹ crore	Execution in ₹ crore	Shortfall in ₹ crore	Shortfall in no. of days	Penalty* in ₹ crore
1	27.3.08–26.9.08	2.00	2.33	0	0	
2	27.9.08 – 26.3.09	17.00	7.65	9.34	76	0.71
3	27.3.09 – 26.9.09	32.00	21.733	19.62	222	4.35
4	27.9.09 – 26.3.10	18.00	(-)7.97**	25.97	180	4.67
				54.93	478	9.73
<b>Penalty already recovered</b>						<b>1.07</b>
<b>Balance recoverable for delays upto 26.03.2010</b>						<b>8.66</b>

\* Penalty is leviable @ 0.1 per cent per day of the short-fall till the short-fall is made up (Clause 115.1 of the agreement).

\*\* The execution in fourth six monthly period was worked out by the EE of the division as ₹ (-) 7.97 crore by considering the over all aggregate short fall vis-a-vis target achieved till fourth six monthly slab.

**Appendix 3.10**  
(Reference: Paragraph 3.4.2 (B), Page 126)  
Statement showing loss to Government due to short recovery of mobilisation advance

Voucher number	Dated	Value of work done	value of escalation	value of withheld amount	Total value of interim payment	Mobilisation advance deductible @ 12.5%	Mobilisation advance actually recovered	Short recovery	Month	interest @ 6.94%
42	26.06.09	223745524	0	9241564	214503960					
32	25.08.09	263213322	0	9241564	253971758	31746469.75	2582915	29163554.75	21	3541913
2	02.09.09	275510570	11497	8486185	267035882	1633015.5	1537156	95859.5	20	11088
48	11.09.09	275510570	0	3241564	272269006	654140.5	0	654140.5	19	71879
5	22.10.09	280829934	0	1941564	278868370	824920.5	662421	162499.5	18	16916
6	22.10.09	317179295	0	1941564	315237731	4546170.125	4546170	0	18	0
29	11.01.10	329509842	0	1941564	327568278	1541318.375	1541318	0	15	0
30	11.01.10	387412320	0	1941564	385470756	7237809.75	7237810	0	15	0
28	16.02.10	387412320	0	1941564	385470756	0	0	0	14	0
8	08.05.10	455971123	0	6563138	449407985	7992153.625	8569850	-577696.375	12	0
1	01.06.10	474242508	23190250	4679138	492753620	5418204.375	2283123	3135081.375	11	199443
40	30.06.10	496427565	23190250	12441497	507176318	1802837.25	2773132	-970294.75	11	0
35	26.07.10	496427565	36453452	12441497	520439520	1657900.25	0	1657900.25	10	95882
<b>Total</b>								<b>3,33,21,044.75</b>		<b>39,37,121</b>

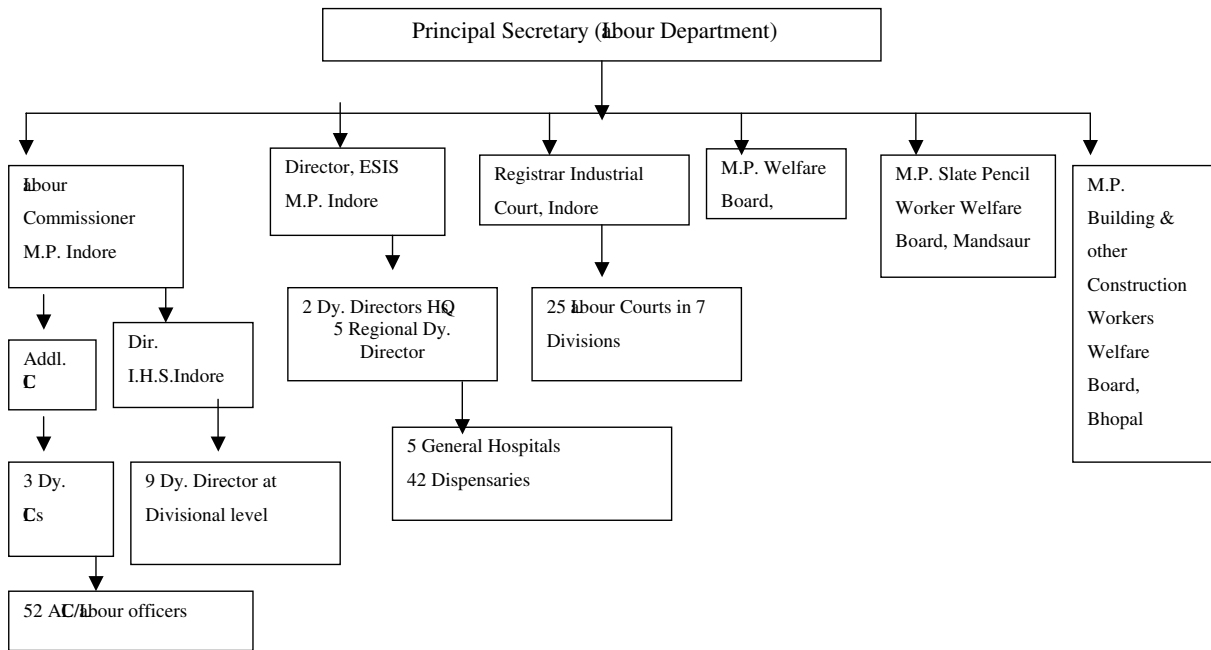
**Appendix 3.11**  
**(Reference: Paragraph 3.4.4, Page 128)**  
**Statement showing award of work without inviting tender**

Sl.No.	Name of Unit and period of IR	Agreement No.	PAC of work (₹ in Crore)	Civil work (included in PAC) (₹ in Crore)	Name of the Firm	Price Variation (₹ in crore)
1.	EE WR Dn. Shivpuri (26.08.09 to 05.09.09)	30/08-09	14.78	--Nil--	M/s Anil Steel Works Indore	Nil
2.	EE Sanjay Sagar(Bah) project Dn Ganjbasoda(20.06.11 to 28.06.11)	47/05-06, 01 to 04/09-10 and 91/08-09	49.96	0.69	M/s Anil Steel Works Indore	10.97
3.	EE Harsi High Level Canal Dn 2, Gwalior(12.03.10 to 26.03.10)	08 to 12/07-08 and 15/07-08	43.82	25.22	M/sJainEngineering&M/s Surana fabricators Indore	Nil
4.	EE Mahi Project Dn. Petlawad (3.5.10 to 13.5.10)	20/04-05	7.38	Nil	M/s Hoist structure & equipment Pvt. Bhopal	0.49
5.	EE.W.R Dn Khajwa Rajnagar (18.01.10 to 25.01.10)	01 to 03/07-08	31.07	Nil	M/s Hoist structure equipment Pvt. Bhopal	Nil
<b>Total</b>			<b>147.01</b>	<b>25.91</b>		<b>11.46</b>

**Appendix – 4.1**  
**(Reference: Paragraph 4.1.1, Page 132)**  
**List of Labour Laws**

Sl. No.	Name of Labour Acts	Responsibility of implementation		
		Central	State	Joint
01	Industrial Dispute Act, 1947			√
02	M.P. Industrial Relation Act, 1960		√	
03	Business Union Act, 1926		√	
04	Industrial Employment (Standing Orders) Act, 1946	√		
05	M.P. Industrial Employment (Standing Order) Act, 1961		√	
06	Payment of Wages Act, 1936			√
07	Minimum Wages Act, 1958			√
08	Payment of Bonus Act, 1965			√
09	Factory Act, 1948		√	
10	Environment (Prohibition) Act, 1986			√
11	Hazardous Machine (Regulation) Act, 1983		√	
12	M.P. Shop and Establishment, Act 1958		√	
13	Beedi and Sgar Workers (Conditions of Employment) Act, 1966		√	
14	Contract Labour (Regulations & Abolition) Act, 1970			√
15	Motor Transport Workers Act, 1961		√	
16	Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996			√
17	Building & Other Construction Workers Welfare Cess Act, 1996			√
18	Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979			√
19	Sales Promotions Employees (Conditions of Service) Act, 1976			√
20	Working Journalist & Other Newspaper Employees (Conditions of Service) & Miscellaneous Provisions Act, 1955			√
21	Cinema Workers and Cinema House Workers (Regulation of Employment) Act, 1981	√		
22	Maternity Benefit Act, 1961			√
23	Equal Remuneration Act, 1976			√
24	Bonded Labour System (Abolition) Act, 1976		√	
25	Child Labour (Prohibition & Regulation) Act, 1986			√
26	Child Labour-Girvikaran) Act, 1933		√	
27	Workers Compensation Act, 1923			√
28	Employees State Insurance Act, 1948			√
29	Employees Provident Funds and Miscellaneous Provisions Act, 1952	√		
30	Payment of Gratuity Act, 1972			√
31	Beedi Workers Welfare Act, 1976	√		
32	Iron ore, Manganese ore and Chrome ore Mines Workers Welfare Fund Act, 1976	√		
33	Lime, Stone and Dolomite Workers Welfare Fund Act, 1972	√		
34	M.P. Labour Welfare Fund Act, 1982		√	
35	MP Slate Pencil Workers Welfare Fund Act, 1982		√	
36	Labour Law (exemption from Returns & Maintenance of Register to some Establishment) Act, 1988			√
37	M.P. Un-organised Workers Welfare Act, 2003			√

**Appendix – 4.2**  
**(Reference: Paragraph 4.1.2, Page 132)**  
**Organisation setup of Labour Department**



**Appendix – 4.3**  
**(Reference: Paragraph 4.1.7.7, Page 138)**  
**Details of Expenditure of previous years paid in Subsequent years**

(Amount in ₹)

Director, ESIS, Indore		
Exp. Year	Paid year	Amount
2005-06	2006-07	143351
2006-07	2007-08	39540
2007-08	2008-09	31571
2008-09	2009-10	16499
2009-10	2010-11	21905
	<b>Total</b>	<b>252866</b>

TB Hospital, Indore		
Exp. Year	Paid year	Amount
NA	NA	NA
NA	NA	NA
NA	NA	NA
2008-09	2009-10	88090
2009-10	2010-11	2275764
		<b>2363854</b>

ESI, Ujjain		
Exp. Year	Paid Year	Amount
2006-07	2007-08	213463
2007-08	2008-09	46615
2008-09	2009-10	173232
2009-10	2010-11	411804
--	--	--
	<b>Total</b>	<b>845114</b>

I.H.S., Ujjain		
Exp. Year	Paid Year	Amount
2005-06	2006-07	69871
2006-07	2007-08	25419
2007-08	2008-09	31465
2008-09	2009-10	7255
2009-10	2010-11	9846
		<b>143856</b>

ESI, Gwalior		
Exp. Year	Paid Year	Amount
2005-06	2006-07	1643821
2005-07	2007-08	889060
--	--	--
--	--	--
--	--	--
	<b>Total</b>	<b>2532881</b>

Joint Director, I.H.S. Bhopal		
Exp. Year	Paid Year	Amount
2003-05	2006-07	61893
2004-07	2007-08	2868
2007-08	2008-09	18564
2008-09	2009-10	56919
		<b>140244</b>

ALC, Sagar		
Exp. Year	Paid Year	Amount
1999-00	2001-02	17896
2001-02	2002-03	15976
2002-03	2003-04	22894
2003-04	2004-05	27407
2002-05	2005-06	25371
2002-06	2006-07	23016
2005-07	2007-08	28983
2007-08	2008-09	245
2009-10	2010-11	17304
	<b>Total</b>	<b>179092</b>

**Grand Total-₹ 6457907**

**Expenditure for earlier years not paid yet**

Amount in ₹

Name of unit	2006-07	2007-08	2008-09	2009-10	2010-11	Total
ESI, Gwalior	--	--	--	--	372789	372789
I.H.S. Gwalior	--	--	28175	48904	55548	132627
ALC, Indore	--	--	--	--	101838	101838
ESI, Indore	63000	--	--	--	182412	245412
TB Hospital, Indore	--	--	--	--	1231214	1231214
ALC, Sagar	--	1833	14889	--	14055	30777
ESI, Ujjain	--	--	48758	69267	33714	151739
<b>Total</b>	<b>63000</b>	<b>1833</b>	<b>91822</b>	<b>118171</b>	<b>1991570</b>	<b>2266396</b>

**Appendix – 4.4**  
**(Reference: Paragraph 4.1.9.2, Page 140)**  
**Non-implementation of Housing scheme for Beedi workers**

(₹ in lakh)

Sl. No.	District	Date of Sanction by GD	Number of houses				Amount		Installment
			Sanction.	Constructed	Under construction	Construction not started	Sanctioned by GD	Released by GD	
1.	Ashok nagar	08.02.2007	225	130	95	--	90	45	I
		6.3.2009	--	--	--	--	--	33	II (for 165 houses)
2.	Sagar	24.9.2007	500	180	140	180	200	100	I
3.	Satna	23.10.2007	500	151	298	51	200	100	I
4.	Damoh	14.3.2008	25	--	--	25	10	5	I
5.	Jabalpur	14.3.2008	1000	--	--	1000	400	200	I
6.	Narsinghpur	14.3.2008	375	--	--	375	150	75	I
7.	Datia	18.12.2009	255	--	--	255	102	51	I
<b>Total</b>			<b>2880</b>	<b>461</b>	<b>533</b>	<b>1886</b>	<b>1152</b>	<b>609</b>	



**Appendix – 4.5 A**  
**(Reference: Paragraph 4.1.9.3 (i), Page 142)**  
**Shortage of Inspections by ALC, Gwalior**

Name of Acts	2006-07			2007-08			2008-09			2009-10			2010-11		
	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)
Minimum wages Act	1375	1117	19	1170	442	62	1240	447	64	840	609	28	1420	896	37
Contract labour Act	465	57	88	390	24	94	310	187	40	210	78	63	355	88	75
M.P. Shop& Establishment Act, 1958	930	1017	--	780	500	36	310	498	--	390	651	--	1420	2175	--
Motor Transport labour Act	465	22	95	390	07	98	310	09	97	210	63	70	355	137	61
Bidi Cigar worker Act	--	05	--	--	2	--	310	10	97	210	28	87	355	18	95
Equal wage Act	465	76	84	390	27	93	186	62	67	126	105	17	213	77	64
Maternity Benefit Act	--	33	--	--	17	--	124	04	97	84	03	96	142	15	89
M.P. Build.& other Construction workers Act	--	25	--	390	05	99	310	36	88	210	63	70	355	16	95
Gratuity Act	186	46	--	--	--	--	--	21	--	--	43	--	--	64	--
Bonus Payment Act	465	24	95	390	25	94	310	45	85	210	42	--	355	47	87
Child labour Act	465	121	74	390	70	82	310	111	64	210	231	--	355	478	--
Labour welfare Act 1982	930	17	98	--	--	--	--	--	--	--	--	--	--	--	--
Inter State Act	279	04	99	--	--	--	--	--	--	--	--	--	--	--	--

**Appendix – 4.5 B**  
**(Reference: Paragraph 4.1.9.3 (i), Page 142)**  
**Shortage of Inspections by LO, Malanpur**

Name of Acts	2006-07			2007-08			2008-09			2009-10			2010-11		
	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)
Minimum wages Act	480	350	27.08	180	396	--	320	377	--	480	304	36.67	480	503	--
Contract labour Act	120	83	30.83	60	107	--	80	144	--	120	49	59.17	120	182	--
M.P. Shop& Establishment Act	240	50	79.17	120	8	93.33	130	17	86.92	480	108	77.50	480	349	27.29
Motor Transport labour Act	120	--	100	60	8	86.67	65	9	86.15	--	--	--	120	48	60
Bidi Cigar worker Act	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Equal wage Act	120	8	93.33	60	32	46.67	65	4	93.85	72	24	66.67	72	52	27.78
Maternity Benefit Act	--	5	--	--	09	--	--	02	--	48	01	97.92	48	04	91.67
M.P. Build.& other Construction workers Act	--	14	--	7	--	--	--	--	--	--	--	--	120	05	95.83
Gratuity Act	--	44	--	--	15	--	--	27	--	--	--	--	24	148	--
Bonus Payment Act	--	108	--	72	33	54.17	--	32	--	120	30	75	120	139	--
Child labour Act	120	48	60	60	68	--	80	122	--	120	90	25	120	227	--
Labour welfare Act 1982	240	15	93.75	120	19	84.17	130	33	74.62	--	13	--	--	26	--
Inter-state Migrant Act	72	4	94.44	33	3	90.91	39	3	92.31	--	08	--	--	--	--

**Appendix – 4.5 C**  
**(Reference: Paragraph 4.1.9.3(i), Page 142)**  
**Shortage of Inspections by ALC, Indore**

Name of Acts	2006-07			2007-08			2008-09			2009-10			2010-11		
	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)
Minimum wages Act	3780	3517	7	3780	2981	21	3780	2440	35	3600	2545	29	5040	4245	16
Contract labour Act	1260	67	95	1260	83	93	1260	248	80	1200	149	88	1260	179	85
M.P. Shop & Establishment Act	2520	4461	77	3024	5088	68	3024	4337	43	2880	2902	0.75	5040	8714	73
Motor Transport labour Act	1260	242	81	1260	19	98	1260	24	98	1200	61	95	1260	226	82
Bidi Cigar worker Act	--	01	--	--	2	--	--	02	--	--	12	--	--	--	--
Equal wage Act	1260	340	73	1260	340	73	1260	311	75	1200	314	74	756	538	29
Maternity Benefit Act	--	142	--	--	190	--	--	172	--	--	--	--	504	252	50
M.P. Build.& other Construction workers Act	--	399	--	--	360	--	--	348	--	--	487	--	1260	102	91
Gratuity Act	--	--	--	--	--	--	--	--	--	--	--	--	--	236	--
Bonus Payment Act	--	--	--	--	--	--	--	--	--	--	--	--	1260	312	--
Child labour Act	1260	752	40	1260	678	46	1260	433	66	1200	--	--	1260	1167	75
labour welfare Act 1982	--	--	--	--	--	--	--	--	--	--	--	--	--	136	--

**Appendix – 4.5 D**  
**(Reference: Paragraph 4.1.9.3(i), Page 142)**  
**Shortage of Inspections by LO, Shajapur**

Name of Acts	2006-07			2007-08			2008-09			2009-10			2010-11		
	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)
Minimum wages Act	--	28	--	240	29	87.92	240	50	79	480	214	55	480	14	86
Contract labour Act	--	--	--	60	--	100	60	50	16	120	32	73	120	38	86
M.P. Shop & Establishment Act	--	--	--	60	40	33	240	5	98	480	04	99	480	943	96
Motor Transport labour Act	--	--	--	--	--	--	60	51	15	120	139	46	120	--	100
Bidi Cigar worker Act	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Equal wage Act	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Maternity Benefit Act	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
M.P. Build.& other Construction workers Act	--	--	--	60	13	78	60	6	90	120	33	72	120	--	100
Gratuity Act	--	--	--	--	---	--	--	--	--	--	---	--	--	--	--
Bonus Payment Act	--	--	--	60	7	88	60	19	68	120	23	81	120	03	97
Child labour Act	--	--	--	60	--	100	60	19	68	120	23	81	120	03	97
Labour welfare Act 1982	--	--	--	--	---	--	--	--	--	--	--	--	--	--	--
Inter-state Act	--	--	--	--	--	--	--	04	--	120	--	100	120	--	100

**Appendix – 4.5 E**  
**(Reference: Paragraph 4.1.9.3(i), Page 142)**  
**Shortage of Inspections by ALC, Ujjain**

Name of Acts	2006-07			2007-08			2008-09			2009-10			2010-11		
	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)	Tar	Achieve	Exc./ Short (%)
Minimum wages Act	2160	1198	45	2160	731	66	1740	522	70	1680	541	68	1400	560	60
Contract labour Act	540	203	62	540	107	80	435	258	41	420	50	88	350	155	56
M.P. Shop & Establishment Act	2160	2733	27	2160	2060	24	1740	1267	27	1680	974	42	1400	1416	+
Motor Transport labour Act	540	35	94	540	32	94	435	14	97	420	84	80	350	12	97
Bidi Cigar worker Act	540	05	99	540	02	99.62	435	02	99	420	01	100	350	12	97
Equal wage Act	324	13	96	324	12	96	261	14	95	252	30	88	210	8	96
Maternity Benefit Act	216	--	100	216	3	99	174	02	99	168	12	93	140	9	94
M.P. Build.& other Construction workers Act	540	15	97	540	27	95	435	15	97	420	27	94	350	6	94
Gratuity Act	--	04	--	--	02	--	--	19	--	--	05	--	--	--	--
Bonus Payment Act	540	114	79	540	143	74	435	115	74	420	50	88	350	172	51
Child labour Act	540	159	71	540	362	33	435	200	54	420	159	62	350	152	43
Labour welfare Act 1982	--	22	--	--	21	--	--	6	--	--	02	--	--	--	--
Salary Payment Act	--	--	--	--	--	--	--	--	--	--	02	--	--	04	--
Standing Orders Act, 1931	60	--	100	60	--	100	60	--	100	60	--	100	60	--	100

**Appendix – 4.6**  
**(Reference: Paragraph 4.1.10.2, Page 146)**  
**District-wise Annual Allotment to different district by M.P. Building & other**  
**Construction Workers Welfare Board**

Sl. No.	Name of District/Office	2006-07	2007-08	2008-09	2009-10	2010-11	Total
1	Jabalpur	8200000	3940000	2200000	11650000	12000000	37990000
2	Chindwada	4700000	12900000	8400000	5000000	11500000	42500000
3	Katni	8800000	6100000	4000000	6050000	12000000	36950000
4	Mandla	6400000	5880000	3500000	6500000	16500000	38780000
5	Balaghat	3100000	6700000	5300000	4600000	9000000	28700000
6	Sioni	1700000	2060000	3400000	3000000	19800000	29960000
7	Narsinghpur	1400000	1520000	2800000	2500000	5000000	13220000
8	Ujjain	13300000	7620000	7400000	5437000	10500000	44257000
9	Devas	5700000	1720000	4900000	2500000	7500000	22320000
10	Mandsaur	3300000	3900000	3300000	25900000	46000000	82400000
11	Ratlam	7400000	1620000	2000000	6200000	10000000	27220000
12	Neemuch	5030000	18060000	1000000	10200000	17500000	51790000
13	Shajapur	1600000	2560000	3200000	12010000	7500000	26870000
14	Sagar	9200000	11120000	3400000	2500000	57500000	83720000
15	Chhatarpur	5600000	6741000	4100000	3500000	45700000	65641000
16	Damoh	2900000	3840000	4500000	2500000	13000000	26740000
17	Panna	2900000	1700000	2800000	2800000	30000000	40200000
18	Tikamgarh	1300000	2920000	2300000	5600000	30000000	42120000
19	Riwa	3100000	3280000	5700000	2500000	17400000	31980000
20	Sidhi	1700000	8760000	3100000	3000000	30500000	47060000
21	Singrauli	2100000	1500000	0	5000000	35900000	44500000
22	Satna	2900000	3560000	3710000	12300000	37500000	59970000
23	Shahdol	4600000	3500000	3900000	5500000	31000000	48500000
24	Umriya	1200000	960000	1600000	4700000	12000000	20460000
25	Annupur	1100000	820000	1200000	5565000	23400000	32085000
26	Dindori	1100000	1540000	2800000	4300000	21500000	31240000
27	Bhopal	11300000	3340000	3300000	2500000	11500000	31940000
28	Betul	7000000	1840000	2800000	3377000	10500000	25517000
29	Vidisha	1600000	4640000	5100000	2500000	5000000	18840000
30	Mandideep	1000000	1840000	4900000	4800000	5000000	17540000
31	Rajgarh	2600000	1820000	4900000	2500000	14500000	26320000
32	Sihore	1300000	1700000	3000000	2500000	5000000	13500000
33	Gwalior	14200000	1980000	3700000	8600000	14000000	42480000
34	Shivpuri	1500000	3660000	3200000	8270000	6500000	23130000
35	Guna	2200000	1600000	2300000	2800000	7500000	16400000
36	Ashoknagar	1100000	3300000	3400000	3500000	9500000	20800000
37	Datia	1100000	1560000	2200000	3000000	9000000	16860000
38	Morena	1100000	6440000	2200000	3500000	18000000	31240000
39	Bhind	4500000	5620000	3200000	2500000	5000000	20820000
40	Malanpur	1400000	500000	2500000	2500000	5000000	11900000
41	Sheopur	1100000	1060000	2000000	3300000	5000000	11660000
42	Indore	4300000	5680000	2300000	11500000	20000000	35580000
43	Khandwa	2100000	10740000	3100000	13000000	18300000	45740000
44	Burhanpur	2300000	840000	8500000	3500000	16000000	40640000
45	Dhar	1300000	3060000	4500000	2500000	17200000	29560000
46	Pithampur	1400000	500000	2500000	2500000	6500000	13400000
47	Khargone	1800000	1580000	2800000	2500000	5000000	13680000
48	Jhabua	1900000	2440000	4400000	2500000	7500000	18740000
49	Badwani	1300000	1540000	2800000	2500000	5000000	13140000
50	Alirajpur	0	0	0	0	0	0
51	Hoshangabad	1800000	3240000	4900000	2500000	5000000	17440000
52	Harda	1400000	2060000	2000000	2500000	5000000	12960000
	<b>Total</b>	<b>182930000</b>	<b>197401000</b>	<b>177010000</b>	<b>262959000</b>	<b>806700000</b>	<b>1627000000</b>

**Appendix – 4.7**  
**(Reference: Paragraph 4.1.10.2, Page 146)**  
**Pending utilisation certificates of funds released by ALCs, LOs to PRI**  
**(Amount in ₹)**

<b>Name of unit</b>	<b>Amount realised</b>	<b>Utilisation awaited</b>
Bhind	7784792	7784792
AC, Bhopal	21770000	21770000
AC, Indore	12754400	7524533
AC, Sagar	27393698	27393698
Shajapur	16346000	16346000
AC, Ujjain	79876565	79876565
Malanpur	1050000	420000
Mandideep	2266000	2266000
<b>Total</b>	<b>169241455</b>	<b>163381588</b>

**Appendix – 4.8**  
**(Reference: Paragraph 4.1.10.6, Page 148)**  
**Non Completion of sheds for construction workers**

Sl. No.	Name of districts	Sanctioned No. of sheds	No. of constructed sheds	No. of un-constructed sheds
1.	Jabalpur	07	01	06
2.	Katni	03	00	03
3.	Chhindwara	02	02	00
4.	Mandla	02	01	01
5.	Balaghat	02	02	00
6.	Seoni	01	01	00
7.	Dindori	01	00	01
8.	Narsinghpur	02	00	02
9.	Ujjain	04	02	02
10.	Dewas	03	03	00
11.	Mandsaur	02	02	00
12.	Ratlam	03	02	01
13.	Neemuch	02	01	01
14.	Shajapur	02	01	01
15.	Sagar	04	03	01
16.	Chhatarpur	02	00	02
17.	Damoh	02	01	01
18.	Panna	01	00	01
19.	Tikamgarh	01	00	01
20.	Sidhi	01	01	00
21.	Satna	03	01	02
22.	Rewa	03	01	02
23.	Shahdol	02	01	01
24.	Umariya	01	01	00
25.	Anuppur	01	01	00
26.	Bhopal	10	04	06
27.	Betul	02	02	00
28.	Vidisha	02	02	00
29.	Mandideep	01	01	00
30.	Rajgarh	01	01	00
31.	Sehore	02	00	02
32.	Gwalior	07	00	07
33.	Shivpuri	02	01	01
34.	Guna	02	02	00
35.	Ashoknagar	02	02	00
36.	Datia	01	01	00
37.	Morena	02	02	00
38.	Bhind	01	00	01
	Malanpur	00	00	00
39.	Sheopur	01	01	00
40.	Indore	10	05	05
41.	Khandwa	03	02	01
42.	Burhanpur	03	02	01
43.	Dhar	02	01	01
	Pithampur	01	00	01
44.	Khargone	02	00	02
45.	Jhabua	01	01	00
46.	Badwani	01	01	00
47.	Hoshangabad	02	02	00
48.	Harda	01	01	00
49.	Singrauli	03	03	00
	<b>Total</b>	<b>122</b>	<b>65</b>	<b>57</b>



**Appendix – 4.9**  
**(Reference: Paragraph 4.1.11.1, Page 149)**  
**Statement showing bed occupancy during 2006-11 in ESIS Hospitals**

Name of Hospitals	Total number of beds	Occupancy (percentage) During				
		2006-07	2007-08	2008-09	2009-10	2010-11
ESI TB Hospital, Indore	75	22 (30)	24 (32)	17 (23)	25 (34)	28 (37)
ESI Hospital, Ujjain	100/50	16 (16)	11 (22)	3 (6)	6 (12)	6 (12)
ESI Hospital, Gwalior	100	49 (49)	59 (59)	54 (54)	43 (43)	40 (40)
ESI Hospital, Bhopal	100	40 (40)	33 (33)	24 (24)	28 (28)	16 (16)
ESI Hospital, Dewas	50	40 (80)	22 (43)	24 (48)	24 (48)	27 (53)
ESI Annexy- Ward , Mandsaur	25	2 (5)	1 (4)	1 (4)	1 (4)	0 (0)
ESI Hospital, Nagda	50	--	2 (4)	2 (4)	2 (4)	2 (4)

**50 beds of ESI hospital Ujjain transferred to Nagda during 2007-08**

**(Source: Directorate ESI, Indore)**

**Appendix – 4.10**  
**(Reference: Paragraph 4.1.12, Page 151)**  
**Details of Pending Court Cases as of 31.03.2011**

**Pending cases of Industrial Courts**

Year	Pendency as on initial of the Year	Cases filed during the Year	Total	Cases finalised during the Year	Pending Cases at the end of the Year
2006	4300	2072	6372	3500	2872
2007	2872	1615	4487	3251	1236
2008	1236	1241	2477	1944	533
2009	533	944	1477	1175	302
2010	302	736	1038	620	418
2011	418	NA	NA	NA	529

**Pending cases of Labour Courts**

Year	Pendency as on initial of the Year	Cases filed during the Year	Total	Cases finalised during the Year	Pending Cases at the end of the Year
2006	52447	9514	61961	15582	46379
2007	46379	6147	52526	11544	40982
2008	40982	5798	46780	9275	37505
2009	37505	6704	44209	10726	33483
2010	33483	7679	41162	12117	29045
2011	29045	NA	NA	NA	28625

The earliest case pending from 1982.

**Appendix – 4.11**  
**(Reference: Paragraph 4.1.13, Page 151)**  
**Position of Vacancies in ESI Hospitals**

Name of Post	Bhopal	Gwalior	Ujjain	Nagda	Dewas	T.B.	Mandsaur	Total
Superintendent	--	1	--	1	1	1	-	<b>4</b>
Specialist	6	2	1	3	4	-	-	<b>16</b>
Assistant Surgeon	-	4	1	6	4	-	3	<b>18</b>
Para Medical	-	8	2	6	3	2	1	<b>22</b>

**Appendix 4.12**  
**(Reference: Paragraph 4.2.6.1, Page 156)**  
**Statement showing Misc. Works Advance outstanding as per schedule/Form of**  
**monthly accounts**

(₹ in lakh)

S.No	Name of Division	Position as on	Period	Amount.
1.	EE, (B&R) Dn. Mandsour	12/10	1983-84	2.11
2	EE, (B&R) Dn. Neemuch	3/11	1985-86	3.99
3	EE, (B&R) Dn. Shajapur	3/11	NA <sup>1</sup>	57.83
4	EE, (E&M) Dn. Ujjain	3/11	1996-97	5.84
5	EE, (B/R) Dn. Katni	3/11	NA	175.35
6	EE, (E&M) Dn. Jabalpur	3/11	NA	34.80
7	EE, (B&R) Dn. Jhabua	3/11	1977-78	63.52
8	EE, (B&R) Dn.- II Jabalpur	3/11	NA	150.49
9	EE, (B&R) Dn.I Seoni	1/11	1970-71	147.47
10	EE, (B&R) Dn. Shahdol	3/11	NA	299.83
11	EE, (B&R) Dn. Khandwa	7/10	NA	47.61
12	EE, (B&R) Dn. Ujjain	3/11	NA	228.92
13	EE, (B&R) Dn. Ratlam	3/11	NA	97.13
14	EE, (B&R) Dn. Dewas	3/11	9/60	40.75
15.	EE, (Bridge) Dn. Indore	3/11	NA	97.85
16	EE, (B&R) Dn. Mandla	3/11	NA	64.24
17	EE, I(B&R) Dn. Sagar	5/09	NA	292.12
18	EE, (B&R) Dn. Raisen	3/11	NA	326.81
19.	EE, (B&R) Dn. Bhopal-I	3/11	1994-95	312.17
20	EE, (B&R)I Dn. Rewa	3/11	NA	297.37
21	EE, (B&R) Dn. Balaghat	3/11	NA	188.66
22	EE, (B&R) I Dn. Indore	3/11	NA	86.08
23	EE, (B&R) II Dn. Indore	3/11	NA	360.73
24	EE, (B&R)II Dn. Bhopal	3/11	1976-77	90.02
25	EE, (B&R) Dn. New Bhopal	3/11	NA	97.80
26	EE, (B&R) I Dn. Jabalpur	1/11	2004-05	142.57
27	EE, NH Dn. Indore	3/11	2006-07	59.89
28	EE, (B&R) Dn Barwani	3/11	NA	11.51
29	EE, (B&R) Dn Dindori	3/11	NA	105.29
30	EE, (B&R) I Dn Gwalior		NA	60.97
31	EE, Bridge Dn Ujjain	3/11	NA	0.39
32	EE, (B&R) Dn Khargone	3/11	1969-70	25.05
33	EE, (B&R) Dn Vidisha	1/10	NA	121.49
34	EE, (B&R) Dn Sehore	3/11	NA	77.09
35	EE, (B&R) Dn Dhar	3/11	NA	77.12
36	EE, (E/M) Dn Indore	3/11	1973-74	47.67
<b>Total</b>				<b>4298.53 lakh</b>

<sup>1</sup> NA- Not Available

**Appendix 4.13**

(Reference: Paragraph 4.2.6.3, Page 159)

**Statement showing delay in settlement of remittance transactions/ differences in Form 51**

S.No	Name of Division	Month up to	Delay (Month)	Remittances (₹)	Cheques (₹)
1.	EE (B&R) Dn. Mandsour	5/10	10	2804746.91	5911337.40
2.	EE, (E/M) Dn. Indore	2/09	25	20205903.90	10988311.95
3.	EE, (B&R) Dn. Neemuch	3/11	-	365312.00	308915.00
4.	EE, (B&R) Dn. Shajapur	2/10	13	(-)20205957.98	70898.48
5.	EE, (E&M) Dn. Ujjain	3/07	48	2990040	4902513
6.	EE, (B&R) Dn. Katni	4/08	35	2507806.82	5046309
7.	EE, (E&M) Dn. Jabalpur	3/2000	132	185497	1988723
8.	EE, (B&R) Dn. Jhabua	4/10	11	25816308.25	2143496.86
9.	EE, (B&R) Dn. Jabalpur	12/07	39	103616280.00	15390212
10.	EE, (B&R) Dn. Khargaon	10/10	-	186513.91	5460940.67
11.	EE, (B&R) Dn. Seoni	3/10	12	-	2974232.58
12.	EE, (B&R) Dn. Shahdol	2/07	49	46321780.11	1347728
13.	EE, (B&R) Dn. Khandwa	2/07	49	(-)974646	(-)9342806
14.	EE, (B&R) Dn. Dhar	9/09	18	184110827	37995561
15.	EE, (B&R) Dn. Ujjain	9/08	30	1765739	469165.23
16.	EE, (B&R) Dn. Ratlam	12/10	-	2627732.75	13887776.85
17.	EE, (B&R) Dn. Dewas	6/10	9	19598320.71	5836869.12
18.	EE, (Bridge) Dn. Indore	1/11	-	20424.00	33452
19.	EE, (B&R) Dn. Sehore	11/10	-	16706753.60	(-)279835.92
20.	EE, (B&R) Dn. Dindori	7/02	104	14094019.81	596161.53
21.	EE, (B&R) Dn. Mandla	9/09	18	236545215	14086648
22.	EE, (B&R) Dn. Raisen	12/06	51	70009820	18004524
23.	EE, (B&R) Dn. Bhopal-I	12/07	39	69464165	3702063
24.	EE, (B&R) Dn. Vidisha	7/08	32	3417024.27	3067649.17
25.	EE, (B&R) Dn. Rewa	11/10	-	1619188100	(-)127515600
26.	EE, (B&R) Dn. I Indore	3/08	36	18024866	4677161
27.	EE, (B&R) Dn. II Indore	2/10	13	29691107	2604364
28.	EE, (NH) Dn. Indore	3/09	24	5176567	9171558
29.	EE, Bridge Dn. Ujjain	1/11	-	12186	1104401
30.	B/R 1 Gwalior	2/05	73	36150916	433595
31.	B/R Sagar	8/10	07	44378894	20840881
32.	B/R Balaghat	3/05	72	(-)4161579	3552346
33.	B/R 2 Bhopal	10/08	27	24272340	480852025
34.	New Bhopal	12/08	27	18683908	31378764
<b>Total</b>				<b>2618939114</b> <b>(-)25342182</b>	<b>708828582</b> <b>(-)137138241</b>

**Appendix 4.14**  
**(Reference: Paragraph 4.2.6.4, Page 159)**  
**Statement showing AG's Adjustment Memos**

(₹ in lakh)

S.No.	Name of Division	Position	Item No.	Amt.
1.	EE, PWD (B&R) Dn. Mandsour	1989-90 to 1994-95	11	32.96
2.	EE, PWD (E/M) Dn. Indore		108	24.74
3	EE, PWD (B&R) Dn. II Jabalpur	1988-91	36	15.06
4	EE, PWD (B&R) Dn. Khargaon		18	12.8
5	EE, PWD (B&R) Dn. Seoni	1974-75	372	311.77
6	EE, PWD (B&R) Dn. Ratlam		24	67.08
7	EE, PWD (B&R) Dn. Sagar	2004-05	54	43.74
8	EE, PWD (B&R) Dn. Bhopal-I	1993-94	154	183.28
9	EE, PWD (B&R) Dn.-II Bhopal	7/73 to 10/03	20	68.48
10	EE, PWD New Bhopal Dn.	1991-92	4	1.76
11	EE, PWD (B&R) Dn. I Rewa	1985-94	55	104.95
12	EE, PWD NH Dn Indore	7/97 to 7/01	146	283.76
13	EE, PWD (B&R) Dn. Shahdol	1997	96	240.37
14	EE, PWD B&R Raisen		329	381.93
15	EE, PWD B&R Gwalior	1999-00	28	15.08
16	EE, PWD E/M Ujjain	1989-90	21	7.91
<b>Total</b>			<b>1476</b>	<b>1795.67</b>

**Appendix 4.15**  
**(Reference: Paragraph 4.2.6.5, Page 159)**  
**Statement showing cash settlement suspense account (Prior to 1984)**

(₹ in lakh)

S.No.	Name of Division	Position till	Item No.	Amt. of Originating	Item No	Amt. of Responding
1	EE, PWD (E&M) Dn. Jabalpur	3/11	29	20.24	18	22.39
2	EE, PWD (B&R) Dn. II Jabalpur	3/11	04	4.74	-	-
3	EE, PWD (B&R) Dn. Shahdol	3/11	20	6.44	-	-
4	EE, PWD (B&R) Dn. Khandwa	3/11	10	2.36	05	2.38
5	EE, PWD (B&R) Dn. Dhar	3/11	01	0.32	1	1.2
6	EE, PWD (B&R) Dn. Ratlam	3/11	04	0.14	-	0.79
7	EE, PWD (B&R) Dn. Dewas	3/11	07	1.03	16	0.46
8	EE, PWD (B&R) Dn. Raisen	3/11	16	2.94	13	6.98
9	EE, PWD (B&R) Dn. Vidisha	3/11	13	20.43	07	1.71
10	EE, PWD (B&R) Dn.- II Bhopal	3/11	23	2.48	35	3.73
11	EE, PWD (B&R) Dn.I Rewa	3/11	19	19.56	37	46.11
12	EE, PWD (B&R) Dn.2 Indore	3/11	10	10.55	01	1.07
13	EE, PWD NH Dn. Indore	3/11	-	-	14	1.71
14	B/R Gwalior		15	47.08		
15	B/R I Jabalpur		20	53.58	5	1.67
<b>Total</b>		<b>3/11</b>	<b>191</b>	<b>191.89</b>	<b>152</b>	<b>90.20</b>

**Position Post -1984**

S.No	Name of Division	Position till	Item No.	Amt. of Originating	Item No	Amt. of Responding
1	EE, PWD (E/M) Dn. Indore	3/11	36	21.69	07	0.66
2	EE, PWD (B&R) Dn. Seoni	3/11	56	36.73	52	13.57
3	EE, PWD (B&R) Dn. Sehore	3/11	14	5.79	05	1.82
4	EE, PWD New Bhopal Dn.	3/11	19	9.41	-	-
5	EE, PWD (B&R) Dn.I Indore	3/11	-	-	01	2.95
6	EE, PWD NH Dn. Indore	3/11	08	3.75		
7	EE, PWD (B&R) Dn. Bhopal-I	3/11	22	3.48	22	3.46
8	EE, PWD (B&R) Dn. Ujjain	3/11	20	1.47	26	2.12
<b>Total</b>			<b>175</b>	<b>82.32</b>	<b>113</b>	<b>24.58</b>

## Appendix 4.16

(Reference: Paragraph 4.2.6.6 (iii), Page 161)

## Statement showing irregular payment of Tour Advance from works budget

S.No	Name of Division	Position at on	No.of person	Amount (₹)
1.	EE, (B&R) Dn. Mandsour	3/11	20	36639
2	EE, (B&R) Dn. Neemuch	3/11	02	12450
3	EE, (B&R) Dn. Shajapur	3/11	09	69819
4	EE, (E&M) Dn. Jabalpur	3/11	82	186259
5	EE, (B&R) Dn. Jhabua	3/11	16	145058
6	EE, (B&R) Dn. Seoni	3/11	174	336398
7	EE, (B&R) Dn. Shahdol	3/11	86	248525
8	EE, (B&R) Dn. Ujjain	3/11	73	393970
9	EE, (B&R) Dn. Ratlam	3/11	22	70645
10	EE, (Bridge) Dn. Indore	3/11	15	19210
11	EE, (B&R) Dn.I Sagar	3/11	103	376873
12	EE, (B&R) Dn. Bhopal-I	3/11	04	19600
13	EE, New Bhopal Dn.	3/11	03	5962
14	EE, (B&R) Dn. Rewa	3/11	413	724067
15	EE, (B&R) Dn. Balaghat	3/11	92	477813
16	EE,(B/R) Barwani	3/11	28	150331
17	EE,(B/R) II Indore	3/11	88	376102
18	EE NH Indore	3/11	24	161867
19	EE,(B/R) I Indore	3/11	19	30250
20	EE,(B/R) Gwalior	3/11	315	707851
21	EE,(B/R) Khandwa	3/11	113	174686
22	EE,(B/R) Raisen	3/11	44	151323
23	EE,(B/R) I Jabalpur	3/11	108	134107
24	EE,(B/R) II Jabalpur	3/11		24413
25	EE,(B/R) Mandla	3/11	55	114339
26	EE,(B/R) Sehore	3/11		74615
27	EE,(B/R) Khargone	3/11	82	298333
28	EE, E/M Indore	3/11		14667
29	EE,(B/R) Dhar	3/11	23	117683
30	EE,(B/R) Dewas	3/11	11	46387
31	EE,(B/R) Dindori	3/11	69	291578
32	EE,Bridge Ujjain	3/11		24650
<b>Total</b>		<b>3/11</b>	<b>2093</b>	<b>6016470</b>

**Appendix 4.17**  
**(Reference: Paragraph 4.2.6.6 (iv), Page 161)**  
**Statement showing irregular procurement from MPSCCF**  
**(₹ in lakh)**

SNo	Name of division	Amount	Items
1	B/R II, Bhopal	20.35	Angle iron, barbed wire etc
2	B/R Raisen	93.60	Retro reflective sign board
3	B/R Vidisha	18.62	Solar stand, solar road safety, Electronic total station, Automatic level, etc
4	B/R Sehore	123.91	Plastic felt, Plastic Paste, Plastic tar, Iron bracket, Matt fix etc
5	B/R Dewas	330.44	T&P, Mathematical instruments, Survey equipments
6	B/R Mandsour	30.76	Water proof mat, Aqua proof, Road fix etc
7	B/R Ratlam	14.61	Matt roll, Matt fix, etc
8	B/R Seoni	7.82	Rain seal
9	B/R Balaghat	39.75	Iron barricades, Iron railing bridge
10	B/R Jhabua	6.75	Angle iron and other than stationery
11	B/R Katni	41.27	Seal part I&II, Barbed wire, Chain link etc.
12	B/R Shajapur	21.26	Brite Road mix
<b>Total</b>		<b>749.14</b>	



**Appendix 4.18**  
**(Reference: Paragraph 4.2.6.8 (iii), Page 163)**  
**Statement showing excess expenditure of Administrative Approval**  
**(₹ in lakh)**

S. No.	Name of division	No. of work	Incurred expenditure	Sanctioned AA	Excess Expenditure
1	B/R Raisen	12	2428.67	1980.55	448.12
2	B/R Vidisha	1	921.53	825.00	96.53
3	B/R Sehore	1	152.85	129.00	23.85
		1	401.52	352.85	48.67
4	B/R Dewas	1	544.60	445.47	99.13
5	B/R Mandsour	1	486.11	418.00	68.11
6	B/R Ratlam	1	310.85	268.37	42.48
		8	708.66	529.49	179.17
7	B/R Dhar	4	3372.19	2420.66	951.53
8	B/R Barwani	1	316.62	243.00	73.62
9	B/R Katni	1	416.35	366.45	49.90
10	B/R Balaghat	1	212.59	158.00	54.59
11	B/R Khargone	1	156.26	134.37	21.89
12	B/R2 Bhopal	1	220.03	123.99	96.04
13	B/R Shajapur	1	367.40	286.42	80.98
<b>Total</b>		<b>36</b>	<b>11016.23</b>	<b>8681.62</b>	<b>2334.61</b>

**Appendix 4.19**  
**(Reference: Paragraph 4.2.6.11 (i), Page 165)**  
**Statement showing position of Outstanding Paras**

<b>Sl.No.</b>	<b>Year</b>	<b>Outstanding Paras</b>
1.	1988-89	01
2.	1989-90	-
3.	1990-91	04
4.	1991-92	29
5.	1992-93	11
6.	1993-94	20
7.	1994-95	29
8.	1995-96	38
9.	1996-97	55
10.	1997-98	45
11.	1998-99	115
12.	1999-2000	68
13.	2000-2001	87
14.	2001-2002	120
15.	2002-2003	104
16.	2003-2004	181
17.	2004-2005	167
18.	2005-2006	192
19.	2006-2007	180
20.	2007-2008	264
21.	2008-2009	198
22.	2009-2010	291
23.	2010-2011	218
	<b>Total</b>	<b>2417</b>