Report of the Comptroller and Auditor General of India

for the year ended 31 March 2012

General, Social and Economic (Non-PSUs) Sectors

Government of Chhattisgarh

Report No : 3 of the year 2013

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Preface

This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor under Article 151 of the Constitution for being laid before the State Legislature.

The Report, covering the year 2011-12, contains significant results of the compliance audits and performance audits of the Departments of the Government of Chhattisgarh under the General, Social and Economic (Non-PSUs) Sectors.

The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 2011-12 as well as those which came to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 2011-12 have also been included, wherever necessary.

Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India, based on the auditing standards of the International Organisation of Supreme Audit Institutions.

Chapter 1 of this report narrates the planning and extent of audit, responses of the departments to draft paragraphs and Audit Reports and provides a synopsis of significant audit observations included in this Report. Chapter 2 deals with the findings of Performance Audits of selected schemes/projects, while Chapter 3 contains findings on Chief Controlling Officer based audit of the Horticulture and Farm Forestry Department and Public Health Engineering Department. Chapter 4 deals with audit findings of compliance audit in various Departments.

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 compliance audit of the transactions of the Civil and Works departments of the Government of Chhattisgarh, Centrally sponsored and State plan schemes and audit of autonomous bodies of the State, including performance audit of selected schemes and departments.

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 of reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of audit are expected to enable the Executive to take the corrective action as also to frame policies and directives that lead to improved financial management of the organisations, thus contributing to better governance.

Compliance audit refers to examination of the transactions relating to expenditure, receipts, assets and liabilities of the audited entities to ascertain whether the provision of the Constitution of India, applicable laws, rules and regulations and various orders and instructions issued by the competent authorities are being complied with.

Performance audit is an independent assessment or examination of the extent to which an organisation, programme or scheme operates economically, efficiently and effectively.

This Chapter provides the audited entity profile, the planning and extent of audit and follow-up on Audit Reports. Chapter 2 of this Report deals with the findings of performance audit, Chapter 3 contains results of Chief Controlling Officer (CCO) based audit of Horticulture and farm Forestry and Public Health Engineering Departments and Chapter 4 deals with compliance audit in the various departments and autonomous bodies.

1.2 Audited entity profile

There are 36 departments at the Secretariat level, headed by Additional Chief Secretaries/Principal Secretaries/Secretaries who are assisted by Special Secretaries, Deputy Secretaries, Directors and subordinate officers and 30 autonomous bodies which are under the audit jurisdiction of the Accountant General (Audit), Chhattisgarh.

The comparative position of expenditure of the Government during 2011-12 and in the preceding two years is given in Table 1.

Table 1: Comparative position of expenditure for the period 2009-12

(₹ in crore)

Particulars	2009-10			2010-11			2011-12		
	Non-plan	*Plan*	*Total*	*Non-plan*	*Plan*	*Total*	*Non-plan*	*Plan*	*Total*
Revenue Expenditure									
General Services	4305	45	4350	5211	36	5247	5829	75	5904
Social Services	2875	5149	8024	2807	5503	8310	3381	7096	10477
Economic Services	2824	1600	4423	2582	2509	5091	2727	2833	5560
Grants-in-aid	444	25	469	686	21	708	687	0	687
Total (1)	10448	6818	17265	11286	8069	19356	12624	10004	22628
Capital Outlay (2)	0	2745	2745	01	2951	2952	01	4056	4056
Loans and Advance disbursed (3)	--	--	897	--	--	567	10	1259	1269
Inter-State Settlement (4)	--	--	03	--	--	02	--	--	04
Payment of Public Debt (5)	--	--	652	--	--	691	--	--	852
Total disbursement out of Consolidated Fund (1+2+3+4+5)	**10448**	**9563**	**21562**	**11287**	**11020**	**23567**	**12634**	**15319**	**28810**
Contingency Fund	--	--	--	--	--	--	--	--	--
Public Account Disbursement	--	--	23879	--	--	26896	--	--	32940
Total	**10448**	**9563**	**45441**	**11287**	**11020**	**50464**	**12635**	**15318**	**61749**

1.3 Authority for audit

Authority for audit by C&AG is derived from Articles 149 and 151 of the Constitution of India and the C&AG's (Duties, Powers and Conditions of Service) Act, 1971. Accountant General (Audit) conducts audit of expenditure of civil and works departments and autonomous bodies under sections 13, 14, 15, 19 and 20 of the C&AG's (Duties, Powers and Conditions of Service) Act, 1971. The principles and methodology for compliance audit are prescribed in the manuals issued by C&AG.

1.4 Organisational structure of the office of the Accountant General (Audit), Chhattisgarh

Under the directions of C&AG, the Accountant General (Audit), Chhattisgarh, conducts audit of Government departments/ Offices/ autonomous bodies and institutions under General, Social and Economic (Non-PSUs) Sectors which are spread all over the State. The Accountant General (Audit) is assisted by two Group officers.

1.5 Planning and conduct of audit

The audit process commences with the assessment of risk of various Government departments/organisations/autonomous bodies and schemes/projects etc., based on expenditure, criticality/complexity of activities, level of delegated financial powers, assessment of internal control and the concerns of stakeholders. Previous audit findings are also considered in this exercise.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the head of the unit/department. The units are requested to furnish replies to the audit findings within one month of receipt of the Inspection Report. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Report.

During 2011-12, 1,481 party-days were utilised to carry out audit of 212 units out of 3,056 units of various departments/organisations. During the year, 40 audit parties conducted compliance audit of 212 units under various civil and works departments of the State Government, autonomous bodies, externally aided projects etc.

1.6 Significant observations arising out of Performance Audit and CCO based audits

Performance Audit is undertaken to ensure whether the Government programmes have achieved the desired objectives at the minimum cost and given the intended benefits. CCO based audit is conducted with a view to make a comprehensive appraisal of a department's functioning, identifying systemic issues that need to be addressed at the appropriate higher levels.

This report contains the results of Performance Audit (PA) on "Working of Chhattisgarh Housing Board"; PA of "Mahatma Gandhi National Rural Employment Guarantee Scheme", audit of "Procurement and distribution of paddy by Chhattisgarh Marketing Federation" and "Acquisition and Allotment of Land" and Chief Controlling Officer based audit of Horticulture and Farm Forestry department and Public Health Engineering department.

The salient findings of these audits are discussed below:

1.6.1 Performance Audit on "Working of Chhattisgarh Housing Board"

The Performance Audit of the working of Chhattisgarh Housing Board disclosed that the Board had not prepared any Perspective plan and Annual Action Plan for taking up the construction activities in a planned manner. It had also not utilised the allotted funds in a time bound manner which had resulted in persistent savings. Norms for allotment of land for Economically Weaker Section (EWS) under housing schemes were not adhered to. The land allotted for EWS was utilised for construction of commercial complex and houses for higher and middle income groups. The houses constructed for EWS were not handed over to the beneficiaries due to failure in arranging loans for

the poor families. The projects were not implemented economically due to preparation of inflated estimates, payment of inadmissible advances, excess payment etc.

1.6.2 Performance Audit on MNREGS

The State Government notified the Mahatma Gandhi National Rural Employment Guarantee (MNREG) Act in March 2006. The Performance Audit of the scheme revealed that there were significant number of vacancies in key positions at *Zila* and *Janpad Panchayat* level which would adversely affect effective implementation of the scheme. Though Annual Action Plans were prepared, the Perspective Plan detailing the priority of the works for long term employment generation and sustainable development was not prepared. Persistent shortfall in utilisation of the available fund was noticed. Door to door survey was not conducted to ensure the coverage of the eligible beneficiaries. The objective of the scheme to provide 100 days of the employment was not achieved as only nine *per cent* households were provided employment of 100 days. Though the *Gram Panchayats* failed to provide employment to the beneficiaries within the prescribed period of 15 days, unemployment allowance was not paid to the beneficiaries. Despite non payment of wages in time, compensation admissible under payment of wages Act was not paid.

There were deficiencies in execution of works such as execution of inadmissible works, irregular sanction of WBM roads, payment to vendors for MIS work, sanction of works without approval of *Gram Sabha*, execution of works without measurement and wasteful expenditure on works etc. Muster rolls were not properly maintained. The objective of the scheme to empower rural women was not fully achieved as the employment provided to women in the State was between 47 and 49 *per cent.*

The monitoring mechanism was weak as prescribed registers were not maintained properly, records were not maintained regarding inspections and monitoring done under the scheme and the online MIS was incomplete. No internal audit was carried out during 2007-12.

1.6.3 Long paragraph on "Acquisition and Allotment of Land"

The implementation of the Land Acquisition Act and proceedings thereunder suffered from flaws and lapses. In the absence of a centralised database at Government level, the status of land acquired and allotted could not be monitored. Government land was allotted at lower rates leading to short recovery of premium, lease rent and service charges of ₹ 48.83 crore. Land acquired for industries was not utilised for intended purpose. Timely payment of compensation to the land owners was not ensured. The affected families have not been rehabilitated as per the Rehabilitation policy 2005 (as amended in 2007) for displaced land owners.

1.6.4 Long paragraph on "Procurement and distribution of paddy by Chhattisgarh Marketing Federation (MARKFED)".

MARKFED routinely incurs losses in procurement and distribution of paddy as it runs its business by taking interest-bearing loans from the banks. Hence, it is imperative that it adopts sound management practices. Steps taken by MARKFED to minimise its interest burden were inadequate due to non-finalisation of accounts and delayed submission of loss claim cases to the State Government, resulting in delayed release of funds by the Government. We noticed inadequate efforts in getting receivables from Food Corporation of India (FCI) and *Nagarik Aapurti Nigam* (NAN), recovery at lower rates from millers in respect of gunny bags left over with them and blocking of funds with FCI and Director General Supplies and Disposal (DGS&D). Delayed submission of claims for incidental charges to GoI incurred in excess of that admissible resulted in delay in finalisation of final cost sheet.

1.6.5 Chief Controlling Officer based audit of Horticulture and Farm Forestry Department.

The Horticulture and Farm Forestry Department was set up to promote horticulture by motivating farmers for taking up horticulture instead of traditional farming, distribution of good quality seeds and planting materials, adoption of latest technology, providing training to farmers etc., and to oversee implementation of various Central and State schemes. Though Strategic Action Plan for the period 2010-11 to 2014-15 was prepared, no such plan was prepared for the period 2005-06 to 2009-10 by the State Horticulture Mission. Internal audit, a vital component of the internal control mechanism, was absent. Except for medicinal and aromatic crops and flowers, achievement of targets under area expansion in respect of other horticulture crops was encouraging. Lack of proper monitoring by the Department led to excessive mortality of horticulture crops under National Horticulture Mission (NHM). Mechanism for collecting reliable and realistic data for assessment of horticultural production was not developed. Non-adherence to rules/regulations/instructions by the Departmental authorities led to irregular expenditure, diversion of funds, non-adjustment of temporary advances and extensive drawal of funds through Simple Receipt bills, unwarranted procurement etc.

1.6.6 Chief Controlling Officer based audit of Public Health Engineering Department.

Public Health Engineering Department is responsible for monitoring and managing various water resources for extending safe drinking water facilities to the rural/urban population of the State. We noticed deficient planning in execution of schemes as Village Action Plans and District Water Security Plans were not prepared and thus could not form part of the Annual Action Plan. The Department did not conduct detailed habitation survey since 2003. There was unfruitful expenditure of ₹ 133.39 crore due to non-completion of projects. Failure of the Department to comply with the provisions of Unified Schedule of Rates and agreement led to extra cost and undue aid to the contractors. The Department had not established State level and sub-divisional

level laboratories for conducting quality test of water sources. Non-distribution of field testing kits/reagents and its subsequent expiry resulted in wasteful expenditure.

1.7 Significant observations of Compliance Audit

Audit observed significant deficiencies in critical areas, which impact the effectiveness of the State Government. Some important findings arising out of compliance audit (14 paragraphs) are featured in the Report. The major observations relate to:

- Non-compliance with rules and regulations;
- Audit against propriety and cases of expenditure without adequate justification;
- Failure of oversight/governance; and
- Persistent and pervasive irregularities.

1.7.1 Non-compliance with rules and regulations

For sound financial administration and control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This helps in maintaining financial discipline and prevents irregularities, misappropriation and frauds. This section on non-compliance with rules and regulations brings out observations involving ₹ 5.99 crore, as discussed below:

Non-compliance of departmental instructions led to irregular execution of extra Granular Sub Base (GSB) work of ₹1.65 crore and extra expenditure of ₹3.28 crore.

(Paragraph 4.1.1)

Execution of earthwork after completion of Granular Sub Base (GSB), Water Bound Macadam (WBM), Hard Shoulder (HS) and Bituminous (BT) works and payment thereof indicates doubtful expenditure of ₹1.06 crore.

(Paragraph 4.1.2)

1.7.2 Audit against propriety and cases of expenditure without adequate justification

Authorisation of expenditure from public funds has 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. Audit scrutiny revealed instances of impropriety and extra expenditure amounting to ₹ 14.50 crore. Some of the important audit findings are as under:

Award of work without detailed survey, proper assessment and preparation of unrealistic estimate resulted in extra cost of ₹1.34 crore.

(Paragraph 4.2.4)

Failure of the State Government to implement the scheme even after preparation of Detailed Project Report (DPR) resulted in infructuous expenditure of ₹ 83.14 lakh.

(Paragraph 4.2.6)

Failure of the Government to sanction the set up of medical and other staff for Super Speciality Hospital for police personnel led to idle investment of ₹ 7.21 crore.

(Paragraph 4.2.1)

Extra cost of ₹ 1.48 crore was incurred due to inflated designing and execution of Cement Concrete lining beyond the specified height in free board.

(Paragraph 4.2.3)

Excess payment of ₹ 35.25 lakh was made to the contractors due to incorrect determination of rates for WBM.

(Paragraph 4.2.7)

1.7.3 Failure of oversight/governance

Government has an obligation to improve the quality of life of the people in the area of health, education, development and upgradation of infrastructure, public services, etc. Audit noticed instances where the funds released by the Government for creating public assets, remained unutilised/ blocked or proved unfruitful/ unproductive due to indecisiveness, lack of administrative oversight and concerted action at various levels. Cases of failure of oversight/ governance noticed in audit amounted to ₹ 27.27 crore. Some important findings are as under.

Lack of coordination and deficient monitoring at the Government and district level had resulted in blocking of Central funds of ₹ 7.38 crore for 2008-09 in the bank account, non-deposit of ₹ 9.45 crore in the bank even after lapse of one year and non-release of GoI funds for the subsequent years under "Incentive to Girls for Secondary Education" Scheme.

(Paragraph 4.3.1)

Injudicious planning and issue of work orders prior to acquisition of land and subsequent arbitrary termination of contract resulted in avoidable payment of ₹ 8.15 crore towards decretal dues.

(Paragraph 4.3.2)

Undue financial benefit of ₹ 36.97 lakh was extended to the text book printers due to non-recovery of cost of excess paper supplied by CTBC.

(Paragraph 4.3.4)

1.7.4 Persistent and pervasive irregularity

An irregularity is considered persistent if it occurs year after year. It is deemed pervasive when prevalent in the entire system. Recurrence of irregularities, despite being pointed out in earlier audits, is indicative of slackness on the part of the executive and lack of effective monitoring. This in turn encourages

wilful deviations from observance of rules/regulations and results in weakening of administrative structure. Audit observed that:

Failure of the Department to initiate timely action to adjust/recover the advances given to Sarpanches for various civil works resulted in blocking of ₹84.99 lakh and irregular retention of Government money by the Sarpanches.

(Paragraph 4.4.1)

1.8 Response of the departments to the Performance audits, CCO based audit and audit paragraphs

The draft performance reviews and audit paragraphs are forwarded to the Additional Chief Secretaries/Principal Secretaries/Secretaries of the concerned departments drawing their attention to the audit findings and requesting them to send their responses within six weeks. It is brought to their personal attention that in view of likely inclusion of such paragraphs in the Audit Reports of the C&AG, which are placed before Chhattisgarh State Legislature, it would be desirable to include their comments in the matter. They are also advised to have meetings with the Accountant General (Audit) to discuss the performance reviews/draft audit paragraphs, proposed for the Audit Report.

The Performance Audits, CCO based audits and draft paragraphs were forwarded demi-officially to the Additional Secretaries/Principal Secretaries/ Secretaries of the concerned departments between June and September 2012 requesting them to send their responses within six weeks. Replies to 13 out of 15 draft paragraphs were received from the Government. The response of the Government has also been obtained for one Performance Audit, two CCO based audits and two long paragraphs during discussion held in August 2012 and March 2013. The exit conference for the Performance Audit on 'Working of Chhattisgarh Housing Board' could not be held. Responses of the Government have been suitably incorporated in the Report.

1.9 Follow-up on Audit Reports

Action Taken Note (ATNs) on all Paragraphs/ Performance Audits, that have appeared in Audit Reports, were required to be submitted by the Government to the Public Accounts Committee, duly vetted by Audit, within six months from the date of laying of the Reports in the State Legislature. A review of the outstanding ATNs on Paragraphs/Performance Audits included in the Reports of the C&AG pertaining to various Departments revealed that 12 ATNs[1] were

[1]

Year	Paras
1998-99 (3)	3.5, 3.23 ,3.6
1998-99 (4)	5.1.8.1
2001-02	5.31, 5.33, 5.35
2004-05	3.1, 4.2.7, 4.4.1
2005-06	5.1
2008-09	2.21
Total	**12**

pending from the Departments as of March 2013.

1.10 Corrective action/recoveries at the instance of Audit

Executive Engineers of five[2] Programme Implementation Units (PIU), *Pradhan Mantri Gram Sadak Yojna* (PMGSY) provided (February 2006 to March 2009) an amount of ₹ 21.75 crore and ₹ 16.12 crore as mobilisation advance and equipment advance respectively to contractors in 59 agreements. However, only ₹ 10.27 crore (₹ 7.08 crore mobilisation advance + ₹ 3.19 crore equipment advance) out of these advances were recovered by the concerned EEs within the due time. Thus, due to non-recovery of advance in due time an amount of ₹ 6.80 crore as interest (upto January 2013) was recoverable from the contractors. However, the concerned EEs recovered only ₹ 19 lakh (October 2010). On this being taken up by audit (July to November 2010), an amount of ₹ 1.39 crore (January 2013) was further recovered. The balance of ₹ 5.21 crore (as of January 2013) was still pending for recovery.

[2] Bilaspur, Jagdalpur, Kawardha, Raipur and Rajnandgaon.

Chapter 2

Performance Audit

- 2.1 Working of Chhattisgarh Housing Board
- 2.2 Mahatma Gandhi National Rural Employment Guarantee Scheme
- 2.3 Procurement and distribution of paddy by Chhattisgarh Marketing Federation (MARKFED)
- 2.4 Acquisition and Allotment of Land

CHAPTER 2

PERFORMANCE AUDIT

This chapter contains results of two Performance Audits on Working of Chhattisgarh Housing Board, Mahatma Gandhi National Rural Employment Guarantee Scheme and two Long paragraphs on Procurement and distribution of paddy by Chhattisgarh Marketing Federation (MARKFED) and Acquisition and Allotment of land.

HOUSING AND ENVIRONMENT DEPARTMENT

2.1 Working of Chhattisgarh Housing Board

Executive Summary

For providing affordable houses to the people especially to economically weaker sections of the society, Chhattisgarh Housing Board (Board) was constituted (2004) under Chhattisgarh Housing Board Act, 1972. The Performance Audit on working of the Chhattisgarh Housing Board was carried out to examine its performance against the backdrop of its objective of providing affordable housing to the economically weaker section (EWS) of the society. The major audit findings are discussed below:

- The Board had not prepared any Perspective plan and Annual Action plans for taking up the construction activities in a planned manner. *Perspective plan and Annual Action plans based on realistic demand should be prepared for effective implementation of schemes.*

  (Paragraph 2.1.8)

- There was non recovery of dues amounting to ₹ 41.69 crore from the allottees under hire purchase scheme.

  (Paragraph 2.1.9.4)

- Non handing over of *Atal Awas* houses to poor families resulted in idle expenditure amounting to ₹ 3.36 crore.

  (Paragraph 2.1.10.1)

- There was irregular construction of bungalows and commercial complex valuing ₹ 181.86 crore on the land acquired for EWS families.
  Land allotted and houses constructed for EWS families should be utilised for their benefits only.

  (Paragraph 2.1.10.4)

- There was irregular award of work amounting to ₹ 59.79 crore to contractors without inviting tenders.

(Paragraph 2.1.11.3)

- There was irregular sanction of mobilisation advance amounting to ₹ 22.30 crore and non recovery of interest of ₹ 3.78 crore.

(Paragraph 2.1.11.6)

- Excess payment of ₹ 12.44 crore was made to contractors.

(Paragraph 2.1.11.8 to 2.1.11.10)

2.1.1 Introduction

Chhattisgarh Housing Board (Board) was constituted under Chhattisgarh Housing Board Act, 1972. After formation of the State of Chhattisgarh in November 2000, the erstwhile Housing Board was liquidated by the Government and in 2004, the Government formed the CGHB (Board). The Board is the main arm of the Government of Chhattisgarh for giving effect to its Housing Policy. The focus of the Board is on implementation of various Government schemes under social housing. The audit of the Chhattisgarh Housing Board for the period 2007-08 to 2011-12 was entrusted to the Comptroller & Auditor General of India (CAG) by the State Government under section 19 (3) of the CAG's (DPC) Act, 1972.

The Board has been awarded (April 2012) the Housing and Urban Development Corporation (HUDCO) award for adopting best practices to improve the living environment in 2011-12, under the category "Social Housing, Urban Poverty and Infrastructure". The Board has also bagged EPC World[1] Award-2012 for outstanding contribution to affordable housing projects.

2.1.2 Objectives of Chhattisgarh Housing Board

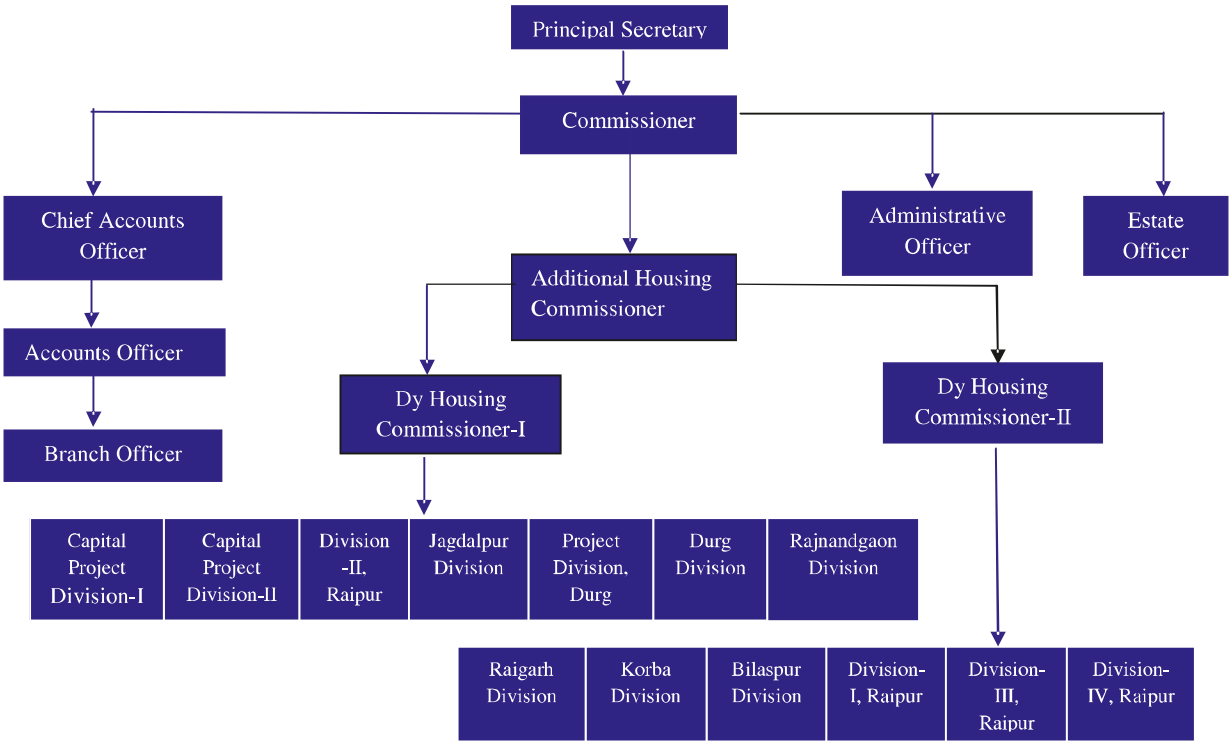
The specific objectives of the Chhattisgarh Housing Board were *inter alia* to:-

- Provide shelter to all homeless rural families at subsidised rates on priority basis;
- Assist all the citizens of Chhattisgarh and in particular the rural poor, to secure for themselves affordable dwellings units; and
- Mobilise resources and ensure increased investments in housing by promoting strong partnerships among public, private, co-private, self-help groups and local Government institutions.

[1] EPC World is a monthly publication on infrastructure and construction

2.1.3 Organisational Structure

At Government level, the Principal Secretary is the head of the Housing and Environment Department. The Commissioner is the administrative head of the Board and is responsible for implementation of housing schemes. He is assisted by an Additional Housing Commissioner and two Deputy Housing Commissioners. There are 13 divisional offices in the State to execute the works, as shown in the following organogram:



2.1.4 Audit objectives

The audit objectives were to evaluate whether:

- Planning was oriented towards achievement of the objectives of the Board;
- Financial management and budgetary control was sound;
- The land allocated and houses constructed for the poor were utilised for the intended purposes;
- A mechanism was in place to ensure efficient and economic implementation and timely completion of the projects; and
- A monitoring system was in existence to ensure the quality of the works executed.

2.1.5 Audit criteria

The following were the sources of audit criteria adopted for the Performance Audit:

- State Government Housing Policy, 2002;
- Chhattisgarh Housing Board Act, 1972;
- Works Department Manual,1983;
- Guidelines and administrative orders issued by the Government/Board from time to time; and
- Implementation guidelines of various Government schemes.

2.1.6 Scope of audit

We conducted a Performance Audit of the Board from April to August 2012 covering the period 2007-08 to 2011-12. There are 13 divisional offices in the State, out of which we test checked the records of seven[2] selected divisions in three districts (Raipur, Durg and Jagdalpur). The Commissioner's office was also covered under the audit.

2.1.6.1 Constraints faced by Audit

Scheme-wise and year-wise target and achievements of the number of housing units constructed/under construction and allotted to the beneficiaries was not made available to us. The financial position of the Board could not be assessed due to non preparation of Income and Expenditure accounts and the Balance Sheets by the Board for the period 2007-2012. Also, information about internal audit of the divisions conducted during the Performance Audit period was not made available by the Board to us.

2.1.7 Audit methodology

The methodology adopted during audit included examination of the progress reports of various projects executed during the period covered under the Performance Audit. During the course of the audit we also gathered evidence through joint physical verification with the officials from the divisions and also took photographs of the sites.

An entry conference was held (June 2012) with the Principal Secretary, Housing and Environment Department to discuss the audit objectives, criteria, scope and methodology of the Performance Audit. We requested[3] the Principal Secretary to hold the exit conference, but as of March 2013 this could not be

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2 (i) Capital Project Division, No. I, Raipur (ii) Division, No. I, Raipur (iii) Division, No. II, Raipur, (iv) Division No III, Raipur, (v) Project Division, Durg, (vi) Division, Durg ,(vii) Division, Jagdalpur.

3 Vide letters: DO/ECPA/Housing/D-256 dated 30.1.2013 and No./CGHB Review/ D-281 dated 13.3.2013

held. The Report has been finalised on the basis of replies furnished by the Board.

Audit Findings

2.1.8 Planning

Planning entails clear definition of priorities by observing economy, efficiency and effectiveness and accountability in delivery of improved quality of services. Planning plays a vital role for effective implementation of the schemes. However, during the Performance Audit we noticed that the Board had not prepared any Perspective Plan and Annual Action Plan during the period 2007-08 to 2011-12. During this period, the Board had incurred an expenditure of ₹ 1892.66 crore on construction activities under various schemes. However, year-wise target for construction of dwelling units was not fixed for any of the schemes. This indicates that the Board has been implementing various schemes without adequate planning.

On this being pointed out (September 2012), the Commissioner, CGHB stated (November 2012) that the implementation of the schemes is carried out by the Board as per the approved budget on a yearly basis.

2.1.9 Financial Management

The main source of funds for the Board is from the sale of houses and shops to the public under General Scheme (Self Financing). The State Government also provides funds as subsidy under Government sponsored housing schemes.

2.1.9.1 Preparation of budget estimates

The Board had incurred expenditure of ₹ 1892.66 crore on various projects during the period 2007-08 to 2011-12. The budget provisions and expenditure incurred by the Board during the period 2007-08 to 2011-12 were as under:

Table 1: Year wise budget provision and expenditure of the Board

(₹in crore)

Year	Budget Provision		Expenditure		Savings	
	Plan	Non-plan	Plan	Non-plan	Plan *(per cent)*	Non-plan *(per cent)*
2007-08	251.26	9.33	159.92	8.22	91.34 (36)	1.11 (12)
2008-09	332.37	12.91	263.97	11.15	68.4 (21)	1.76 (14)
2009-10	392.28	18.32	441.77	15.98	-49.49 (13)	2.34 (13)
2010-11	846.76	50.48	500.47	19.62	346.29 (41)	30.86 (61)
2011-12	812.83	50.77	526.52	22.02	286.31 (35)	28.75 (57)
Total	**2635.51**	**141.81**	**1892.66**	**76.99**	**742.85 (28)**	**64.82 (46)**

(Source: Information furnished by Board and compiled by Audit)

It may be seen from the table that the savings under plan head were ranging between 21 to 41 *per cent* during 2007-12, except in 2009-10, when the expenditure exceeded the budget provision by 13 *per cent*. Thus, funds amounting to ₹ 742.85 crore could not be utilised during the period. The savings were mainly due to non completion of sanctioned projects in time and non acquisition of land for housing projects in 2010-11. Budget provision amounting to ₹ 100.00 crore was made for *Atal Vihar Yojana* during 2011-12. However, construction of houses was not started under the scheme and the fund remained unutilised. The persistent and substantial savings indicates that the Board was unable to implement the projects in a timely manner.

Further, under non-plan head, the average savings was 46 *per cent* during the period 2007-08 to 2011-12 and was as high as 61 *per cent* in 2010-11.

On this being pointed out (September 2012), the Commissioner, CGHB stated (November 2012) that due to non acquisition of land for new projects and retirement of the employees, savings of fund occurred.

The reply indicates inadequate monitoring over the utilisation of the funds by the Board and failure to implement the projects in a timely manner.

2.1.9.2 Non preparation of Accounts and Balance Sheet

Section 74 of the Chhattisgarh *Grih Nirman Mandal Adhiniyam*, 1972 provides for maintenance of proper books of accounts and audit of accounts annually by a Chartered Accountant, which was to be submitted to the State Government.

We however, noticed that the Board did not prepare the Income and Expenditure Account and the Balance Sheet from 2007-08 to 2011-12. In absence of these, the financial position of the Board could not be assessed. No reasons for this were intimated by the Board (November 2012). However, the audit of the Board for the period 2007-08 to 2011-12 was entrusted to the Comptroller and Auditor General of India in July 2012 by the Housing and Urban Development Department, Government of Chhattisgarh.

2.1.9.3 Non recovery of dues of ₹ 27.56 crore from MP Housing Board

The Government of India (GoI), Ministry of Home Affairs, New Delhi had constituted State Assets and Liabilities Committee (SALBC) for division of the assets, liabilities and employees of the Madhya Pradesh Housing Board (MPHB) and the Chhattisgarh Housing Board (Board). SALBC had recommended ((January 2007) that MPHB should pay ₹ 16.95 crore towards land premium, lease rent and interest to CGHB in three instalments[4]. In case of default, MPHB was liable to pay interest at the rate of one *per cent* per month on the amount in default.

[4] Ist installment of ₹ 5.50 crore by October 2006, IInd installment of ₹ 5.50 crore by December 2006 and IIIrd installment of ₹ 5.95 crore by March 2007.

During scrutiny of records (May 2012) of the Commissioner, Housing Board, Raipur, we observed that CGHB did not recover the amount of ₹ 16.95 crore from MPHB till March 2012. Further, as per orders of the GoI, interest at the rate of one *per cent* payable for the period of delay was also not recovered even after lapse of five years. The total outstanding amount along with the interest payable by MPHB was ₹ 27.56 crore as on 31 March 2012 as calculated below:

Table 2: Details of outstanding amount recoverable from MPHB

(₹ in crore)

Sl. No.	Principal Amount	Period	Interest Amount	Total amount
1	5.50	1-11-2006 to 31-03-2012 (65 months)	3.57	9.07
2	5.50	1-01-2007 to 31-03-2012 (63 months)	3.47	8.97
3	5.95	1-04-2007 to 31-03-2012 (60 months)	3.57	9.52
Total	**16.95**		**10.61**	**27.56**

(Source: Information furnished by Board and compiled by Audit)

On this being pointed out (September 2012), the Commissioner, CGHB stated (November 2012) that regular correspondence was made but the amount has not been provided by MPHB.

2.1.9.4 Non-recovery of dues of ₹ 41.69 crore from the unauthorised occupants

Outstanding dues were not recovered from the allottees under hire purchase scheme.

Chhattisgarh Housing Board had allotted plots, houses and shops to various beneficiaries under hire purchase scheme from 1981 to 2007. The repayment period was from 10 to 15 years. As per the conditions of agreement, the allottees had to repay the outstanding amount along with interest every six months/year. If the allottee failed to pay the instalments regularly, recovery of the outstanding dues along with penalty was to be done as arrears of land revenue.

During scrutiny of records of allottees under the hire purchase scheme maintained by the Estate Manager of Durg and Raipur Division No.1, we observed that a large number of beneficiaries had not paid the instalments regularly. The details are as follows:

Table 3: Details of amount recoverable from defaulting allottees

(₹ in crore)

Sl. No.	Type of property	No. of defaulting allottees	Total outstanding amount
1	HIG/Sr HIG	26	2.44
2	MIG/Jr MIG	218	26.36
3	LIG	390	6.11
4	EWS	354	5.98
5	Plots/shops	43	0.80
	Total	**1031**	**41.69**

(Source: Information furnished by Board and compiled by Audit)

Thus, a sum of ₹ 41.69 crore was due for recovery since 1983 to 2012 from 1031 defaulting allottees. The Board had not initiated any action to recover the amount by using the procedure envisaged in the land revenue dues. This indicates inadequate monitoring over the recovery of outstanding dues by the Board.

While accepting the fact, the Commissioner stated (November 2012) that notices have been issued to the allottees to pay the balance amount together with the interest. Moreover, there is no provision to recover the dues under Land Revenue Code.

The reply is not acceptable as Clause 13 of the Hire Purchase agreement clearly stipulates provision for recovery of the outstanding amount along with penalty from the allottee as land revenue dues.

2.1.10 Implementation of Schemes and Housing Policy

The State Government launched (2006-07) *Atal Awas Yojana* for providing accommodation facilities to economically weaker section (EWS) of the society. It is meant for the sub-low income group i.e. persons with income not more than ₹ 60,000 per annum. Each house was independent and built on a plot of 560 square feet at a cost of ₹ 1.10 lakh. Of this, the applicant was to make a down payment of ₹ 10,000 only, ₹ 50,000 was to be borne by the Government of Chhattisgarh as subsidy and the balance amount of ₹ 50,000 was to be sanctioned as housing loan through the State Bank of India (SBI). The land was to be provided by the Government at the rate of ₹ one per square feet. As per the Housing Policy, 2002 the State Government has made it mandatory to reserve 15 *per cent* land for EWS in all housing schemes and 25 *per cent* in housing projects developed by the Government or where land has been provided by the Government at concessional rates. The deficiencies noticed in implementation of various schemes and the Housing Policy is discussed below:

2.1.10.1 Non handing over of Atal Awas Houses to the beneficiaries resulted in idle expenditure of ₹3.36 crore

Idle expenditure under *Atal Awas Yojna* as constructed houses were not handed over to the targeted beneficiaries.

The work of construction of 800 units of *Atal Awas* Houses at Mungi and Dhansuli (Raipur) was awarded (March 2008) to a contractor, which was completed in May 2009. During scrutiny of the records of Executive Engineer, Division III, Raipur, it was observed that only 407 houses were handed over to the beneficiaries (July 2012) and the remaining 393 houses could not be handed over to the beneficiaries due to non-sanction of housing loan by SBI, reasons for which were not on record. We noticed that the Board had taken up the matter (August 2009 and September 2010) with SBI and thereafter further pursuance was not done by the Board. Thus, non-handing over of the houses even after completion of construction not only resulted in blocking of fund of ₹ 3.36 crore (393 x ₹ 85630) but also deprived the beneficiaries from availing the benefit of the scheme. Further, the deterioration of the condition of these houses due to non-use can also not be ruled out.

Photographs showing completed EWS units lying vacant since last three years at Mungi, Raipur





On this being pointed out (September 2012) the Commissioner, CGHB accepted (November 2012) the fact and stated that the houses had been allotted to the beneficiaries and responsibility of getting the loan sanctioned by the bank rests with the allottees. It also stated that there was no liquidity problem to the Board due to non handing over of the houses.

The fact remains that funds to the extent of ₹ 3.36 crore remained blocked, besides non-achievement of the purposes of the scheme.

2.1.10.2 Irregular sale of Atal Awas houses to the Government at subsidised rate

The Board decided (June 2007) to provide additional grant of ₹ 50,000 to the Scheduled Caste/Scheduled Tribe applicants under this scheme for Bijapur and Narayanpur Districts.

During scrutiny of records of EE, Jagdalpur, we noticed that 200 units of Atal Awas Houses were constructed for poor families. We further observed that at the request of the Collector (November 2009), Bijapur, 65 houses were allotted (September 2010) to the Collector by the Board and the houses were allotted to various Government officials.

Atal Awas houses were allotted to the Government employees at subsidised rate.

Since the land was allotted for *Atal Awas* Scheme, the houses and the subsidy under the scheme was to be provided to the poor families only. Thus, the allotment of the houses for accommodation to the Government officials was in violation of the scheme guidelines. Further, the Board had demanded (September 2010) an amount of ₹ 58.08 lakh instead of ₹ 90.58 lakh[5] for these 65 houses from the Collector. Thus, irregular subsidy of ₹ 32.50 lakh (₹ 50000 x 65) was allowed by the Board for these houses. Besides, the Collector also did not deposit the amount as of November 2012. Further, we also noticed that the Board did not claim the subsidy amount of ₹ 32.50 lakh.

On this being pointed out (September 2012), the Commissioner, CGHB stated (November 2012) that there was no demand for the houses from families of

[5] Amount to be claimed = ₹ 58.08 lakh + (65 houses x ₹ 50,000) = ₹ 90.58 lakh

the weaker sections of the society. Thus, allotment of *Atal Awas* houses was done to Government employees by the Board.

The fact remains that the scheme is meant for providing affordable houses to poor families only and allotment of houses at subsidised rate to the Government officials was irregular. It also implies that houses are being built for EWS without working out the actual demand.

2.1.10.3 Non adherence to norms for EWS in housing schemes

In order to provide economical houses to the EWS of society under the Housing Policy of the State, Government of Chhattisgarh has made it mandatory to reserve 15 *per cent* land for EWS in all housing schemes and 25 *per cent* in housing projects developed by the Government or where land has been provided by the Government at concessional rates. Thus, out of the total plot area, prescribed land should be reserved for EWS and the houses constructed in this area are to be allotted to the beneficiaries.

Prescribed percentage of land was not reserved for EWS families in housing projects.

During scrutiny of records and approved layout of the housing project at Sector 29 of Naya Raipur, we noticed that out of the total plot area of 289866.17 square meter only 16479.33 square meter (5.70 *per cent)* land was allotted for EWS against the norms of 15 *per cent*. Similarly, in the housing project at Sector 27 of Naya Raipur, we noticed that the Government had provided 62 hectares of land in Sector 27 at concessional rate of ₹ 32.32 lakh per hectare valuing ₹ 20.03 crore. Accordingly, the Board was required to reserve 25 *per cent* of the land but the Board had allotted only 5.59 *per cent* of the land for EWS. The details are shown below:

Table 4: Status of land allotted for EWS in housing projects

(Area in square meter)

Name of project	Total plot area	Area actually allotted	Area to be reserved for EWS	Less area allotted to EWS
Sector 27	294448.36	16459.52 (5.59 *per cent*)	73612.09 (25 *per cent*)	57152.57
Sector 29	289866.17	16479.33 (5.70 *per cent*)	43479.92 (15 *per cent*)	27000.59
Total	**584314.53**	**32938.85**	**117092.01**	**84153.16**

(Source: Information furnished by Board and compiled by Audit)

It may be seen from the table that against 1,17,092.01 sqm area required to be reserved in these two sectors for EWS, only 32,938.85 sqm area (35.80 *per cent*) was actually allotted.

On this being pointed out (September 2012), the Commissioner, CGHB stated (November 2012) that as per the Housing Policy, 15 *per cent* land is to be earmarked for EWS. However, in case of built up form, construction on 25 *per cent* land is required. The construction was done as per the approved layout plan. Further, the Government did not provide the land at concessional rate.

The reply is not acceptable as the land at Sector-27 was provided at concessional rate. Further, the Housing Policy provides for reservation of prescribed percentage of land only. However, sufficient area was not allotted for EWS families in contravention of the Housing Policy, thereby depriving the poor from having access to economical housing schemes.

2.1.10.4 Construction of bungalows and commercial complex on land acquired for Economically Weaker Sections of the society

The Land Acquisition Act, 1894 provides that land acquired for a purpose should not be utilised for any other purpose. Further, the purpose for which land was acquired cannot be changed after issue of notification for land acquisition.

(i) Irregular construction of bungalows and commercial complex amounting to ₹ 181.86 crore

Commercial complex and bungalows were constructed on the land acquired for EWS families.

Chhattisgarh Housing Board, Raipur had sought (October 2004) allotment of 44.809 hectares of land at Boriyakala for construction of houses for the homeless and for EWS families from the Collector, Raipur. An amount of ₹ 9.02 crore was paid to the Land Acquisition Officer (LAO) in 2006 for payment of compensation to the landowners. As against the requirement of 44.809 hectare, only 39.527 hectare land was acquired.

During scrutiny of records, we observed that the Board, instead of constructing houses for EWS on the entire allotted land, constructed houses for EWS on 5.929 hectare only (15 *per cent*) and on the remaining 33.598 hectare land houses for higher and middle income group were constructed in disregard to the terms and conditions of the allotment order. Besides, a total of 682 premium class houses were irregularly constructed at a total cost of ₹ 113.24 crore on this piece of land,

Similarly, the Collector, Raipur had also allotted (August 2006) 25.785 hectare of land at Dumartarai to the Board for construction of houses for EWS. Out of this land, 2.20 hectare land was being used as a cemetery. Thus, 23.585 hectare land was available for construction of houses for EWS.

We further observed that the Housing and Environment Department changed (March 2008) the use of land from housing purpose to commercial purpose and requested (May 2008) the Collector to cancel the land acquisition process and to allot the land to Raipur Development Authority (RDA). The Collector however, intimated (July 2008) that cancellation was not possible as the land was acquired for housing for EWS.

We noticed that the Board, instead of constructing houses for EWS on the entire allotted land, constructed houses only on 0.31 hectares (1.31 *per cent*) for EWS and on the remaining 23.275 hectare land, commercial complex and houses for other classes were constructed in violation of the terms and condition of the allotment order. Thus, construction of the shops and houses for other classes on land allotted for EWS amounting to ₹ 68.62 crore was irregular.

Further, due to violation of conditions of allotment orders in Dumartarai and Boriyakala, only 6.239 hectare land was utilised for construction of houses for the EWS against total allotted 63.112 hectare land. Thus, the objective of providing affordable dwelling units to the targeted beneficiaries could not be achieved as detailed below:

Table 5: Status of land allotted for EWS

(Area in hectare)

Name of project	Total Area allotted for EWS	Area actually allotted	Area to be reserved for EWS	Number of EWS units constructed	Less area allotted to EWS
1	2	3	4	5	6=(4-3)
Dumartarai	23.585	0.310	23.585	272	23.275
Boriyakala	39.527	5.929	39.527	1840	33.598
Total	**63.112**	**6.239**	**63.112**	**2112**	**56.873**

(Source: Information furnished by Board and compiled by Audit)

On this being pointed out (September 2012), the Commissioner, CGHB stated (November 2012) that in Boriyakala, the land was acquired for developing housing colony for all classes of society and construction of houses (1840 EWS and 800 LIG) was done accordingly. It further stated that in Dumartarai, the Government had changed the use of land from residential to commercial purpose and after this, shops/houses (438 shops, 272 EWS, 144 LIG and 480 MIG flats) are being constructed after approval by the Town and Country Planning Department.

The reply is not acceptable as the land was acquired for construction of houses for homeless and EWS families. Further, Land Acquisition Act, 1894 provides that land acquired for one purpose should not be utilised for any other purpose. Since the Award was already passed for residential purpose for EWS families, the Collector had refused to change the use of land. Thus, construction of shops and houses for higher and middle income group was in violation of conditions of allotment orders as well as Land Acquisition Act.

(ii) Non recovery of balance amount from Land Acquisition Officer amounting to ₹ 4.18 crore

We further observed that in Boriyakala project, as against the requirement of 44.809 hectare of land only 39.398 hectare of land was allotted on which land acquisition compensation amounting ₹ 5.28 crore was payable by the Board. Against this, the Board had already deposited ₹ 9.02 crore[6] with Land Acquisition Officer (LAO). The Board did not take any action for recovery of the balance amount of ₹ 3.74 crore from LAO.

Similarly, in Dumartarai project, the Board had deposited ₹ 5.21 crore[7] for 25.785 hectare land with LAO towards payment of compensation for land acquisition. Since 2.20 hectare of land was not acquired for the Board, an

[6] (September 2005 - ₹ 43.47 lakh and October 2006 - ₹ 8.59 crore)

[7] (July 2005 - ₹ 35.27 lakh and April 2008 - ₹ 4.86 crore)

amount of ₹ 44.37 lakh was recoverable from LAO. However, the Board did not take any steps for recovery of this sum.

When we pointed this out, the Commissioner stated (November 2012) that the Revenue Department had intimated (April 2009) that an amount of ₹ 1.06 crore was adjusted against land acquired for Hirapur project and no amount is recoverable from LAO under Boriyakala project.

The reply is not acceptable as an amount of ₹ 1.06 crore had reportedly been adjusted against the recoverable amount of ₹ 3.74 crore. However, no records in support of adjustment of ₹ 1.06 crore was produced to audit for verification. No reply was furnished by the Board in respect of recovery of ₹ 44.37 lakh.

2.1.11 Execution of works

The Board adopted (2004) the Works Department Manual for execution of works. A new Schedule of Rates (SOR) for Building, Road and Electrical works was prepared by the Board and was being enforced from the year 2006 onwards. The Board has ensured use of environment friendly fly ash bricks in the construction activities. For construction activities, tenders are invited and works are awarded to the contractors for execution. The works are executed by the Board through its divisional offices. The deficiencies noticed in preparation of estimates, awarding of works and payments made to the contractors are discussed below:

Preparation of estimates

As per clause 2.027 of the Works Department (WD) Manual, the rates in an estimate should generally agree with the SOR. Where for any cause, the latter is not considered suitable or sufficient, the deviation should be explained in detail in the estimates, and if there is no relevant schedule of rate for a particular item of work in the estimate, the proposed rate should be supported by an analysis.

2.1.11.1 Preparation of inflated estimate of ₹5.06 crore

Estimate was inflated due to addition of anticipated tender *per cent* on the SOR rates without analysis.

The Board had not revised the SOR since 1999 and the estimates were prepared by the Division on the basis of the old SOR-1999 till 2006.

Our scrutiny of the records of EE, Division II, Raipur revealed that the estimated cost as per SOR-1999 was enhanced by ₹ 5.06 crore by adding 60 *per cent* anticipated tender percentage in three agreements executed in 2005-06 without any justification. There was no justification to inflate the estimates in an *ad hoc* manner without following the provision of the WD Manual. This enhancement in estimates facilitated the contractors in quoting higher rates which resulted in extra cost of ₹ 5.06 crore ***(Appendix 2.1.1)***.

On this being pointed out (September 2012), the Commissioner stated (November 2012) that 60 *per cent* was added in the SOR rate for keeping the

current market prices as the base. Moreover, if the above percentage was not added, lesser Earnest Money would be received.

The reply is not acceptable because the inclusion of escalation was not supported by any rate analysis or justification.

Tendering and awarding of works

As per Clause 2.075(b) of the Works Department Manual, tenders must be invited for all works proposed to be given on contract unless the amount of work is ₹ 15,000 or less. Further, Clause 2.086 (4) (a) provides that for all tenderers, who had quoted rates in that particular tender, for which negotiations are considered suitable should be called for negotiations with a view to withdraw conditions and reduce the rates. Clause 3(c) of the WD manual i.e risk and cost provides for imposition of penalty if the contractor leaves the work incomplete and the remaining work is executed by another contractor with higher rates.

2.1.11.2 Avoidable extra cost of ₹34.48 crore due to acceptance of higher rates

Extra cost due to acceptance of tender at higher rate.

Scrutiny of records of the Project Division, Durg revealed that tenders were invited (March and August 2008) for construction of houses at Block A and Block B, Talpuri. The estimated cost of Block A was ₹ 180 crore and the work was awarded (October 2008) to M/s Mackintosh Burn Private Ltd, Kolkata at ₹ 196.45 crore (nine *per cent* above estimated cost). Similarly, estimated cost of the work of Block B (adjacent to Block A) was ₹ 202.80 crore and the work was awarded (October 2008) to the same firm at ₹ 255.59 crore (26 *per cent* above estimated cost) without any negotiation even though the nature of work was similar and the work was awarded to the same contractor at the same time. The work could have been executed at ₹ 221.05 crore. Thus, acceptance of tender at higher rate resulted in avoidable extra cost of ₹ 34.48 crore[8].

On this being pointed out (September 2012), the Commissioner stated (November 2012) that the tenders were rejected twice earlier and the tender was accepted on the third call to protect the financial interest of the Board.

The fact remains that similar nature of work was awarded to the same contractor at the same time at higher rates.

2.1.11.3 Irregular award of work of ₹59.79 crore without inviting tender

(i) Awarding of work in Talpuri Project

Works were awarded to the contractors without tender.

As mentioned in paragraph No 2.1.11.2, the Board had awarded (October 2008) the work of Block A and Block B to M/s Mackintosh Burn Private Limited at nine *per cent* and 26 *per cent* above the estimated cost respectively. The Board included the work of construction of 336 units of

[8] 17 *per cent* (26 *per cent* - 9 *per cent*) of ₹ 202.80 crore = ₹ 34.48 crore

Mogra houses and 240 units of Juhi Apartments as additional work at 26 *per cent* above the estimated cost without inviting tenders from the above firm. The same firm was also executing work at the rate of nine *per cent* above estimated cost. Thus, works valuing ₹ 57.78 crore was awarded without inviting tender in contravention of the WD manual.

On this being pointed out (September 2012), Commissioner stated (November 2012) that in order to provide houses to lower and middle income group, the number of houses were increased in Block B. Hence the additional work was included in the agreement of Block B. Sanction of the additional work is in progress.

Thus, award of work without inviting tender was not only violative of the provisions of the WD manual but also resulted in extension of undue favour to the contractor.

(ii) Awarding of work in Saddu Project

During scrutiny of records of Division-II, Raipur we observed that tender for construction of 50 MIG Deluxe houses at Saddu, Raipur was invited (September 2005) at estimated cost of ₹ 3.26 crore. The lowest tender of ₹ 3.32 crore (1.94 *per cent* above estimated cost) submitted by M/s Dubey Goel & Company, Raipur was rejected (October 2005) without assigning any reason. The work was re-tendered and awarded (February 2006) to M/s Bajoriya Construction Company, Yavatmal at ₹ 3.04 crore (6.74 *per cent* below estimated cost). After execution of work amounting to ₹ 92.33 lakh, (30 *per cent*) the agreement was rescinded (December 2007) due to non execution of work. On further retendering, the balance work was awarded (February 2009) to M/s N.K. Construction, Durg for ₹ 2.72 crore (33.09 *per cent* above the estimated cost) against the estimated cost of ₹ 2.01 crore. However, after execution of work amounting to ₹ 71.29 lakh (26 *per cent*), the agreement was also rescinded (October 2009) due to delay in execution.

On scrutiny of the above agreements, we observed that risk and cost clause i.e. 3(c) of the WD manual was not included in the above agreements. We further observed that M/s Dubey Goel & Co, Raipur who was executing the balance work of another site of 14 MIG Duplex Deluxe and 71 MIG Deluxe was awarded (January 2009) the balance work of 50 MIG Deluxe amounting to₹ 2.01 crore (33.09 *per cent* above estimated cost) as additional work without inviting tender. The work was completed (November 2009) with an expenditure of ₹ 3.65 crore[9]. Thus, the Board had to incur extra expenditure of ₹ 61 lakh (₹ 3.65 crore (-) ₹ 3.04 crore). Due to non inclusion of clause for risk and cost, the Board had not only incurred extra expenditure but also extended undue benefit to the contractor. Had the above clause been included in the agreement, the extra expenditure could have been recovered from the defaulting contractor.

[9] ₹ 92.33 lakh + ₹ 71.29 lakh + ₹ 2.01 crore = ₹ 3.65 crore

On this being pointed out (September 2012), the Commissioner stated (November 2012) that execution of the above work was delayed due to abandoning of work by previous contractors. Therefore, the above work was allotted to M/s Dubey Goel & Company as additional work without inviting tender. It was further stated that clause 3(c) was not provided in the agreement due to which extra cost could not be recovered from the defaulting contractor. At present, this clause has been incorporated in all new agreements.

The reply is not acceptable as the WD Manual clearly states that for all works amounting to more than ₹ 15,000 tenders should be invited. Thus, works valuing ₹ 2.01 crore were awarded without inviting tender in contravention of the WD manual.

2.1.11.4 Irregular subletting of work

As per condition No.7.1 of the tender document, the contractor shall not, without the prior approval of the competent authority in writing, sublet or assign to any other party or parties, the whole or any portion of the work under the contract. Where such approval is granted the contractor shall not be relieved from the duty or responsibility which he undertakes under the contract.

Further, as per clause 25 of the agreement, the contract shall not be assigned or sublet without the written approval of the Divisional Officer. Otherwise the contract may be rescinded under Clause 3 and the security deposit of the contractor should be forfeited and the contractor shall not be entitled to recover or to be paid for any work performed under the contract.

During scrutiny of records of Project Division, Durg, we observed that the work for construction of Block A and Block B, Talpuri was awarded (October 2008) to M/s Mackintosh Burn Private Ltd, Kolkata at ₹ 196.45 crore and at ₹ 255.59 crore respectively. We also noticed that a civil contractor[10], had lodged a complaint (May 2012) with the EE that he was executing the work of construction of houses and infrastructure development in Block A and Block B of Talpuri project, but payment of his running bill was not made to him regularly by the original contractor i.e. M/s Mackintosh Burn Private Limited. Taking cognisance of the above letter, the EE wrote a letter (May 2012) to M/s Mackintosh Burn Private Limited to dispose of all issues with the subordinate contractors under intimation to the Board.

Since the work was sublet without prior approval of the Board in contravention to the conditions of the agreement, the contract should have been rescinded and the security deposit of ₹ 6.39 crore (Block A: ₹ 3.07 crore (+) Block B: ₹ 3.32 crore) should have been forfeited. However, the Board neither took any action to cancel the agreement nor initiated any action for forfeiting the security deposit as per the provisions of the agreement.

[10] M/s Sanjay Kumar Mishra

On this being pointed out (September 2012), the Commissioner stated (November 2012) that as per records of the Board, the work was not sublet and M/s Sanjay Kumar Mishra was a labour contractor.

The reply is not acceptable as the letter (May 2012) of the EE and complaint letter of the contractor confirm that the works were sublet.

2.1.11.5 Non recovery of extra cost of ₹ 1.59 crore from the defaulting contractors

Clause 3(c) of the WD manual provides for imposition of penalty on the contractor in case the contractor leaves the work incomplete, the work is rescinded, and the remaining work is given to another contractor to complete. In such cases, any expenses incurred in excess of the sum which would have been paid to the original contractor if the whole work had been executed by him shall be borne and paid by the original contractor and may be deducted from any money due to him.

During scrutiny of records of Division-II, Raipur we observed that the work of construction of 14 MIG DD and 71 MIG Deluxe houses was awarded to M/s Swaraj Associates at the rate of 4.63 *per cent* below SOR (1999). The contractors left the work incomplete and the agreement was rescinded (December 2007) under clause 3. For the balance work, tender was invited (January 2009) and work was awarded (January 2009) to M/s Dubey Goel & company at the rate of 30.50 *per cent* above estimated cost and the work were completed at extra cost of ₹ 1.59 crore ***(Appendix 2.1.2)***.

We further observed that though the Board has been following the WD manual, the provision related to recovery of extra cost from defaulting contractors as provided in clause 3(c) was not included in the agreements.

Had this clause been incorporated in the agreement, the extra cost of ₹ 1.59 crore could have been recovered from the defaulting contractor and the extra financial burden on the allottees could have been reduced to that extent.

On this being pointed out (September 2012), the Commissioner accepted (November 2012) the audit observation and stated that clause 3(c) was not provided in the agreement due to which extra cost could not be recovered from the defaulting contractor. At present this clause has been incorporated in all new agreements.

Advances to contractors

2.1.11.6 Irregular sanction of mobilisation advance amounting to ₹22.30 crore and loss of interest of ₹3.78 crore

As per clause 3.23 of the WD Manual, mobilisation advance is applicable for tenders of ₹ one crore or more. Mobilisation advance not exceeding five *per cent* of the contract amount and limited to ₹ 10 lakh shall be given. This advance shall bear interest at the rate of 14 *per cent* per annum.

Mobilisation advance was paid in violation of the provision of the agreement.

(i) During scrutiny of two agreements executed (October 2008) by Durg division for Talpuri project, it was noticed that mobilisation advance of ₹ 22.50 crore was paid to the contractor which was recoverable with interest at the rate of 14 *per cent* per annum. However, as per clause 11 (B) of the agreement, the maximum amount payable was ₹ 10 lakh for each agreement only. Thus, excess payment of ₹ 22.30 crore[11] was not only irregular but also led to extension of undue aid to the contractor. Though the amount of advance was recovered by March 2010, the interest amounting to ₹ 3.30 crore was not recovered till the date of audit (August 2012).

(ii) Further, in another agreement executed (October 2008) for ₹ 35.15 crore by Durg division for Kharun Green project, we noticed that the provisions of the WD manual were not included in the agreement and mobilisation advance of ₹ 1.76 crore was paid to the contractor which was recoverable with interest at the rate of 18 *per cent* per annum. Though the amount of advance was recovered by May 2010, the interest amounting to ₹ 47.55 lakh was not recovered till the date of audit (August 2012).

Thus, irregular payment of advance amounting to ₹ 22.30 crore was not only a violation of the WD manual but also the provisions of agreement which resulted in loss of interest amounting to ₹ 3.78 crore (***Appendix 2.1.3***) to the Board.

On this being pointed out (September 2012), the Commissioner stated (November 2012) that the Board is a semi-Government body and in the interest of the work, the provisions mentioned in the WD Manual was customised and the mobilisation advance was sanctioned as per agreement which would be recovered from the running bills.

The reply is not acceptable as mobilisation advance was paid against the provision of the agreement and interest was also not recovered from the contractors.

Undue benefit to contractors

2.1.11.7 Short levy of penalty amounting to ₹20.37 crore

As per clause 2 of the agreements, the contractor had to execute the work within the stipulated period as envisaged in the contract, failing which penalty was to be imposed at the rate of 1/16 *per cent* of the value of the work per week, subject to a maximum of six *per cent* of the total value of the contract.

During scrutiny of 15 agreements executed in three[12] divisions, we observed that the scheduled date of completion was between six to 24 months. The contractors however, could not complete the work within the stipulated period and delay in completion of these works ranged between 14 to 42 months. The reasons were mainly attributable to the contractor i.e deployment of

[11] ₹ 22.50 crore – (₹ 10 lakh x 2 agreements) = ₹ 22.30 crore

[12] EE, Project Division, Durg , EE, Capital Project Division-I and EE, Division-II, Raipur

inadequate engineers, labour shortage, rainy season, approach road problem, etc. Since the contractors failed to complete the works within the scheduled time, the Board had granted time extension with condition of levying penalty under the above clause for delay in execution of the works. The total penalty aggregating to ₹ 31.29 crore was recoverable from these contractors. As against this, the Board recovered only ₹ 10.92 crore. This short levy of penalty amounting to ₹ 20.37 crore **(*Appendix 2.1.4*)** resulted in extension of undue financial benefit to the contractors.

On this being pointed out (September 2012), the Commissioner stated (November 2012) that penalty for delay in execution of works was decided on the basis of reasons attributable to the delay.

The reply is not acceptable as the penalty was not levied as per the provisions of the agreement which resulted in extension of undue financial benefit to the contractors.

Excess payment to contractors

2.1.11.8 Excess payment of ₹1.74 crore due to extra excavations and filling of foundation

Clause 1.7 of the technical specification of the agreements of Block A and Block B of Talpuri project stipulated that excavation shall be carried out to such widths, lengths, depths and profiles as shown in the drawings or the Engineer may specify such other lines and grades. The contractor may for facility of his work or similar other reason, excavate and backfill later if so approved by the engineer at his own cost outside the line shown on the drawings or directed by the engineer. Should any excavation be taken below the specified levels, the contractor shall fill it up with PCC (1:3:6) or granular material in accordance with the type of bedding up to the required level. The contractor on this account shall claim no extra payment.

During scrutiny of the records of EE, Project Division, Durg we noticed that the contractor excavated the entire area of the building with a depth of 1.5 meter and filled up the same with sand/moorum. As per approved estimate, total 42,231.18 cum excavation was admissible against which 1,31,929.43 cum was excavated. Similarly, for back filling, the admissible quantity was 42,231.18 cum against which 1,26,508.70 cum was executed. As there was no change in drawing and design, extra excavation and back filling beyond the specified dimension resulted in excess payment of ₹ 1.74 crore ***(Appendix 2.1.5).*** Further, copy of the Measurement Books was not provided to audit.

After we pointed this out (September 2012), the Commissioner stated (November 2012) that the work was executed as per site conditions. Due to availability of rocky strata at the site, excavation of foundation in tranches had been done and payment to the contractor was made accordingly.

The reply is not acceptable because payment of excavation should have been restricted to the dimension of the foundation given in the drawings.

2.1.11.9 Excess payment of ₹ 9.25 crore due to short consumption of cement

As per IS 456:2000, Design Mix Concrete should be designed to produce the grade of concrete having the required workability and a characteristic strength not less than the appropriate values.

During scrutiny of the measurement book, we observed that in 10 agreements (2007-08) of Project Division-I Raipur and Durg, item of Ready Mixed Concrete of M-20 grade (mix design concrete) was provided at the estimated rate of ₹ 3,900 per cum with reference to SOR (2006) item No. 32(c). The rate of item No. 32(c) in SOR (2006) was ₹ 2,700 per cum. For this item, 423 kg per cum cement was to be consumed. As per mix design concrete approved by the authorised laboratory, consumption of cement was 320 kg to 322 kg. Thus, for executing 2,01,586 cum of RMC, 85,270.878 MT was to be consumed against which only 64,705.016 MT of cement was consumed. The details are given below:

Table 6: Details of excess payment due to short consumption of cement

Name of Division	Quantity of RMC executed (in cum)	Consumption of Cement as per estimate (423 kg/cum)	Actual consumption (Kg)	Short consumption (Kg)	Excess payment (₹4500/ ton)
Capital Project Dn. No I, Raipur	98748	41770404	31796856 (322 kg/cum)	9973548	44880966
Project Dn. Durg	102838	43500474	32908160 (320 kg/cum)	10592314	47665413
Total	**201586**	**85270878**	**64705016**	**20565862**	**92546379**

(Source: Information furnished by Board and compiled by Audit)

Since less quantity of cement was consumed, the payment should have been made based on actual consumption. However, despite short consumption of 20,565.862 MT cement, the contractors were paid the full amount resulting in excess payment of ₹ 9.25 crore.

On this being pointed out (September 2012), the Commissioner stated (November 2012) that works of RMC M-20 was executed after mix design as per material brought at site and no specific quantity of cement could be assessed before mix design. The work was executed accordingly and payment made as approved in NIT.

The reply is not acceptable as the mix design should have been prepared before commencement of work of concrete to ascertain the quantity of cement and other material required for execution of concrete work and the payment should have been made on the basis of actual consumption of cement. Also, the SOR of CPWD provides that the less cement consumed as per design mix is recoverable separately from the contractor.

2.1.11.10 Excess payment of ₹ 1.45 crore due to adoption of wrong formula for price escalation

The work of construction of composite housing schemes at Hatkachura and Abhanpur in Jagdalpur District was awarded (October 2008) to M/s Shreejee Kripa Project Limited for ₹ 12.84 crore and ₹ 20.71 crore respectively and was completed in June 2011. The up-to-date payment of ₹ 10.09 crore and ₹ 15.25 crore was made to the contractors as of August 2012.

As per Clause 10 CA of the agreement, the increase/decrease in prices shall be determined by the All India Wholesale Price Index (WPI) for cement and steel as published by the Economic Advisor to Government of India (GoI), Ministry of Commerce and Industry and base price for cement and or steel reinforcement bars as issued by GoI, Ministry of Commerce and Industry on the basis of the stipulated date of receipt of tender. The formula for payment of escalation due to increase/decrease in prices of cement and steel[13], is shown in the footnote.

During scrutiny of records of EE, Division, Jagdalpur we observed that in these agreements, definition of Ci (Wholesale Price Index of Cement) was altered by the authorised company/Dealer Rate for cement and Si (Wholesale Price Index of Steel) was altered to the rate of M/s SAIL for steel.

Further, we noticed that during execution of the work, price index of steel and cement decreased in comparison to the base index and no amount for escalation was payable. However, by applying the incorrect formula, the Board had paid an amount of ₹ 1.12 crore on account of escalation. Had the correct formula been applied, an amount of ₹ 33 lakh was deductible against the payment of ₹ 1.12 crore ***(Appendix 2.1.6)***. Thus, adoption of wrong formula resulted in excess payment of ₹ 1.45 crore (₹ 44 lakh + ₹ 1.01 crore).

On this being pointed out (September 2012), the Commissioner stated (November 2012) that it was not possible to get Wholesale Price Index in Jagdalpur and the authorised company rate was taken. Thus, payment of escalation was as per the agreement.

The reply is not acceptable since the agreement clearly stated that the WPI published by Ministry of Commerce and Industry, Government of India was to be taken for calculation of escalation and hence due to adoption of wrong formula, excess payment of ₹ 1.45 crore was made to the contractor.

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[13] (A) Adjustment for components of cement : Vc=Pc x Qc x Ci-Co/Co
(B) Adjustment for components of steel : Vs=Ps x Qs x Si-So/So
Where, Vc/Vs : variation of cost of cement/steel increased or decreased in the amount of rupees to be paid or recovered;
Pc/Ps : Base price of cement (₹3500/MT)and steel (₹ 30000/MT) fixed for this agreement;
Qc/Qs : Quantity of cement/steel used since previous bill;
Ci/Si: All India Wholesale price index for cement/steel for period under consideration as published by the Economic Adviser to GoI, Ministry of Industry and Commerce.
Co/Cs : Base index of cement/steel.

2.1.12 Monitoring and Quality control

Effective monitoring of the construction activities ensures timely completion of projects. Quality control mechanism ensures utilisation of standard materials in construction. During our audit of the Housing Board we noticed the following which were due to inadequate monitoring of projects, resulting in time and cost overrun of the projects.

2.1.12.1 Non deployment of engineers as per norms

As per clause 8.1.2 of the special conditions of contract and circular No. 53 dated 14-2-2008 of the Board, the contractor shall employ Graduate civil engineers and Diploma engineers as per requirement who should be available at site for monitoring of the work and to take instructions of the Engineer in charge of the work. The contractor was required to submit a list of all the engineers to be deployed along with their qualification to the EE before commencement of the work. The number of engineers to be employed was as follows:

Amount of agreement	Number of Graduate Engineer	Number of Diploma Engineer
₹ 50 lakh to ₹ 4 crore	01	03
₹ 4 crore to ₹ 10 crore	02	04
₹ 10 crore to ₹ 50 crore	04	08
₹ 50 crore to ₹ 200 crore	08	16
₹ 200 crore and above	12	24

During scrutiny of records of the selected seven divisions, we observed that out of 19 agreements test checked, in 14 agreements no engineer was deployed and in one agreement, insufficient number of engineers was deployed by the contractors. However, deployment of engineers in four agreements executed by Division-III, Raipur was as per norms. Thus, against deploying of 224 engineers only 28 engineers were actually deployed (***Appendix 2.1.7***). Although penalty at the prescribed rates was deducted from the contractor's bill, the fact remains that proper monitoring of the works was compromised.

On this being pointed out (September 2012), the Commissioner stated (November 2012) that engineers were deployed by the contractor at site and where insufficient number of engineers were deployed, necessary penalty was deducted from the Running Account bills of the contractors.

The fact remains that the Board did not enforce the special condition of the contract to ensure adequate monitoring of the work at site through deployment of required engineers by the contractor.

2.1.12.2 Testing of construction material

Para 4.5.4.2 of the technical specification of the agreement provides that at least six test cubes of each class of concrete shall be taken for every 150 cum of concrete work. Thus, one cube test for every 25 cum of concrete work was to be conducted to check the strength of the concrete used.

During scrutiny of records of the selected seven divisions we noticed that in 20 test checked agreements, a total of 2.03 lakh cum of concreting work was executed. As per norms, 8118 samples of concrete were to be tested against which only 3644 (45 *per cent)* test reports of concrete were available.

Further, during scrutiny of field laboratory test registers and test reports of Capital Project Division-1, Raipur we noticed that in eight agreements executed by the division, adequate number of tests (90 *per cent)* were conducted. However, in the remaining six divisions the field laboratory test registers were not available and as per test reports made available to audit, the percentage of tests conducted was ranging from one to eight only of the total samples to be tested. (***Appendix 2.1.8***)

On this being pointed out (September 2012), the Commissioner stated (November 2012) that concrete cube tests were conducted at field and authorised laboratories by the Board and works were executed as per specified quality.

The reply is not acceptable as prescribed number of six tests for every 150 cum of concrete work was not conducted and tests conducted at field laboratories were not furnished to audit for verification. Thus, quality of works executed could not be ensured.

2.1.13 Conclusion

The Board had not prepared any Perspective plan and Annual Action Plan for taking up the construction activities in a planned manner. The Board had not utilised the allotted funds in time bound manner which had resulted in persistent savings. Norms for allotment of land for EWS under housing schemes were not adhered to. Moreover, the land allotted for EWS was utilised for construction of commercial complex and houses for higher and middle income group. The houses constructed for EWS were not handed over to the beneficiaries due to failure in arranging loans for the poor families. The Board failed to complete the projects within the stipulated period resulting in time and cost overrun of the project. The projects were not implemented economically due to preparation of inflated estimates, payment of inadmissible advances, excess payment etc. Quality of construction material utilised in the works could not be ensured due to inadequate frequency of testing.

2.1.14 Recommendations

- *Perspective plan and Annual Action plans based on realistic demand should be prepared for effective implementation of the schemes.*
- *Land allotted and houses constructed for EWS families should be utilised for their benefit only.*
- *Monitoring system should be strengthened to ensure timely completion of projects.*

PANCHAYAT AND RURAL DEVELOPMENT DEPARTMENT

2.2 'Mahatma Gandhi National Rural Employment Guarantee Scheme'

Executive Summary

The National Rural Employment Guarantee Act, 2005 (NREGA) changed to MGNREGS from October 2009 guarantees at least 100 days of employment in a financial year to any rural household (HH) whose adult members are willing to do unskilled manual work. The State Government notified the Act in March 2006. The scheme was implemented in 11 districts[1] from March 2006, in four other districts[2] from April 2007 and in the remaining three districts[3] from April 2008 in Chhattisgarh.

The Performance Audit of MNREGS conducted by us covered six districts viz. Bastar, Durg, Jashpur, Kanker, Korea and Mahasamund for the period 2007-08 to 2011-12. The audit revealed that during the period 2008-09 to 2011-12 the State had estimated 71.60 crore person days of employment, against which the actual employment generated was 45.95 crore (64 *per cent*) person days after incurring expenditure of ₹ 7839 crore. We noticed several deficiencies in implementation of the scheme. There were huge vacancies in key positions at *Zila* and *Janpad Panchayat* level which had not only adversely affected the smooth and effective implementation of the scheme, but had also delayed technical evaluation of works and corresponding delay in payment of wages to the beneficiaries. Though the Annual Action Plans were prepared, Perspective Plan detailing the priority of works for long term employment generation and sustainable development was not prepared. Persistent shortfall in utilisation of available funds was noticed. In disregard to the scheme guidelines, cheques amounting to ₹ 69.90 crore were issued to *Sarpanches* of Bastar and Kanker districts for payments of wages to beneficiaries and advances given to the *Sarpanches* were not adjusted. There was delays ranging between 5 to 139 days in release of State share and funds were released to the District Programme Coordinator at the fag end of the financial year. Balance funds of SGRY and NFFWP were not transferred to MGNREGS account. Door to door survey was not conducted to ensure the coverage of eligible beneficiaries. The objective of the scheme to provide 100 days of employment was not achieved as only nine *per cent* HHs were provided employment of 100 days. The percentage of HH provided 100 days of employment had declined from 11 in 2007-08 to 7 in 2011-12. Though the *GPs* failed to provide employment to the beneficiaries within the prescribed period of 15 days, unemployment allowance was not paid to the beneficiaries. Despite non payment of wages aggregating ₹ 9.59 crore in time, compensation

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1 Bastar, Bilaspur, Dantewada, Dhamtari, Jashpur, Kanker, Kawardha, Korea, Raigarh, Rajnandgaon and Surguja

2 Janjgir, Korba, Mahasamund and Raipur

3 Durg, Bijapur and Narayanpur

admissible under Payment of Wages Act was not paid. The time schedule for sanction of works prescribed in the Operational Guidelines was not adhered to and the District Programme Coordinators sanctioned the works to the implementing agencies throughout the year.

The Performance Audit also revealed several deficiencies in execution of works such as execution of inadmissible works, irregular sanction and execution of WBM roads, payment to vendors for Management Information System (MIS) work, sanction of works without approval of Gram Sabha, payments released without measurement of works, delay in completion of works, cancellation of works after incurring expenditure of ₹ 150.27 crore, issue of completion certificates in respect of incomplete works and wasteful expenditure on works. Muster Roll, which is the most important document for recording the works done, was not properly maintained as cases of overwriting/cutting, absence of signature, non recording of certificate of payment, incomplete information etc. were noticed. The objective of the Scheme to empower rural women through participation in the scheme was not fully achieved as the percentage of employment provided to women in the State was between 47 and 49 *per cent.* Further, the participation of women in implementation, execution and decision making was not encouraging as only 10 to 38 *per cent* posts of mates and *Gram Rojgar Sahayaks* were held by women. The objectives of the scheme for creation of permanent assets through convergence with other schemes could not be achieved due to improper execution of the works.

The monitoring mechanism was weak as prescribed registers were not maintained properly in absence of which it was difficult to establish the authenticity of the beneficiaries and whether work was being provided within 15 days. The actual days of employment provided to individual households was also not ascertainable. There were instances of wage payments by tampering the records and delay in payment of wages. No records were maintained regarding inspections and monitoring done under the scheme and the online MIS was incomplete. No internal audit was carried out during the period 2007-12.

2.2.1 Introduction

The National Rural Employment Guarantee Act, 2005 (NREGA) guarantees 100 days of employment in a financial year to any rural household (HH) whose adult members are willing to do unskilled manual work. The State Government notified the Act in March 2006. The scheme was renamed as Mahatma Gandhi National Rural Employment Guarantee Scheme (MNREGS) in October, 2009. The Act provided the HHs a right to register themselves with the local GPs and seek employment either through application on a plain paper or oral request. Employment was to be provided within 15 days of the demand, failing which unemployment allowance was payable by the State Government at a stipulated rate.

MNREGS is a Centrally Sponsored Scheme and the Government of India (GoI) bears the entire cost of unskilled wages and administrative expenses of Programme Officers (POs) and their supporting staff. The wages for skilled

and semi-skilled workers and material cost are to be shared in the ratio of 75:25 by GoI and the State Government. The State Government bears the unemployment allowance and the administrative expenses of State Employment Guarantee Council (SEGC), which was set up (February 2006) for monitoring the implementation of works under MNREGS.

The scheme was implemented in 11 districts from March 2006, in four districts from April 2007 and in the remaining three districts from April 2008 in the State. The State Government has designated a Commissioner, Employment Guarantee and District Programme Coordinator (DPC) who is responsible for overseeing the proper implementation of the scheme at State and District level.

2.2.2 Organisational structure

Panchayat and Rural Development Department (P&RDD) of the State Government and its Secretary are designated as Nodal department and Nodal Officer respectively for implementation of MNREGS. Separate Employment Guarantee Cells have been constituted at the State, district and block levels for effective implementation of MNREGS. The implementing officer at various levels includes the Commissioner, Employment Guarantee (CEG) at the State level, Collectors as District Programme Coordinators (DPC) and Chief Executive Officers (CEO), Zilla Panchayats (ZP) as Additional District Programme Coordinators (ADPC) at district level, CEO, *Janpad Panchayats* (JP) as Controlling Officers and dedicated Programme Officer (PO) at Block (JP) level, *Sarpanch* and Secretary Gram Panchayat (GP) assisted by Administrative Assistants at GP level. The district, block and GPs have been designated as main implementing agencies and other departments of the State Government executing works under the scheme have been designated as Other Implementing Agencies (OIAs). Ombudsman was appointed in the year 2011-12 to examine and redress the grievances and complaints.

The CEG was responsible for ensuring that all activities required to fulfil the objectives of the Act were carried out. In addition, as per the provisions of the Act, a SEGC has been constituted (February 2006) to advise the State Government on the implementation of the scheme and to monitor and evaluate the scheme.

2.2.3 Audit objectives

The objectives of the Performance Audit were to assess whether:

- structural mechanisms have been put in place and adequate capacity building measures were taken by the State Government for implementation of the Act;
- the procedures for preparing Perspective and Annual Plan at different levels for estimating the likely demand for work and preparing shelf of projects were adequate and effective;
- funds were released, accounted for and utilised by the State Government in compliance with the provisions of the Act/Guidelines/Rules;

- there was an effective process of registration of households, allotment of job cards and allocation of employment in compliance with the Operational Guidelines;
- the primary objective of ensuring the livelihood security by providing 100 days of annual employment to the targeted rural community at the specified wage rates was effectively achieved and the unemployment allowance for inability to provide job on demand was paid in accordance with the Act and the Guidelines;
- MNREGS works were properly planned and economically, efficiently and effectively executed in a timely manner and in compliance with the Act and the Guidelines and durable assets were created, maintained and properly accounted for;
- the auxiliary objective of empowering rural women was achieved in accordance with the Act and the guidelines;
- the convergence of the Scheme with other Rural Development Programmes as envisaged was effectively achieved in ensuring sustainable livelihood to the targeted rural community and improving the overall rural economy;
- all requisite records and data were maintained at various levels and the MNREGS data was automated completely and provided reliable and timely MIS;
- transparency was maintained in implementation of the Act by involving all stake holders in various stages of its implementation from planning to monitoring, evaluation and IEC; and
- there was an effective mechanism to assess the impact of MNREGS.

2.2.4 Audit criteria

The audit criteria for the Performance Audit were drawn from the following sources:

- MNREG Act 2005 and notifications issued thereunder by GoI and the State Government from time to time.
- Circulars and documents issued by the Ministry of Rural Development (MoRD), GoI and orders/instructions issued by the State Government for internal monitoring etc.
- MNREGS Operational Guidelines.
- MNREGS Fund Rules 2006, MNREGS Financial Rules 2009 and MNREGS Audit of Scheme Rules 2011.
- MNREGS Vision, Strategic Framework and Plan of Action (2010-2011) issued by MoRD.

2.2.5 Audit scope and methodology

The Performance Audit was carried out between April 2012 to June 2012, covering the period from 2007-08 to 2011-12. We selected the office of CEG and six[4] out of 18 districts, 14[5] blocks and 140 GPs ***(Appendix 2.2.1***) for reviewing the implementation of the scheme up to March 2012. The methodology adopted by us included scrutiny of records at all levels, conducting beneficiary survey, attending social audit at GP level and physical verification of the work sites executed by selected GPs. In addition, works executed by 10[6] OIAs were also test checked in the selected districts. The entry and exit conferences were held with the State Government officials on 29 March 2012 and 16 August 2012 respectively. The replies received from the Government and Chief Executive Officers, *Janpad Panchayats/Zila Panchayats* have been appropriately incorporated.

2.2.6 Structural mechanism and capacity building

2.2.6.1 For smooth implementation of MNREGS, the State was required to appoint and post required number of staff at various levels.

The position of sanctioned strength, men in position and vacancies in various cadres in the 18 districts and the various JPs is shown in **Table 1**.

4 Bastar, Durg, Jashpur, Kanker, Korea and Mahasamund

5 Bastar district-Bakawand, Bastar and Makadi, Durg district-Balod, Durg and Saja, Jashpur district-Kansabel and Pathalgaon, Kanker district-Charama and Narharpur, Korea district-Baikunthpur and Manendragarh and Mahasamund district-Basna and Pithora

6 Water Resources Department, Forest, Mini Watershed, Agriculture, Assistant Soil Conservation Officer, Rural Engineering Services, Horticulture and Public Works Department, Fisheries and Sericulture

Table 1: Details of staff sanctioned and working as on May 2012

At District level

Sl. No.	Post	Sanctioned	Working	Vacant	Percentage of vacancy
1	Assistant Project Officer	18	12	6	33
2	Assistant Grade II	72	32	40	56
3	Co-ordinator (Complaint)	18	0	18	100
4	Assistant (Complaint)	18	0	18	100
5	Co-ordinator (Social Audit)	18	0	18	100
6	Assistant (Social Audit)	36	0	36	100
7	Co-ordinator (Technical)	18	0	18	100
8	Co-ordinator (Finance)	18	0	18	100
9	Technical Assistant	54	5	49	91
10	Computer Programmer	18	0	18	100
11	Assistant Programmer	18	6	12	67
12	Data Entry Operator	54	23	31	57
13	Assistant Accounts Officer	18	2	16	89
14	Accountant	72	30	42	58
15	Co-ordinator (Training)	18	0	18	100
16	Assistant Public Relations Officer	18	14	4	22
17	Supervisor	36	0	36	100
18	Peon	36	17	19	53
	Total	**558**	**141**	**411**	**74**

At Janpad level

Sl . No	Post	Sanction	Working	Vacant	Percentage of vacancy
1	Programme Officer	146	126	20	14
2	Assistant Grade III	584	299	285	49
3	Co-ordinator (Social Audit)	146	8	138	95
4	Assistant (Social Audit)	292	11	281	96
5	Co-ordinator (Technical)	146	23	123	84
6	Technical Assistant	1168	702	466	40
7	Assistant Programmer	146	72	74	51
8	Data Entry Operator	438	277	161	37
9	Accountant	584	386	198	34
10	Peon	292	197	95	33
	Total	**3942**	**2101**	**1841**	**47**

(Source: As per information furnished by CEG)

Against sanctioned post, there was shortage of staff in all cadres at district and JP level.

Shortage of staff in all cadres delayed technical evaluation of works and corresponding delay in payment of wages to beneficiaries.

As may be seen from the above table, there was shortage of staff in almost all cadres. The vacancies in the technical cadre were a major cause for delayed technical evaluation of works resulting in delayed payment of wages to the beneficiaries. Further, there was cent *per cent* shortage in nine out of 18 cadres at the district level, which affected the effective monitoring and implementation of the scheme.

During the exit conference (August 2012), the ACS stated that as per MNREGS guidelines, no permanent posts are to be created and GOI will not

take any liability for any permanent posts under it. Accordingly, the entire staff working under MNREGS at the district and block level are contractual and they frequently move to other departments on securing permanent jobs. Hence there were vacancies in various cadres. There was huge shortage of Technical Assistants (TA) with Civil Engineering degree/diploma. Therefore, engineers with other than civil branch and MSc./B.Sc degree holders have also been appointed as TA. As regards the vacancies in the cadre of Co-ordinator (Complaint) and Assistant (Complaint), he stated that Ombudsmen are being deputed for timely disposal of complaints and grievances of beneficiaries. Besides this, a Helpline and a Website have also been set up for lodging complaints.

The reply of the ACS confirms that an effective structural mechanism and monitoring system could not be established under MGNREGS due to huge vacancies in all cadres.

2.2.6.2 Capacity building

For effective and efficient implementation of the scheme, capacity building of the staff at all levels through necessary training is essential.

Scrutiny of the records revealed that the Department had imparted training to 33,307 staff comprising of Public Relations Officers, Programme Officers, Assistant Programme Officers, *Gram Rojgar Sahayaks* (GRS), Secretary, GP, Technical Assistants, Accountants, etc. through the State Institute of Rural Development (SIRD) on various topics relating to MNREGA, such as MIS, Social Audit, Payment through Post Office, duties and responsibilities of mates, etc.

In the test checked districts, we noticed that though 16,767 staff were nominated for various training programmes, only 15,751 staff were trained during the period 2007-08 to 2011-12.

2.2.6.3 Irregular continuation of Gram Rojgar Sahayak

As per the instruction issued by the CEG (December 2007), the appointment of GRS should be for one year (January to December) and a roster should be maintained for appointment of GRS for the next year.

Appointment of GRS was not made annually and roster was not maintained.

During scrutiny of records, we observed that though the GRS had been appointed in all the 140 test checked GPs, the GRS appointed during 2007-08 to 2011-12 were continuing in their posts for periods ranging between one and five years instead of the stipulated period of one year. Further, as per the guidelines, a roster for appointment of GRS was not maintained at the block level.

During the exit conference (August 2012), the ACS agreed to examine the matter.

2.2.6.4 Payment to mates not made under material component

As per the instruction issued (September 2007) by the Government of Chhattisgarh (P&RDD), at least one mate for every 50 beneficiaries should be appointed (having minimum qualification of 10^{th} standard) for preparing the Muster Rolls (MRs) and measurement of the works executed. Further, a panel

of mates should be prepared on a yearly basis in each GP duly approved by GS and mates should be appointed on rotation basis. The instruction further stipulates that the payment to the mates would be charged under material component.

Scrutiny of records in the six selected districts revealed that the panel of mates and roster for appointment of mates in GPs was not prepared and the same mates were allowed to continue for more than one year in contravention of the provisions. Further, we observed that the payment to mates was released through MRs and charged to unskilled labour (wage) instead of material component.

During the exit conference (August 2012), the ACS stated that necessary instructions will be issued for strict compliance of the provisions.

2.2.7 Planning

As per Para 4.4.1 of the scheme guidelines, the Panchayats at district, intermediate and village levels are the principal authorities for planning. The process of planning as laid down under Section 13-16 of the MNREG Act gives the power to make recommendations on the works to be taken up under MGNREGS to the Gram Sabha. The Gram Panchayat (GP) is required to prepare a development plan comprising a Shelf of Projects (SoP) on the basis of the recommendations of the Gram Sabha. The GP has to forward the development plan indicating the priorities to the PO by 15 October each year. The PO will consolidate the plan into a block level plan and forward it to the DPC by 30 November. The DPC has to approve the block-wise SoP and labour budget by 31 December.

Further, as per para 4.2 of the Chhattisgarh Rural Guarantee Scheme, to facilitate advance planning and to provide a development perspective for the district, a five year District Perspective Plan (DPP) was to be prepared.

Scrutiny of the records revealed the following:

2.2.7.1 Non preparation of District Perspective Plan

During scrutiny of records, we observed that separate District Perspective Plans (DPP) were not prepared for works under MNREGS in the test checked districts except in Durg, where the DPP prepared for the National Food For Work Programme (NFFWP) was used for implementation of the MNREGS scheme.

The fund for preparation of DPP was not utilised and was transferred to MNREGS account.

We further noticed that in Durg district, though funds amounting to ₹ 50 lakh was received from GOI for preparation of DPP during the year 2007-2008, the same was not utilised and a sum amounting to ₹ 47.83 lakh was transferred to MNREGS account after adjustment of expenditure of ₹ 2.17 lakh.

During the exit conference (August 2012), the ACS replied that initially the DPP of NFFWP for the period 2005-10 was used for MNREGS and instructions would be issued to all DPCs for preparation of DPP for the period 2011-15. He further added that the unspent amount lying with the DPC, Durg would be utilised for preparation of DPP for the period 2011-15.

2.2.7.2 Annual Plan

As per Para 3.3.1 of the Operational Guidelines of MNREGS, the Annual Plan (AP) is a working plan that identifies the activities to be taken up in a particular year.

We observed that APs for the period 2007-08 to 2011-12 were prepared in all the blocks of the selected districts. However, APs/SoPs in GPs was not being prepared. Further, the work sanctioned/executed by the line departments under the scheme were not recommended or selected by GS as prescribed in the guidelines but were allotted directly by DPC/ZP as discussed in Para 2.2.11.6.

During the exit conference (August 2012), the ACS while agreeing with the audit observation, stated that in MNREGA-II, the role of line departments would be reduced and such problems would be sorted out.

2.2.7.3 Discrepancies in labour budget estimation and employment provided

Labour budget shows the target of person days to be provided employment during the following year. As per Para 7.3 of the Operational Guidelines of MNREGS, ZP is required to prepare the labour budget for approval of GoI and accordingly, the budget is released by GoI.

The percentage of person days actually generated decreased during the period 2008-09 to 2011-12.

We noticed that though the labour budget of the State for the period 2008-09 to 2011-12 showed an oscillating trend, the percentage of person days actually generated had decreased during the period as shown in **Table 2.**

Table 2: Labour budget estimate and actual person days generated

Year	Person days to be provided as per labour budget estimation	Number of person days actually generated	Difference
2008-09	25,64,316	22,70,415 (89%)	2,93,901
2009-10	23,76,476	20,25,845 (85%)	3,50,631
2010-11	29,79,215	24,85,581 (83%)	4,93,634
2011-12	41,71,436	26,57,441 (64%)	15,13,995

(Source: Information furnished by the Department)

Further, on scrutiny of labour budgets and MPRs of the relevant years of ZP, Bastar, Durg and Jashpur we noticed that estimation and person days actually provided was on a decreasing trend during the period covered by audit as given below:

Table 3: Labour budget estimate and the actual labour provided employment in the three test checked districts

(Person days in crore)

Year	Estimated person days as per labour budget	Person days provided as per MPR	Shortfall in percentage
Bastar			
2007-08	1.85	0.99	46
2008-09	1.05	0.66	37
2009-10	0.76	0.36	53
2010-11	0.71	0.34	52

Year	Estimated person days as per labour budget	Person days provided as per MPR	Shortfall in percentage
Durg			
2008-09	1.74	0.58	67
2009-10	1.54	0.88	42
2010-11	1.41	1.10	21
2011-12	1.32	1.20	9
Jashpur			
2008-09	0.83	0.56	33
2009-10	0.82	0.48	41
2010-11	0.60	0.57	5

(Source: As per labour budget of Bastar, Durg and Jashpur districts)

Shortfall in person days in comparison to the estimated person days indicates that the labour budget was prepared by the DPCs without proper assessment.

It is evident from the table that the shortfall in person days in comparison to the estimated person days of individuals actually provided employment ranged between 5 and 67 *per cent* which indicates that the budget was prepared by the DPCs without proper assessment.

During the exit conference (August 2012), the ACS stated that this being a demand driven scheme, targets cannot be achieved all the time due to lack of demand.

2.2.8 Financial Management

GoI releases fund to CEG for implementation of MNREGS. The State Government also transfers its share to CEG, which in turn releases funds to districts. Separate bank accounts are opened for funds under MNREGS at State, district, block and GP levels. As per Para 7.2.7 and 7.4.1 of the Operational Guidelines of MNREGS, the DPC, PO and Secretary of the GP are the joint account holders along with CEOs, ZP/JP and *Sarpanch* of the GP. The funds are progressively transferred to the bank accounts of the next lower levels.

2.2.8.1 Financial performance

During April 2007 to March 2012, the State had incurred a total expenditure of ₹ 7839.06 crore against the total available funds of ₹ 9834.32 crore (80 *per cent*) on the scheme. The financial performance of the State and the test checked districts are given below:

Table 4: Statement showing the financial performance of the State

(₹ in crore)

Year	Opening balance	Receipt			Total available fund	Expen-diture	Unspent balance	Percent-age of expen-diture to total available fund	Percent-age of balance to total fund
		Central	State	Others					
1	2	3	4	5	6	7	8	9	10
2007-08	208.37	1161.85	136.16	11.18	1517.56	1401.83	115.73	92.37	7.63
2008-09	143.00	1642.17	182.69	5.73	1973.59	1434.48	539.11	72.68	27.32
2009-10	666.85	847.21	93.91	9.14	1617.11	1322.67	294.45	81.79	18.21
2010-11	334.16	1697.27	183.68	17.99	2233.10	1633.98	599.11	73.17	26.83
2011-12	658.57	1638.56	178.70	17.13	2492.96	2046.10	446.86	82.08	17.92
Total		**6987.06**	**775.14**	**61.17**	**9834.32**	**7839.06**			

(Source: As per MPR of the State)

Table 5: Statement showing the financial performance of the six test checked districts

(₹ in crore)

Year	Opening balance	Receipts	Total available fund	Expenditure	Closing balance	Percentage of fund unutilised
1	2	3	4	5	6	7
2007-08	57.04	343.45	400.49	364.11	36.37	9.08
2008-09	42.68	499.44	542.12	391.48	150.64	27.79
2009-10	152.10	302.88	454.98	407.83	47.15	10.36
2010-11	57.04	688.56	745.60	513.96	231.64	31.06
2011-12	226.92	476.22	703.14	556.78	146.36	20.81
Total		**2310.55**	**2846.34**	**2234.17**		

(Source: As per Monthly Progress Reports of test checked districts)

Unutilised fund ranged between 8 to 27 and 9 to 31 in the State and test checked districts. respectively.

It may be seen from the above table that the percentage of unutilised fund ranged between 8 to 27 and 9 to 31 in the State and test checked districts respectively.

During the exit conference (August 2012), the ACS stated that funds remained unutilised due to delay in receipt of funds from GoI.

2.2.8.2 Irregular issue of cheque amounting to ₹ 69.90 crore in favour of Sarpanch for payment to beneficiaries instead of crediting to banks/post offices

The P&RDD, GoCG, had issued (30 January, 17 March and 2 May 2009) instructions for opening of bank/post office account in favour of job card holders and procedures for payment into the account of the beneficiaries. The instruction stipulates that the PO of the JPs will generate wage slips/lists on the basis of Muster Rolls at the block level to calculate the total amount of wage due for payment. PO will issue a cheque equal to that amount and along with a copy of the wage slips/lists shall forward it to the concerned banks/post offices. The banks/post offices will accordingly credit the wage amount into the account of the concerned beneficiaries.

Cheques amounting to ₹ 69.90 crore were issued to *Sarpanches* for payment of wages in disregard of the instruction issued by the Government.

Scrutiny of records in JP, Narharpur of Kanker district and JP, Bastar, Makdi and Bakawand of Bastar district revealed that though the accounts were opened in the name of job card holders in the banks/post offices and the wage slips/lists were generated, the POs, however, issued cheques aggregating ₹ 69.90 crore during 2009-12 (₹ 35.49 crore in Narharpur, ₹ 11.59 crore in Makdi, ₹ 11.26 crore in Bastar and ₹ 11.56 crore in Bakawand) in favour of the *Sarpanches* for making payment of wages to the beneficiaries in violation of the above instruction.

During the exit conference (August 2012), the ACS stated that instructions have already been given and accordingly cheques are being directly issued to the bank/post offices by the POs/CEOs across the State. However, in this case further instruction will be issued.

2.2.8.3 Delay in release of State Share

Para 7.3.11 of the Operational Guidelines of MNREGS stipulates that the State share was to be released within 15 days from the date of release of Central share.

State share was released with delays ranging from 5 to 139 days.

Scrutiny of records in all the six selected districts revealed that during 2007-08 to 2011-12, the State share was released with delays ranging from 5 to 139 days as given in ***Appendix 2.2.2***.

We further noticed that the State share amounting to ₹ 19.46 crore (₹ 12.13 crore and ₹ 7.33 crore) was released to DPC, Bastar, Durg, Jashpur and Mahasamund at the fag end of the financial year 2010-11 and 2011-12 to avoid lapse of the budget provisions.

2.2.8.4 Discrepancies in the figures of financial records

Cash book is a basic record of receipts and disbursements of all funds received under any scheme. The utilisation certificates (UC) are prepared on the basis of works executed and expenditure incurred. The MPRs prepared at the end of each month display the actual financial status and the Chartered Accountant (CA) reports are prepared on the basis of cash book, vouchers etc. As per the accounting procedure, the figures in cash book, MPR, CA report and the UCs issued should match. Further, Para 7.5 of the Operational Guidelines of MNREGS stipulate that proper accounting of all receipts and expenditure should be done.

During test check of records in the State as well as in the test checked districts we observed the following discrepancies:

2.2.8.4.1 Mismatch in the figures of opening and closing balances of MPRs

As per para 9.3.2 of MNREGS guidelines, DPC should prepare monthly and annual reports which were to be sent to CEG and to GoI.

Closing balance and Opening balances shown in the MPR during 2007-08 to 2011-12 did not match.

During test check of the MPRs, we observed that the closing balances (CB) and opening balances (OB) shown in the MPR during 2007-08 to 2011-12 did not match as shown in **Table 6.**

Table 6: Table showing difference in the Opening and Closing balance in MPRs in the State

(₹in crore)

Year	Opening balance	Receipt			Total fund	Total expenditure	Closing balance	Difference (OB-CB)
		Central share	State share	Miscell-aneous				
2006-07	57.77	702.70	77.70	2.87	841.04	668.82	172.23	---
2007-08	208.37	1161.85	182.69	11.18	1517.56	1401.83	115.73	36.15
2008-09	143.00	1642.17	93.91	5.73	1973.59	1434.48	539.11	27.27
2009-10	666.85	847.21	183.68	9.14	1617.11	1322.67	294.45	127.74
2010-11	334.16	1697.27	178.70	17.99	2233.10	1633.98	599.11	39.71
2011-12	658.57	1638.56	136.16	17.13	2492.96	2046.10	446.86	59.46

(Source: As per MPR)

These discrepancies clearly indicate absence of reconciliation of figures.

2.2.8.4.2 Discrepancies in opening and closing balances of MPR and Cash book

As per accounting procedure, figures of the opening and closing balance, receipts, payments, income, expenditure etc. shown in MPR should agree with the cash book as well as with the CA reports. Further, the CB of the previous year should be the OB of the current year.

Scrutiny of MPRs for the period from 2007-08 to 2011-12 of the PO, JP, Patthalgaon, district Jashpur revealed that the CB of the previous year was not taken as OB of the subsequent year as given in **Table 7.**

Table 7: Statement showing opening and closing balance of MPR

(₹in crore)

Sl. No	Year	Opening Balance	Receipts	Total	Expenditure	Actual
1	2006-07	0.04	11.24	11.28	8.28	3.00
2	2007-08	3.07	3.74	6.81	6.70	0.11
3	2008-09	0.11	6.57	6.68	5.52	1.16
4	2009-10	1.80	3.70	5.50	5.48	0.02
5	2010-11	0.01	12.56	12.57	12.38	0.19
6	2011-12	0.19	15.05	15.24	15.21	0.03

(Source: As per MPR)

The correct figures of CB that should have been adopted is shown in **Table 8.**

Table 8: Statement showing actual figure of closing balance that should have been adopted as opening balance

(₹in crore)

Sl. No.	Year	Opening balance	Receipts	Total	Expenditure	Closing balance
1	2006-07	0.04	11.24	11.28	8.28	3.00
2	2007-08	3.00	3.74	6.74	6.70	0.04
3	2008-09	0.04	6.57	6.61	5.52	1.09
4	2009-10	1.09	3.70	4.79	5.48	(-) 0.69
5	2010-11	(-) 0.69	12.57	11.87	12.38	(-) 0.51
6	2011-12	(-)0.51	15.05	14.54	15.21	(-) 0.67

(Source: Cash book and MPR of JP, Patthalgaon)

Further, the figures of OB and CB of MPR did not match with the figures shown in the cash book for the same period as given in **Table 9.**

Table 9: Statement showing mismatch of figures of MPR and Cash book

(₹in crore)

Sl. No	Year	Opening balance as per			Closing balance as per		
		Cash book	MPR	Difference	Cash book	MPR	Difference
1	2007-08	3.09	3.07	0.02	0.11	0.11	0.00
2	2008-09	0.11	0.11	Nil	1.80	1.16	0.64
3	2009-10	1.80	1.80	Nil	0.21	0.02	0.19
4	2010-11	0.21	0.01	0.20	0.19	0.19	0.00
5	2011-12	0.19	0.19	Nil	0.04	0.04	0.00

(*Source: Cash book and MPR of JP, Patthalgaon)*

There were differences in the figures ranging from ₹ 2 lakh to ₹ 20 lakh in case of OB and ₹ 19 lakh to ₹ 64 lakh in case of CB.

During the exit conference (August 2012), the ACS stated that instructions would be issued to CA for reconciliation of the figures. It was further stated that the figures shown in the CA's report is correct because it shows details of cheques issued and encashed.

It is evident from the reply that the figures shown in the basic records were not reconciled.

2.2.8.5 Excess expenditure under Administrative Head

As per instructions issued (25 February 2008) by the State Government, the percentage of administrative expenditure admissible was 0.5, 2 and 1.5 of the expenditure incurred during the year at GP, JP and ZP level respectively.

During scrutiny of records in JP Bastar and Bakawand, we noticed that the percentage of administrative expenditure was more than the prescribed limit as given in **Table 10.**

Table 10: Details of administrative expenditure incurred over the prescribed limit

(₹in crore)

Year	Total expenditure	Administrative expenditure	Permissible expenditure 2.5 *per cent* (GP and JP)	Excess expenditure	Percentage of excess expenditure
1	2	3	4	5	6
Bastar					
2008-09	2.54	0.22	0.06	0.16	266.67
2009-10	2.95	0.28	0.07	0.21	300.00
Total	**5.49**	**0.50**	**0.13**	**0.37**	
Bakawand					
2008-09	2.50	0.27	0.06	0.21	350.00
2009-10	2.59	0.19	0.06	0.13	216.67
2010-11	3.62	0.21	0.09	0.12	133.33
2011-12	6.02	0.29	0.15	0.14	93.33
Total	**14.73**	**0.96**	**0.36**	**0.60**	
Grand total	**20.22**	**1.46**	**0.49**	**0.97**	

(Source: Information furnished by the Department)

Administrative expenditure was incurred in excess of the prescribed limit.

As evident from the above table, against permissible expenditure of ₹ 13 lakh and ₹ 36 lakh, ₹ 50 lakh and ₹ 96 lakh were incurred in JP Bastar and

Bakawand respectively resulting in excess expenditure of ₹ 37 lakh and ₹ 60 lakh over and above the prescribed limit.

During the exit conference (August 2012), the ACS stated that as per MNREGS norms, administrative expenditure is six *per cent* of the total expenditure and the criteria of 0.5, 2 & 1.5 *per cent* administrative expenditure for GP, JP & ZP respectively was issued only for internal control over fund flow.

The reply is not in consonance with the instructions of the State Government as expenditure in excess of the permissible limit was incurred by the two JPs.

Further, in Durg district we noticed that during 2010-11 and 2011-12, an expenditure of ₹ 4.77 lakh was incurred from administrative head in furnishing of the newly established District Collectorate (Balod and Bemetara) buildings. We further noticed that payment of mobile bill of ₹ 14,306 of CEO, ZP, Durg was also made during May 2011 to March 2012 from the administrative head under MNREGS which was not in the permissible category of expenses.

During the exit conference (August 2012), ACS replied that the mobile was utilised to monitor the works.

The reply is not in consonance with the guidelines of MNREGS which does not permit such expenditure.

2.2.8.6 Non-transfer of SGRY and NFFWP funds (Central share)

As per instructions of GoI (October 2007), all works sanctioned under SGRY and NFFWP were to be completed by March 2007 and the balance fund was to be transferred to MNREGS account by 31 March 2008.

Balance fund of SGRY and NFFWP funds aggregating ₹ 1.23 crore were not transferred to MNREGS account.

During scrutiny of records in JP, Basna and Pithora (Mahasamund district) and JP, Narharpur (Kanker district) where the scheme was implemented from 1 April 2007, we noticed that balance funds amounting to ₹ 1.23 crore[7] were not transferred to MNREGS account even after delay of more than five years.

During the exit conference (August 2012), the ACS replied that instructions have already been issued to all concerned for transfer of the unspent amount of NFFWP and SGRY lying with JP and ZP.

2.2.8.7 Non-transfer of State share of ₹ 13.27 crore of SGRY and NFFWP fund (food grains transportation)

State share of SGRY and NFFWP fund (food grains transportation) aggregating ₹ 13.27 crore were not transferred to MNREGS account.

CEG had issued (October 2007) instructions regarding transfer of unspent amount of Central share of NFFWP and SGRY to MNREGS. However, the State Government had not issued necessary orders to the CEOs/DPCs to transfer the unspent amount of food grains transportation (State share) of NFFWP and SGRY till the date of audit.

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7 In Kanker-₹ 22.56 lakh under NFFWP and in Mahasamund-₹ 48.76 lakh under NFFWP and ₹ 51.38 lakh under SGRY

During scrutiny of records in DPC, Korea, Bastar, Durg, Jashpur and Kanker, we noticed that huge unspent amount aggregating ₹ 13.27 crore of food grains transportation (State share) of NFFWP and SGRY was lying in the bank accounts of the CEO, ZPs as given in **Table 11.**

Table 11: Status of unspent amount pertaining to transportation of food grains under NFFWP and SGRY

(₹ in crore)

Sl. No.	Name of District	Balance amount as on March 2012
1	Korea	2.37
2	Bastar	1.26
3	Durg	3.39
4	Jashpur	2.37
5	Kanker	3.88
Total		**13.27**

(Source: Information furnished by the Department)

During the exit conference (August 2012), the ACS stated that the unspent amount of foodgrains transportation will be transferred very soon.

2.2.8.8 Non adjustment of outstanding advance of ₹ 53.41 lakh

As per Rule 53(4) of Chhattisgarh Treasury Code, advance given to officials should be adjusted within three months from the date of advance or before closure of the financial year, whichever is earlier.

Advances of ₹ 53.41 lakh given to *Sarpanches* were not adjusted.

During scrutiny of records in DPC, Bastar, we noticed that advances aggregating ₹ 53.41 lakh given to *Sarpanches* of different GPs for MNREGS related works during 2006-07 to 2009-10 were neither adjusted nor recovered till the end of the financial year 2011-12.

During the exit conference (August 2012), the ACS replied that action will be taken to recover the balance amount.

2.2.9 Registration

As per para 4.2 of the MNREGS Operational Guidelines, every HH whose adult members are willing to do unskilled labour may apply for registration under the scheme. On receipt of the application by a HH, the GP officials are required to conduct a survey to verify the family details of the HH such as name, age and address of all adult members. These details along with the job card number assigned are then entered in the form B-8 or job card register (JCR) and the job card is to be given to the HH within a fortnight from the date of application for registration. Registration details are to be entered online in the MIS including scanned photographs of HH members. In case of addition or deletion of beneficiaries, the same is to be read out in the GS and the list of such beneficiaries is to be sent to the PO.

During scrutiny of records of registration and from the beneficiary survey, we found the following discrepancies:

2.2.9.1 Registration and issue of job card without door to door survey

Para 4.2.5 of the Operational Guidelines stipulates that a door to door survey may also be undertaken to identify persons willing to be registered under the

Act. The survey may be conducted by a team headed by the *Mukhia* of the GP and involving Ward members, SC/ST and women residents, a village-level Government functionary and the Secretary of the Gram Panchayat.

Door to door survey was not conducted to ensure the coverage of only eligible beneficiaries.

While conducting beneficiary survey in three GPs of Manendragarh block (Dugla, Kewnti, Kachoud), and one GP of Baikunthpur block (Budar) we found that eight beneficiaries were not known to the villagers, *Rojgar Sahayaks* and *Sarpanches*. It is evident that beneficiaries were selected without conducting door to door survey to ensure coverage of only eligible beneficiaries.

During the exit conference (August 2012), the ACS stated that door to door survey of beneficiaries was not conducted at the GP level before registration. He further stated that the Act also does not stipulate for door to door survey.

The reply is not in accordance with the MNREGS guidelines which clearly provides for door to door survey.

2.2.9.2 Non-issuance of bank pass book and non-updating of job cards

Accounts were opened in the names of beneficiaries but pass books were not issued to them.

As per provisions and instructions issued from time to time by GoI and the State Government, work done and payments made to HHs should be entered in their job cards and paid through bank/post office.

During scrutiny of records and while conducting beneficiary survey in GPs of Bastar block (Bastar district), we noticed that in three GPs (Kesharpal, Retawand and Turpura) though accounts were opened in the names of the beneficiaries, bank/ post office pass books were not issued to them.

Other irregularities reported to us during survey of 1,400 beneficiaries conducted in 140 GPs are as follows:

- The registration was done *en masse* in the test checked GPs and no survey was conducted for the purpose.
- Addition/deletion of name of a family member was either not carried out or not intimated to the block/district office.
- Photographs of 14 *per cent* beneficiaries were not found on the job cards which was required as per para 4.3.3 of the Operational Guidelines.
- Work and payment details, as required under para 4.8.1 of the Operational Guidelines, were entered in the job card in front of the beneficiaries only in 21 and 24 *per cent* cases respectively.
- Twelve *per cent* of the job cards were not signed by the competent authority.
- Ninety six *per cent* beneficiaries replied that oral request for registration was entertained.
- Ninety five *per cent* beneficiaries agreed that the registration process was opened throughout the year.
- Ninety *per cent* beneficiaries confirmed that they received job cards within 15 days from the date of registration.

- Ninety three *per cent* beneficiaries confirmed possession of job cards with them.

On this being pointed out, the ACS stated (August 2012) that pass books have already been issued to the job card holders and further instructions will be given in this regard.

2.2.10 Employment for providing livelihood security

Para 4.1.1 of the Operational Guidelines of the scheme stipulates that the Government guarantees to provide 100 days employment in a financial year to every HH whose adult members volunteer to do unskilled manual work. Paras 4.7 and 6.4.1 of MNREGS further provide that the beneficiary should be provided employment on any of the permissible work within 15 days from the date of his request failing which daily unemployment allowance at the prescribed rate has to be paid to the applicant and the liability for payment of the same is that of the State Government.

To ascertain the provision of employment within 15 days of application, a beneficiary survey of 1400 beneficiaries was conducted which revealed that only 48 *per cent* beneficiaries demanded work, of which 93 *per cent* were provided employment within 15 days. Though no employment was provided to the remaining seven *per cent* within 15 days, no unemployment allowance was paid.

We further noticed from the employment register that the date of request for employment was not entered in the register which made it difficult to ascertain the delay in providing employment and applicability of unemployment allowance.

2.2.10.1 Employment guarantee of 100 days

Only 8.92 *per cent* HH were provided 100 days of employment during 2007-12.

Scrutiny of records revealed that during the period 2007-08 to 2011-12, 117.38 lakh HH demanded employment, out of which only 10.47 lakh HH (8.92 *per cent*) were provided 100 days of employment while the remaining 91.08 *per cent* HH were provided less than 100 days of employment. The percentage of HHs being provided 100 days of employment also declined during the same period. We further observed that in the test checked districts, 37.33 lakh HH were provided employment during the period of review, out of which only 2.73 lakh HH (7.31 *per cent*) were provided 100 days of employment.

Table 12: Statement showing the position of HHs provided 100 days employment during 2007-12

(HHs in lakh)

Sl. No.	Year	No of HHs demanded employment	No of HHs provided employment	No of HHs provided 100 days employment	Percentage of 100 days employment provided
1	2	3	4	5	6
1	2007-08	22.97	22.94	2.56	11.16
2	2008-09	22.71	22.70	2.52	11.10
3	2009-10	20.26	20.26	1.61	7.95
4	2010-11	24.86	24.86	1.84	7.40
5	2011-12	26.58	26.57	1.94	7.30
Total		**117.38**	**117.33**	**10.47**	8.92

(Source: As per MPRs)

2.2.10.2 Estimation and generation of employment

Percentage of employment provided by the State to SC, ST and women beneficiaries was 15, 38 and 48 respectively.

During scrutiny of records we observed that as against the estimate of 7159.53 lakh person days, only 4595.28 lakh (64 *per cent*) person days were provided by the State Government during the period covered by audit, of which the percentage of employment provided to SC, ST and women beneficiaries were 15, 38 and 48 respectively as detailed below:

Table 13: Details of employment estimated and generated during the period 2007-08 to 2011-12

(Person days in lakh)

State	Estimated	Generated	Perce-ntage	SC	Percent-age	ST	Percentage	Other	Women	Percent-age
1	2	3	4	5	6	7	8	9	10	11
2007-08	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2008-09	2210.85	1243.18	56	203.96	16	513.65	41	525.57	589.69	47
2009-10	1829.54	1041.56	57	159.59	15	397.85	38	484.12	512.52	49
2010-11	1776.15	1110.37	63	161.78	15	405.42	37	543.17	539.95	49
2011-12	1342.98	1200.17	89	166.48	14	449.26	37	584.42	580.92	48
Total	**7159.52**	**4595.28**	**64**	**691.81**	**15**	**1766.18**	**38**	**2137.28**	**2223.08**	**48**

(Source: As per MPRs)

The percentage of employment provided in the test checked districts to SC, ST and women beneficiaries was 12, 47 and 47 respectively.

Further, in the six test checked districts, out of 2798.12 lakh estimated person days, only 1411.86 lakh (50 *per cent*) person days was generated and of these, the percentage of employment provided to the SC, ST and women beneficiaries were 12, 47 and 47 respectively as given below:

Table 14: Details of employment estimated and generated during the period 2007-08 to 2011-12

(Person days in lakh)

District	Estimated	Generated	Perce-ntage	SC	Perce-ntage	ST	Perce-ntage	Women	Percent-age
1	2	3	4	5	6	7	8	9	10
2007-08	NA	NA	NA	NA	NA	NA	NA	NA	NA
2008-09	773.11	344.75	45	44.45	13	189.97	55	166.09	48
2009-10	573.01	315.21	55	35.51	11	138.86	44	152.55	48
2010-11	540.92	348.16	64	40.39	12	151.91	44	158.63	46
2011-12	911.08	403.74	44	44.92	11	184.19	46	189.22	47
Total	**2798.12**	**1411.86**	**50**	**165.27**	**12**	**664.93**	**47**	**666.49**	**47**

It may be seen from the table that though the percentage of total employment generated had increased during 2008-09 to 2010-11, the employment generated for SC and women had not increased correspondingly and in the case of ST, the same had decreased.

2.2.10.3 Non provision of employment within prescribed period

Though the GPs failed to provide employment to the beneficiaries within the prescribed period of 15 days, unemployment allowance was not paid.

During scrutiny of records in nine GPs of Narharpur Block in Kanker District, we observed that 16,970 beneficiaries had demanded work during 2007-12 but the GPs failed to provide employment to 10,041 beneficiaries within the prescribed period of 15 days and the delay was ranging from 1 to 407 days. However, no unemployment allowance was paid to these beneficiaries.

Similarly, scrutiny of work files and information furnished by the JP, Bakawand revealed that a total of 35,286 HHs had demanded work in the selected GPs during 2009-12, against which employment could not be provided to 373 HHs. However, in the absence of demand letter with the case files, we could not ascertain whether work was given within 15 days.

Scrutiny of records in JP, Durg revealed that 44 beneficiaries of Nankatti GP demanded job on 2 January 2012. CEO, JP directed (10 January 2012) Sarpanch/Secretary, GP, Bodegaon, to provide employment within five kilometers of Nankatti. However, we could not ascertain whether work was provided to those beneficiaries within 15 days.

During the exit conference (August 2012), the ACS stated that a detailed reply will be given after obtaining the information from the GPs.

2.2.10.4 Delay in payment of wages

Para 6.1.6 of the Operational Guidelines of MNREGS provides that every person working under the scheme is entitled to wages at the minimum wage rate fixed by the State Government. Wages are to be paid on a weekly basis or in any case not later than a fortnight after the date on which such work is finished. MNREGS provides for compensation admissible under Payment of Wages Act, 1936 for payments made beyond a fortnight.

Wages were paid with delays but compensation was not paid to the beneficiaries.

During scrutiny of records we found that in eight out of 14 selected blocks, against 12,333 MRs[8], wages of ₹ 9.59 crore[9] were paid with a delay of one to 376 days beyond a fortnight but no compensation was paid to the beneficiaries even after delayed payment of wages.

During beneficiary survey, the following irregularities were also reported to us regarding payment of wages.

- Thirteen and eighty three *per cent* beneficiaries stated that wages were calculated on "Daily Rate" and "Piece Rate" respectively, while four *per cent* were not aware of the system.
- Twenty four *per cent* beneficiaries were not aware of the fact that wages are calculated at the work sites.
- Eighty three *per cent* beneficiaries responded that their wages were not paid within 15 days of the completion of the work. Of them, 32 *per cent*, 48 *per cent*, 13 *per cent* and two *per cent* replied that payments were received 'within a month', 'between one to two months', 'between two to three months' and 'more than three months' respectively.

Further, the feedback received from the beneficiaries during the survey was as under:

- Twenty five *per cent* of the beneficiaries responded that MNREGS had not brought any significant changes in the lifestyle of their HH.
- Twenty four *per cent* beneficiaries responded that MNREGS had not helped them to avoid remaining hungry.
- Only 50 *per cent* beneficiaries responded that working on MNREGS had freed their children from domestic and other works.
- Forty three *per cent* of the beneficiaries responded that MNREGS helped them in affording medical facilities.
- Forty six *per cent* of the beneficiaries responded that MNREGS had not helped them in reducing their debts.
- Twenty five *per cent* of the beneficiaries responded that working on MNREGS had not helped them to give up demeaning or hazardous work.
- Sixty eight *per cent* of the beneficiaries positively responded that MNREGS had resulted in the creation of useful assets in the village.
- Eighty *per cent* of the beneficiaries responded that MNREGS had brought improvement in their lives. Out of them, 71 *per cent*, 25 *per cent* and two *per cent* beneficiaries confirmed marginal

[8] Bakawand-122 MRs, Balod-1010 MRs, Durg-35 MRs, Kansabel-7105 MRs, Makadi-840 MRs, Manendragarh-1842 MRs , Saja- 664 MRs and Kanker-715 MRs

[9] Bakawand-₹ 10.18 lakh, Balod- ₹ 98.16 lakh, Durg-₹ 27.80 lakh, Kansabel-₹ 517.65 lakh, Makadi-₹ 42.48 lakh, Manendragarh-₹ 164.00 lakh, Saja-₹ 45.30 lakh and Kanker-₹ 53.66 lakh

improvements (upto10 *per cent*), reasonable improvement (about 20 to 25 *per cent*), and major improvements (say 50 *per cent* or more) respectively.

- Twenty *per cent* of the beneficiaries responded that MNREGS had not brought any change in their family income.

During the exit conference (August 2012), the ACS replied that a circular has already been issued for commencement of work on various days in a week in different GPs, to facilitate the Technical Assistant (TA) to take measurements regularly and to avoid work load on TAs at a particular time of the week. Further, he assured that necessary instructions will be issued to streamline the payment system and to ensure timely payment of wages.

2.2.11 Execution of works

2.2.11.1 Lack of planning in execution of work at all levels

Para 3.1.5 of the Operational Guidelines of MNREGS provides that the need to co-ordinate different levels of planning and to prepare an SoP to offer employment on demand, requires the preparation of an AP for the District incorporating all works approved by the Gram Sabhas. Further, as per Para 5.3.3 of the above guidelines, Administrative Approval (AA) and Technical Sanction (TS) must be obtained by the end of December of the current year in respect of works entrusted to GP and OIA for execution in the ensuing year.

Works were sanctioned violating the provisions of the Act.

Scrutiny of records in four DPCs- Korea, Jashpur, Durg and Mahasamund revealed that works were sanctioned to all implementing agencies including GPs in violation of the provision of the Act. The DPCs accorded AA and TS throughout the year on the basis of monthly demand received from the executing agencies. This had an adverse impact on the estimation and execution of the works.

Table 15: Details of number of works for which AS & TS given throughout the year

District	2007-08	2008-09	2009-10	2010-11	2011-12
Korea	4,620	6,049	2,142	5,540	3,582
Jashpur	7,885	5,811	2,644	7,349	9,648
Durg	-	2,648	1,817	5,232	4,195
Mahasamund	2,831	2,654	1,774	2,097	2,159

(Source: Information provided by the ZPs)

A comparative study of the number of works sanctioned, AA and TS accorded during the last quarter of 2010-11 and the first quarter of 2011-12 (six months in a year) revealed that no SoP/AP was prepared in the month of December and huge number of works were sanctioned and executed on the basis of current demand as given in **Table 16.**

Table 16: Statement showing the sanction of works during last quarter of previous year and first quarter of current year

(₹ in crore)

Name of District	Year	Month	No. of AA	Cost of works
Durg	2010-11	January	360	25.77
		February	249	17.10
		March	1900	125.50
	2011-12	April	216	14.87
		May	418	29.29
		June	77	4.42
Mahasamund	2010-11	January	412	17.94
		February	181	15.39
		March	506	27.24
	2011-12	April	153	9.72
		May	253	16.14
		June	80	4.56
Jashpur	2010-11	January	1082	26.33
		February	1151	19.66
		March	973	20.12
	2011-12	April	784	13.44
		May	408	10.00
		June	102	2.86

(Source: Information provided by the ZPs)

During the last quarter of the year 2010-11 and first quarter of 2011-12, DPC, Korea, Mahasamund, Jashpur and Durg had accorded AA for 9,305 works valuing ₹ 400.35 crore without keeping in view the probable enhancement in wage rate during 2012-13. The wage rate was enhanced from ₹ 122 to ₹ 132 (eight *per cent*) with effect from April 2012. In view of the enhancement of the wage rate, the probability of completion of all these works within the estimated cost is remote.

During the exit conference (August 2012), the ACS stated that a copy of the AP and reply from CEO, ZP, Korea will be obtained and provided to audit. He further added that in the instant case, records will be examined and reply will be furnished.

2.2.11.2 Execution of inadmissible works valuing ₹ 1.69 crore

As per provisions of the MNREGA Operational Guidelines, nine types[10] of works are permissible.

Scrutiny of records in Bastar district revealed that during the years 2007-08 and 2008-09, a total of 105 soil and water conservation works valuing

[10] Water conservation, Protection for dryness, plantation and forest conservation, Minor and medium irrigation project, Development of SC/ST/IAY beneficiaries land, Renovation of traditional water sources, Land development, Flood control and security project, Rural connectivity work and other works sanctioned by GoI on the basis of advice of the State Government

₹ 1.69 crore were sanctioned by the DPC, Bastar in Bastar and Bakawand JPs. On further scrutiny, we found that against the soil and water conservation works sanctioned, construction of boundary walls was done in Primary, Middle, High and Higher secondary schools. This fact was also got confirmed during joint physical verification (June 2012) of the site by the Audit team members and officials of the implementing agency. Thus, inadmissible works were sanctioned by the DPC in the name of permissible work.

Photograph of the construction of boundary wall at Bhond GP taken on 15 June 2012



During the exit conference (August 2012), the ACS accepted the audit observation and agreed to examine the matter.

2.2.11.3 Irregular sanction of WBM roads works valuing ₹7.41 crore

Government of Chhattisgarh (P&RDD) had categorically forbidden (February 2008) execution of Water Bound Macadam (WBM) course in rural roads in view of the difficulties in completion of earthen embankment to WBM. It was decided that roads with earthen embankment and Granular Sub-base (GSB) shall only be taken under MNREGA. Such works will also include provision for watering and compaction and should be executed as per *Pradhan Mantri Gram Sadak Yojna* (PMGSY) specification.

During scrutiny of records in Kanker and Bastar districts, we observed that in disregard of the above instruction, 98 WBM road works valuing ₹ 7.41 crore were sanctioned by the CEO to the GPs as executing agency during 2008-09 to 2011-12 and all these works were incomplete even after incurring expenditure of ₹ 4.29 crore as given in **Table 17**. In view of the enhancement of the wage rate w.e.f. April 2012, the possibility of completing these works within the estimated cost appears remote.

Table 17: Details showing the sanction of WBM Road works during 2008-09 to 2011-12

(₹ in crore)

Sl. No.	Year	Sanctioned works	Sanctioned cost	Expenditure
1	2008-09	51	3.34	2.58
2	2009-10	4	0.25	0.23
3	2010-11	17	1.60	0.91
4	2011-12	26	2.22	0.57
Total		**98**	**7.41**	**4.29**

(Source: Information provided by the Department)

In reply, Programme Officer, JP, Narharpur and Charama stated that WBM roads were constructed as per sanction of the DPC, Kanker.

The facts remains that sanction accorded by DPC for construction of WBM roads was not in conformity with the directions issued by the State Government.

2.2.11.4 Payment of ₹ 4.18 crore for MIS entry work on contract basis.

MIS entries were executed through vendors and payments of ₹ 4.18 crore released.

Schedule-1 of Section 4(3) item -11 of MNREGS provides that engaging any contractor for implementation of the projects under the scheme is not permissible. Further, EGC instructed (September 2007) that the MIS entry should be carried out by the staff working under MNREGS.

Scrutiny of records in Mahasamund, Kanker, Jashpur, Korea, Bastar and Durg districts revealed that the MIS entries for the period from 2007-08 to 2011-12 were carried out through various firms and payments aggregating ₹ 4.18 crore were released to the firms as given in **Table 18:**

Table 18: Details of payments made to the firms

(₹in crore)

Sl. No.	Name of district	Name of Firms	Duration of contracts	Paid amount
1	Mahasamund	First Mile Stone	2008-2012	0.63
2	Kanker	First Mile Stone	2007-2012	0.88
3	Jashpur	M/s VM Techno Soft	2007-2012	1.64
4	Korea	M/s VM Techno Soft	2007-2012	0.66
5	Bastar	M/s VM Techno Soft	2007-2012	0.15
6.	Durg	M/s Trend Data Solution, Durg.	2008-2011	0.13
		M/s Jain Data Solution, Durg.	2009-2012	0.09
	Total			**4.18**

(Source: Information provided by the ZPs)

On this being pointed out, the ACS stated (August 2012) in the exit conference that MIS work through vendor is permissible. He further stated that action is being taken for execution of MIS works through existing staff or through outsourcing.

The reply is not in consonance with the Operational Guidelines of MNREGS as the MIS works were carried out on contract basis.

2.2.11.5 Irregular execution of non-permissible works valuing ₹31 lakh on contract basis

Para 5.1.1 of the MNREGS Operational Guidelines provide the activities and projects for implementation under the scheme. This does not include works of installation of entry gates and information boards over the National/State Highways for welcoming visitors.

Non permissible works valuing ₹ 31 lakh were executed.

Scrutiny of records revealed that CEO, ZP, Mahasamund had accorded (June 2011) Administrative Approval of ₹ 39 lakh for fixing of entry gates and information boards at six places of various National/State highways of the Mahasamund district and the Executive Engineer (EE), Rural Engineering Service(RES), Mahasamund was appointed as the implementing agency. The EE, RES had installed six number of entry gates and boards valuing ₹ 31 lakh

till March 2011-12 to welcome visitors to the city. This resulted in irregular execution of non-permissible works valuing ₹ 31 lakh.

Photographs of the Entry Gate constructed at State highway Pithora JP taken on 26 April 2012



On this being pointed out, the ACS accepted (August 2012) the facts and stated that action will be taken against the responsible officials.

2.2.11.6 Sanction of works without approval of Gram Sabha

As per paragraph 3.3 of MNREGS Operational Guidelines, the works to be executed in the area of any GP should be approved by the GS and sent to JP for inclusion in the AP. Thereafter, it should be sanctioned by the DPC.

During scrutiny of the records in Bastar district, we noticed that the works sanctioned for execution by the line departments were neither approved in the GS nor included in the SoP prepared by the GP. This indicates that all the works were sanctioned without the approval of GS.

Similarly, in Durg district we noticed that in three selected blocks (Balod, Durg and Saja), a total of 34 works valuing ₹ 4.43 crore of line departments sanctioned during the period 2007-08 to 2011-12 were neither approved in the GS nor included in the AP prepared by the GP.

During the exit conference (August 2012), the ACS informed that the detailed reply will be submitted after verification of relevant records.

2.2.11.7 Execution of works valuing ₹33.84 crore without measurement

As per Para 6.7.5 of MNREGS Operational Guidelines, measurement of works executed under MNREGS should be entered in the Measurement Book and payments should be made after measurement. DPC, Bastar had sanctioned 1205 works amounting to ₹ 33.84 crore during the years 2007-08 to 2011-12 and Forest department was appointed as the executing agency as detailed below:

Table 19: Details of payment made for works executed without taking measurement

(₹ in crore)

Year	DFO (General) Bastar		Forestry (General) Bastar		DFO South Kondagaon		DFO North Kondagaon		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
2007-08	25	1.33	102	2.15	272	2.51	73	1.58	472	7.57
2008-09	88	2.40	12	2.73	64	2.34	43	1.21	207	8.68
2009-10	80	1.69	6	0.14	72	3.33	74	2.84	232	7.99
2010-11	74	2.80	17	0.54	27	0.61	23	0.34	141	4.29
2011-12	101	4.58	00	00	21	0.21	31	0.52	153	5.31
Total	**368**	**12.80**	**137**	**5.56**	**456**	**9.00**	**244**	**6.49**	**1205**	**33.84**

(Source: as per information furnished by the Department)

During audit of the records and field inspection of the work site executed by the Forest department, we observed that neither the measurement of works was taken nor was the data entered in the Muster Rolls. Further, we noticed that Measurement Books for these works were not maintained by the Forest department and the same was also not pointed out by the officials of District and Block at the time of MIS entry and inspection of work site.

During the exit conference (August 2012), the ACS directed the officials to call for a report from the CEO, ZP Bastar and stated that reply will be furnished to audit after examination of the report.

2.2.11.8 Delay in completion of works valuing ₹ 897.86 crore and wasteful expenditure of ₹ 150.27 crore due to cancellation of works

Clause 6.3.3 (ii) of Operational Guidelines of MNREGS provides that if any implementing agency (including GPs) is unable to execute the allotted works within 15 days from the date of sanction, the agency will immediately inform the PO. The PO will then entrust the work to any other agency, chosen from a panel of agencies approved (project-wise) for that Block in the Development Plan for the district. The instructions given in the Administrative Approvals further stipulate that sanctioned work shall be completed within the financial year and expenditure should not exceed the sanctioned cost.

During audit of the records of the test checked districts, we observed that during the period 2007-08 to 2011-12, 1,20,090 works valuing ₹ 3,177.47 crore were sanctioned and allotted to various implementing agencies[11]. The position of these works is as under:

[11] PWD, WRD, RES, Forest, Agriculture, Horticulture, Sericulture and GPs

Table 20: Showing the status of incomplete and cancelled works during 2007-12

(₹in crore)

District	Work sanctioned		Works completed		Works remaining incomplete		Cancelled work	
	Number	Expen-diture	Number	Expen-diture	Number	Expen-diture	Number	Expen-diture
Jashpur	33337	565.56	24656	391.15	8451	167.65	230	6.75
Korea	21953	353.18	17809	233.99	3534	115.22	610	3.97
Kanker	21361	372.85	16155	253.60	4296	107.63	798	14.27
Durg	13955	741.05	8390	443.52	4136	185.35	1156	56.11
Bastar	17969	543.88	11353	268.35	5780	145.26	839	00.00
Mahasamund	11515	600.95	9055	355.03	1900	176.75	560	69.17
Total	**120090**	**3177.47**	**87418**	**1945.64**	**28097**	**897.86**	**4193**	**150.27**

(Source: as per information furnished by the DPC)

28097 works valuing ₹ 897.86 crore remained incomplete while 4193 works cancelled after incurring expenditure of ₹ 150.27 crore.

It may be seen from the above table that out of the 1,20,090 sanctioned works, 87,418 works valuing ₹ 1945.64 crore were completed and 28,097 works valuing ₹ 897.86 crore remained incomplete while 4,193 works were cancelled after incurring expenditure of ₹ 150.27 crore. Information furnished by the districts regarding the number of works completed, works remaining incomplete and works cancelled did not match with the total sanctioned works.

Further, in view of the enhancement of wage rate from ₹ 69 in 2007-08 to ₹ 132 with effect from April 2012, the possibility of completion of these works within the estimated cost seems to be remote.

During the exit conference (August 2012), the ACS, stated that the districts will be asked to submit the status of works. He further added that such problems will not arise in MNREGS-II.

2.2.11.9 Issuing completion certificates for incomplete works

As per Para 2.178 (1) of the Works Manual of the Government of Chhattisgarh, on the completion of any original work executed for departments other than the Works Department, the Executive Engineer should send a completion certificate. Further as per Para 7.3.13 of the Operational Guideline of MNREGS the Programme Officer will obtain a completion certificate along with details of expenditure from the implementing agencies.

Completion certificates were issued for incomplete works.

During scrutiny of records in selected JPs and GPs of Bastar district, we noticed that 154 works valuing ₹ 8.05 crore pertaining to construction of roads, land levelling and deepening of tanks etc. were left incomplete on account of various factors such as land dispute and lack of interest taken by the *Sarpanches* and implementing agencies after incurring an expenditure of ₹ 4.30 crore (53 *per cent*). However, completion certificates were issued by the GPs.

During the exit conference (August 2012), the ACS stated that records and comments of CEO, JP, Bakawand will be called for to verify whether completion certificates were issued for incomplete works.

2.2.11.10 Non execution of sanctioned works valuing ₹1.49 crore

As per conditions prescribed in the sanction order issued by the DPC, the sanctioned work should be completed within the same financial year.

44 works valuing ₹ 1.49 crore sanctioned during 2009-12 were not started.

Scrutiny of records in JP, Bakawand revealed that during 2009-10 to 2011-12 the DPC, Bastar had sanctioned 876 works pertaining to construction of roads, land leveling, construction of wells, deepening of tanks etc., out of which 44 works valuing ₹ 1.49 crore were not started till June 2012 by the executing agency.

Similarly, scrutiny of records in ZP, Durg revealed that during the year 2010-12, the DPC, Durg had sanctioned 9,459 works. Out of these, 3,457 works i.e. 37 *per cent* (665 of 2010-11 and 2792 of 2011-12) were not started till June 2012.

During the exit conference (August 2012), the ACS stated that the sanctioned work could not be executed because some other works were undertaken on priority.

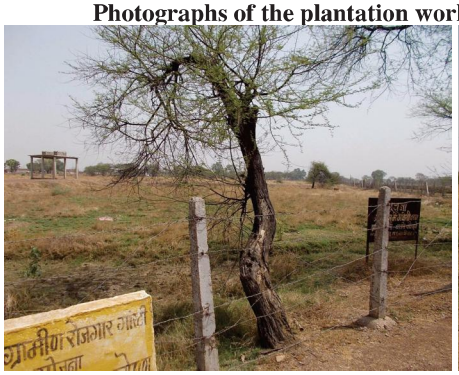
2.2.11.11 Wasteful expenditure of ₹6.21 lakh on plantation

Expenditure of ₹ 6.21 lakh incurred on plantation work was rendered wasteful.

Test check of records revealed that the CEO, ZP, Durg had planted saplings, on the basis of AA for ₹ 6.50 lakh for planting 1500 plants, in GP, Nikum on 22 June 2010 and 7 April 2012 and an expenditure of ₹ 3.92 lakh was incurred on the work till June 2012.

However, during joint physical verification (May 2012) of the site by the Audit team members and officials of the implementing agency, we found that not a single plant was found alive, thereby rendering the expenditure of ₹ 3.92 lakh incurred on the plantation wasteful.

Photographs of the plantation work at Nikum GP taken on 19 May 2012





Similarly, Deputy Director, Horticulture, Durg had planted (September 2010) 1300 plants in Amati, block Durg by incurring expenditure of ₹ 2.29 lakh. During physical inspection (May 2012) of the site, we noticed that approximately 65 plants (five *per cent)* were still alive. Thus the expenditure of ₹ 2.29 lakh incurred on plantation resulted in wasteful.

Had the selection of site and planting season been made judiciously, the survival of plants could have been more.

During the exit conference (August 2012), the ACS stated that necessary mechanism will be developed to avoid recurrence of such lapses in future.

2.2.11.12 Collapse of wells due to delay in completion

Para 6.2.2 of the Operational Guidelines of MNREGS provides that to ensure creation of sustainable assets, a holistic approach to planning and a project

approach should be adopted towards defining a work. This will enable subsuming a number of works as activities under an umbrella work or project.

DPC, Korea and Jashpur had accorded AA for construction of 10 wells on the land of 10 beneficiaries of Katkona, block Baikunthpur, district Korea and Ichkela block, district Jashpur for ₹ 11 lakh. Out of these, four wells were completed and the remaining six wells remained incomplete till June 2012, even after incurring an expenditure of ₹ 2.95 lakh.

During physical inspection (30 May 2012 and 10 June 2012) of the site we observed that the executed well works had collapsed. Further, the beneficiaries intimated that the digging works were completed between December 2010 and March 2011 in Katkona and during 2008-09 in Ichkela. Materials like bricks, sand etc. were brought to the site but encircling work could not be started before the rainy season, as a result of which the executed works collapsed.

As the executed work remained incomplete and had collapsed, the expenditure of ₹ 2.95 lakh incurred on the works was rendered wasteful.

During the exit conference (August 2012), the ACS stated that a report will be called from the concerned CEO for detailed examination.

2.2.11.13 Deficiencies noticed in preparation of MRs

We noticed several deficiencies in preparation and maintenance of MRs as detailed below:

- Date of issue, unique code number of executed work and payment dates were not mentioned in MRs.
- Summary of the MRs showing classification viz. total number of members, women, men, Scheduled caste (SC), Scheduled tribe (ST), Physically handicapped etc. was not recorded/ drawn during 2007-08 and 2008-09. Therefore, it was not possible to ascertain exact representation of these sections.
- MRs carried a number of cuttings, overwriting and use of erasing fluid.
- Signature of the person taking attendance and certificate of payment was not recorded on the MRs by *Sarpanch*, Secretary of GP and Vigilance and Monitoring Committee (VMC).
- Measurement book references were not mentioned on MRs (particularly in works executed by GP).
- During MIS entry at the JP, the entries in the first copy of the MRs were changed by overwriting, while other three copies of MRs remained unchanged.

During the exit conference (August 2012), the ACS stated that necessary action will be taken to ensure preparation of MR correctly.

2.2.11.14 Physical verification of works

We conducted joint physical verification of 1400 works along with the officials of the Department in the selected GPs. The results of the physical verification were as under:

- Out of 1400 works verified, 66 *per cent* of the works were found complete and the remaining were incomplete.
- The information boards were not found in six works executed in Lamker GP of Bastar district.
- Five road works could not be put to use even after incurring expenditure of ₹ 19.60 lakh due to non completion of culverts.
- Funds amounting to ₹ 5 lakh was sanctioned for construction of playground, fencing and plantation in Bhaktar GP of Baikunthpur JP of Korea district. The work was stopped after incurring an expenditure of ₹ 0.35 lakh.
- Expenditure was incurred in excess of the sanctioned amount on two works executed by GP, Pongro of Kansabel JP (Jashpur district).
- One work executed by GP Palsapali of Mahasamund district was shown as complete even after the work was cancelled.
- Two works valuing ₹ 19.80 lakh though sanctioned in 2007-08 had not commenced till the date of audit (May 2012) in GP Newarikala of JP Balod.

Other irregularities reported to us during survey of 1400 beneficiaries conducted in 140 GPs were as follows:

- Six *per cent*, one *per cent*, 18 *per cent* and 84 *per cent* beneficiaries responded that facilities like Shade, Drinking water, First aid & Creche respectively were not made available at the work site.
- Only two *per cent* beneficiaries replied that Muster Rolls were not kept at the work place and out of them, 95 *per cent* confirmed that attendance was marked daily.
- Only 23 *per cent* beneficiaries responded that MNREGS works were not done for development of land belonging to SC/ST/BPL/Small or marginal farmers.

2.2.12 Empowerment of rural women

As per para 1.1.1 of Operational Guidelines of MNREGS, one of the auxiliary objectives of the scheme is empowerment of rural women through their participation for proper implementation of the scheme.

The percentage of women participation in implementation, execution and decision making of the scheme was very low.

(a) As mentioned in para 2.2.10.2, the percentage of employment provided to women in the State was between 47 and 49 during 2008-09 to 2011-12. However, in the test checked districts, the same was between 46 and 48.

(b) During scrutiny of records in CEO, JP, Durg, Bastar and Basna we noticed that the percentage of women participating in implementation, execution and decision making of the scheme was very negligible as only 20 to 38 *per cent* posts of GRS and 10 to 18 *per cent* posts of mate were held by women, as shown in **Table 21.**

Table 21: Statement showing the percentage of women holding the post of GRS and mate

JP/District	Category	Total number of post	Number of women post holders (percentage)
Durg/Durg	GRS	66	25 (38)
	Mate	626	68 (11)
Bastar/Bastar	GRS	66	13 (20)
	Mate	170	30 (18)
Basna/Mahasamund	GRS	83	28 (34)
	Mate	376	37 (10)

(Source: as per information furnished by the JPs)

In JP, Makdi, Bastar district, we further noticed that posts of mate was not filled up since 2007-08. In JP, Bakawand of the same district, all the 115 mates were men and no women were engaged as mates.

This indicates that the basic objective of empowering rural women have not been achieved due to their inadequate involvement in implementation and execution of the scheme.

2.2.13 Convergence of the scheme with other Rural Development Programmes

2.2.13.1 Wasteful expenditure of ₹ 8 lakh on plantation of Cashew plants under convergence with National Horticulture Mission

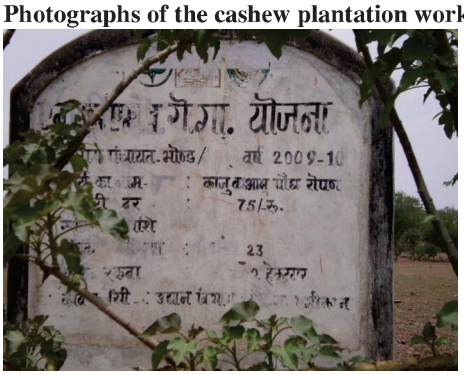
Para 13.1.2 of the Operational Guidelines of MNREGS stipulates for convergence with other schemes to create permanent assets under the scheme.

DPC, Bastar sanctioned ₹ 41.02 lakh in July 2009 for Cashew plantation work in 157 hectares at GP, Bhond and Lamker in Bastar block under the scheme in convergence (82:18) with National Horticulture Mission Scheme (NHM).

Expenditure of ₹ 8 lakh incurred on plantation under convergence was rendered wasteful.

During scrutiny of records, we noticed that as against the sanctioned amount of ₹ 41.02 lakh, expenditure of only ₹ 8 lakh (20 *per* cent) was incurred on plantation works and completion certificates were issued. During joint physical verification (June 2012) of the site by the Audit team members and officials of the implementing agency, we noticed that no plants were alive which rendered the expenditure of ₹ 8 lakh wasteful.

Photographs of the cashew plantation work at Bhond GP taken on 15 June 2012





Further scrutiny of MRs and MB revealed the following irregularities;

- Furniture was purchased from the sanctioned amount, which was not permissible as per Para 5.1 of the Operational Guideline of MNREGS.

- As per MR no. 235660 to 235664, works were executed between 21-10-09 and 27-10-09 but it was corrected by overwriting as 19-10-09 to 24-10-09.
- As per Muster Roll no. 130724 to 130725, payment to a labourer (Shri Ram Chandra/Sukalu) was made vide bank account number 401 while as per Muster Roll no. 237682 to 237875, payment to the same labourer was given vide bank account number 239.

Thus, taking up the plantation work without ensuring upkeep of the plants not only resulted in wasteful expenditure but also defeated the purpose of creation of permanent assets in convergence with other scheme.

During the exit conference (August 2012), the ACS stated that a detailed reply will be submitted after verification of records.

2.2.13.2 Blocking of funds due to non completion of Rajeev Gandhi Sewa Kendra

As per directives of Government of India, Rural Development Department, Bharat Nirman Rajeev Gandhi Sewa Kendras (RGSK) are to be constructed in every GPs/JPs to be used as Panchayat Secretariat with e-enabled services. The guidelines further provide that in the districts where BRGF scheme is in operation, the cost will be in the ratio of 20:80 from MNREGS and BRGF and in other areas, cent *per cent* expenditure will be met from MNREGS. The fund from MNREGS shall be spent only for payment of wages.

During 2010-12, 1235 RGSKs were sanctioned out of which only 49 RGSKs (four *per cent*) were completed.

Scrutiny of records in DPC, Durg (Non BRGF district) revealed that during 2010-12, a total of 353 RGSKs were sanctioned for completion within the same financial year. Out of these, 150 RGSKs were yet to be started, 187 were in progress and only 16 were completed. Due to delay in completion of RGSKs, there was blocking of funds to the tune of ₹ 5.67 crore in the incomplete works.

Similarly, during 2010-12, the DPC, Jashpur (BRGF district) had sanctioned 49 works aggregating ₹ 5.05 crore, out of which construction of one RGSK (in Champatoli, JP-Duldula) was completed and the remaining 48 RGSKs were in progress even after incurring expenditure of ₹ 1.55 crore.

Further, Jashpur being a BRGF district, only 20 *per cent* of the sanctioned cost was to be spent from MNREGS for payment of wages.

Scrutiny of records in four blocks of Jashpur district revealed that during 2010-11 to 2011-12, expenditure of ₹ 1.50 crore was incurred from MNREGS funds against the sanctioned cost of ₹ 2.65 crore for construction of 25 RGSKs. The expenditure was more than the prescribed limit (20 *per cent*) and included both the wages and material components.

Thus, the objective of developing panchayat secretariat with e-enabled services in convergence with BRGF could not be achieved to the desired extent due to delay in completion of the RGSKs.

On this being pointed out, Assistant Project Officer, MNREGS, Jashpur stated (May 2012) that expenditure was made from MNREGS due to non receipt of fund under BRGF, while the DPC, Durg did not furnish any reply.

The reply is not in consonance with the provisions of RGSK because the entire expenditure was incurred from MNREGS funds ignoring the admissible limits.

2.2.14 Record maintenance

Para 9.1 of the Operational Guidelines of MNREGS provides for maintenance of Muster Roll, Issue and Receipt Registers (B-5 and B-6), Application Registration Register (B-7), Job Card Register (B-8), Employment Register (B-9), Asset Register (B-10) and Complaint Register (B-11).

Scrutiny of records in selected GPs revealed that maintenance of the above records was incomplete. At JP level Employment Register, duplicate copy of Job Card Register and computerised Asset Register were not maintained. In absence of the above records, we could not verify compliance with the legal requirement of 100 days of employment on demand.

Non-maintenance of Asset Registers implied that there was no record of the durable assets created and it would not be possible to ensure their subsequent retention of ownership and maintenance. Due to deficiencies in updating information on MIS, reports like caste-wise registration, demand for work, 100 days employment, work status, material procurement reports, MRs, work expenditure, delay in payment of wages, wage material ratio analysis, fortnight-wise beneficiaries engaged etc. could not provide complete information in respect of the districts, blocks and GPs.

Further, as mentioned in Para 2.2.8.4 of this Report, there were discrepancies in the opening and closing balance of MPR due to improper maintenance of Cash book and MPR.

During the exit conference (August 2012), the ACS stated that instructions are being issued for proper maintenance of records.

2.2.15 Transparency in implementation of the Scheme

2.2.15.1 Works valuing ₹ 1.08 crore executed without administrative approval

As per Para 5.3.3 of the Operational Guidelines of MNREGS, AA and TS should be accorded and work should be executed thereafter.

Plantation work of ₹ 1.08 crore was organised without administrative approval and technical sanction.

During scrutiny of records of Divisional Forest Officer, Durg, we noticed that sanction order was issued on 15 July 2010 by the CEO for plantation of one lakh plants in 40 hectare area with an estimated cost of ₹ 1.08 crore in Nagpura, GP for the plantation work already organised on 9 July 2010. Further scrutiny revealed that transportation of plants was done during 30 May 2010 to 15 June 2010 and demarcation of land, digging of pits and plantation was done during 21 June 2010 to 10 July 2010. The fact was also got confirmed during joint physical verification of the site (May 2012) by Audit team members and officials of the implementing agency.

Photographs of the plantation work at Nagpura GP taken on 15 June 2012





It is evident from the above facts that the work was neither proposed by the concerned GP nor included in the annual plan for the year 2010-11. Further, the work was sanctioned under the scheme after execution.

During the exit conference (August 2012), the ACS stated that all relevant records will be called for and the position will be intimated to audit after detailed examination.

2.2.15.2 Providing employment for more than 100 days and release of payment by tampering records

Employment was provided for more than 100 days and wages were paid by tampering the records.

MNREGS guarantees 100 days employment in a year to every HH whose adult member is willing to do unskilled manual work. Further, on the basis of Muster Rolls received from GPs, the PO shall generate wage slips/lists and issue cheques to the relevant bank/post office of the GP. The bank/post office will credit the wage amount into the account of the beneficiaries. The wage slips/lists is an important and final record for issue of cheque. Therefore, it should be free from errors.

Scrutiny of vouchers for the month of March 2012 revealed that GP, Jamnapali, block Pathalgaon, district Jashpur had released payment of ₹ 67,339 vide cheque no. 210231 dated 28.03.2012 for payment to the beneficiaries engaged for construction of one minor tank and four land levelling works. However, the wage slips/lists enclosed with the vouchers for the above works were corrected in 23 instances and new names, bank account numbers and job card numbers were entered before sending to the bank/post office. Actually, 27 number of beneficiaries who had already completed their 100 days employment were engaged in construction of one minor tank (Jagar Sai/Dewar) and four land levelling works (Lubiyanuj/Ramkhalwa, Haval Sai/Mansai, Asha/Manju and Enjorsai/Somsai) and attendance recorded in nine muster rolls for the period between 30.1.2012 to 18.2.2012. As the MIS restricts entry in case of employment for more than 100 days, therefore the wage slips/lists were generated through MIS by using the details of 27 other beneficiaries (who had got employment for less than 100 days) like name, job card number, bank/post office account number etc. After getting wage slips/lists through the MIS, the actual entries were corrected in the wage slips/lists and furnished to the concerned bank/post office for payment.

This resulted in providing employment for more than 100 days and releasing payment by tampering with the original records. This indicates lack of transparency in implementation of the scheme.

During the exit conference (August 2012), the ACS stated that the matter will be enquired into and necessary action will be taken.

2.2.15.3 Payment of ₹ 1.21 lakh before submission of bill

CEO, ZP, Kanker had accorded AA for construction of check dam at Salhetola of Sarwandi GP in Narharpur block for ₹ 9.31 lakh on 29.12.2010 and GP was appointed as the executing agency.

Payment was released to the supplier prior to the sanction and before receipt of bill.

Scrutiny of records in CEO, JP, Narharpur revealed that Vandana Traders, Sarona had supplied construction material like cement and reinforcements and a bill (vide cash memo no 798 dated 25.12.2011) of ₹ 1.21 lakh was submitted to the GP for payment. The accountant of the Janpad Panchayat, Narharpur had submitted a voucher along with the note sheet for approval of the CEO on 1.12.2011 but the payment of ₹ 3.88 lakh (including ₹ 1.21 lakh) was made to the supplier. We further observed that the supplier had actually submitted the bill on 25.12.2011 to the CEO. Thus, not only was the payment of ₹ 1.21 lakh released to the supplier prior to approval of the competent authority but also before actual receipt of the bill (cash memo).

During the exit conference (August 2012), the ACS stated that relevant records will be called for from the CEO, JP, Naharpur and the matter will be enquired into.

2.2.15.4 Social audit

As per para 11.1.3 of the Operational Guidelines of MNREGS, social audit is to be conducted twice in a year on a regular basis by the GS or Village Monitoring Committee.

We observed from the social audit meetings of seven GPs[12] of three selected districts that the GS conducted social audit by reading out the agenda and details of MRs in the meetings and the procedure laid down in the guidelines was followed. However, the minimum attendance required to fulfill the quorum was not observed in all GPs except in Kolihapuri. In GP Kolihapuri (JP Durg) during social audit, actual attendance was more than the required quorum.

We also noticed in Korea and Bastar districts that OIA like PWD, WRD, Forest, RES, Agriculture/Horticulture/Fisheries Department etc. executed works in the area of GP by engaging beneficiaries of the concerned GP and maintained the records. However, the works executed by the line departments were not included in the social audit.

During the exit conference (August 2012), the ACS stated that efforts are being made to ensure more participation of the OIAs in social audit meetings. He further stated that a proposal for setting up of a separate Directorate for Social Audit has already been sent to GoI and approval is awaited.

[12] GP Kolihapuri (Durg district), Jarandi and Bhiragaon (Makdi) Karmari and Bagbeda (Bastar district), Harra and Bundeli (Korea district)

2.2.15.5 Non-disposal of complaints

As per directions (May 2008) of the Government of Chhattisgarh, an effective grievance redressal mechanism is to be established in State/District/JP level. The PO will conduct a preliminary enquiry within seven days on the complaint received at the JP level and if it is realised that a detailed enquiry is required, the case will be immediately forwarded to ZP, which will ensure redressal within a month. DPC and Deputy Director (Monitoring) will hold a review meeting every month at the district level and the State level respectively.

During scrutiny of records in DPC, Korea we noticed that a total of 475 complaints were received during the period 2007-12, out of which 45 and 58 cases were cleared between one to three months and 3 to 12 months respectively and the remaining 372 cases were pending till June 2012. In ZP, Mahasamund we observed that 183 cases of the year 2008 were pending till June 2012.

In Durg district, during the period 2007-08 to 2011-12, 24 cases were received from the State for redressal, out of which only 13 complaints were redressed and the remaining 11 cases were pending for one to three years.

During the exit conference (August 2012), the ACS stated that due to rush of work and lack of staff, disposal of the cases was delayed. However, he assured that the mechanism will be streamlined for timely disposal of complaints.

2.2.15.6 Delay in redressal of grievances through Ombudsman and non-recovery of penalty

As per instructions issued (September 2009) by GoI, the office of Ombudsman should be set up for expeditious redressal of the grievances. Accordingly, the P&RDD, Government of Chhattisgarh issued instructions and ordered for appointment of Ombudsmen in all districts.

Scrutiny of records in ZP, Durg revealed that during the period from July 2011 to March 2012, against the total 55 grievances received, only 32 grievances were redressed and 23 grievances were pending with delays ranging between 2 and 10 months. Further scrutiny revealed that against 32 grievances redressed, in six cases recommendation for recovery of ₹ 8,500 was made by the Ombudsman, which was not implemented. Similarly, in five cases recoveries of ₹ 1.13 lakh imposed against Panchayat officials were also not recovered till the date of audit (June 2012).

After we pointed this out, the DPC, Durg stated (June 2012) that due to non submission of relevant documents, some of the grievances could not be redressed and recoveries were being made through the JP.

The reply is not in accordance with the instructions as recovery of penal amount was not done and the purpose of expeditious redressal of the grievances was not achieved in contravention of GoI instruction.

Similarly, in Kanker district, 30 complaints were registered during the year 2011-12. Out of these, only eight cases were disposed of and the remaining 22 cases were pending till June 2012.

During the exit conference (August 2012), the ACS stated that due to rush of work and lack of staff, disposal of the cases was delayed. However, he assured that the mechanism will be streamlined for timely disposal of complaints.

2.2.15.7 Irregular payment through the contract for IEC programme under MNREGS

With a view to give wide publicity and create awareness among the villagers, DPC, Mahasamund issued instructions (September 2009) to organise cultural programmes through Information Education Communication (IEC) at GP level about the scheme and 70 *per cent* members of the cultural group (Kalajattha[13]) should be registered under MNREGA and the programmes are to be organised at the GPs level.

Test check of records revealed that M/s RAAG Foundation, Mahasamund (Cultural Group) was selected (October 2009) at the rate of ₹ 1600 per programme and awarded the contract. As per agreement, payment was to be released after successful completion of the programmes, subject to fulfillment of the following:

(i) The firm was required to prepare a detailed schedule of programme and accordingly the programmes were to be arranged.

(ii) The programme would be held in GP, earmarked by the CEO, JP, Basna.

(iii) The firm was required to submit two photographs along with Execution Certificate signed by *Sarpanch*, Secretary and Gram Rojgar Sahayak for each programme.

Scrutiny of records revealed that a total of 240 cultural programmes were organised and out of these, schedules for only 78 programmes were found prepared. It was further observed that the firm had neither submitted any photographs in support of organising the programmes nor were the certificates in support of holding the programme signed by the *Sarpanch*, Secretary and GRS in 74 cases, 227 cases and 49 cases respectively. Despite non-fulfilment of the conditions of the agreements, CEO, JP released payment of ₹ 3.84 lakh to the firm between December 2009 and March 2010.

During the exit conference (August 2012), the ACS stated that matter will be examined and suitable action will be taken accordingly.

Further, we had conducted the beneficiary survey in the six selected districts and the outcome of the survey was as under:

- Thirty two *per cent* of the beneficiaries were not aware of Gram Sabhas and 18 *per cent*, 35 *per cent* and 14 *per cent* respondents replied that Gram Sabhas were held 1 to 2, 3 to 4 and more than 4 times respectively in a year.

[13] It is a cultural group who performs drama in villages for publicity and awareness about the MNREGS

- Forty *per cent* of the beneficiaries were not aware of the venue of the Gram Sabha meetings.
- Thirty five *per cent* of the beneficiaries did not attend Gram Sabha meetings.
- Sixty seven *per cent* of the beneficiaries were ignorant about Social audit.
- Ninety four *per cent* of the beneficiaries felt that MNREGS was being implemented properly.

During the exit conference (August 2012), the ACS stated that necessary action will be taken on the observations made by audit.

2.2.16 Inspection, Monitoring and Evaluation

As per Para 8.2.1 of MNREGS Operational Guidelines, implementation of the scheme was to be monitored through National Quality Monitors (NQM), State Quality Monitors (SQM), District Quality Monitors (DQM) and 2 *per cent*, 10 *per cent* and 100 *per cent* works should be inspected at State, District and Block levels respectively by the monitors.

Scrutiny of records of the selected units revealed that no records were found to substantiate that inspections were carried out at State, district and block levels.

During the exit conference (August 2012), the ACS stated that instructions will be issued to maintain necessary records.

2.2.17 Internal Audit

Para 11.3.6 of the Operational Guidelines of MNREGS stipulates for conducting internal audit at the end of financial year.

During test check of records in the six selected districts, we noticed that Internal Audit Cell at the district level was not set up. Therefore, lapses in compliance of the guidelines of the Act, other financial rules, codal provisions, technical guidelines, manuals, etc. could not be detected to enable necessary action to prevent their recurrence.

During the exit conference (August 2012), the ACS stated that necessary action will be taken to set up the Internal Audit cell.

2.2.18 Other points of interest

On the basis of complaints received from the villagers of Kolihadevari GP (ZP Mahasamund), Audit conducted a physical verification of the work and muster roll in the presence of 82 beneficiaries and villagers, by reading out aloud the names entered in the MRs of two works and verifying the same from the beneficiaries present.

The following points were noticed:

- Names of five beneficiaries who did not reside in the village were found mentioned in the MR and payment of wages made to their post office accounts.
- Names of the parents of two beneficiaries were added in the job card and accounts in the post office were opened without any application for registration. Payments were credited to their account without doing work.
- One beneficiary present stated that though he did not work, payment was credited to his post office account.
- In respect of one beneficiary, the villagers informed that though he did not work, payment was credited to his post office account.
- Similarly, in 21 cases it came to notice that though the concerned persons did not work, their names were entered in the MR and payments credited to their accounts.
- Wage payments were made to four beneficiaries working as casual labour in the Forest Department, FCI, primary school and having own barber shop, despite their being not deployed in any of the two works.
- Some beneficiaries who had completed 100 days had used the job cards of other beneficiaries for obtaining work.
- On the same day, the same individual person had worked on his job Card and on the job card of another individual.

2.2.19 Conclusion

The State Government notified the MNREG Act in March 2006. The Performance Audit of the Scheme revealed that there were huge vacancies in the key positions and inadequate capacity building had adversely affected the smooth and effective implementation of the scheme. A Perspective Plan detailing the priority of works for long term employment generation and sustainable development was not prepared. Persistent shortfall in utilisation of the available fund was noticed. In disregard to the scheme guidelines, cheques were issued to *Sarpanches* of Bastar and Kanker districts for payments of wages to the beneficiaries and advances given to the *Sarpanches* were not adjusted. There were delay of 5 to 139 days in release of State share and funds were released to the District Programme Coordinator at the fag end of the financial year. Balance funds of SGRY and NFFWP were not transferred to MNREGS account. Door to door survey was not conducted to ensure the coverage of the eligible beneficiaries. The objective of the scheme to provide 100 days of the employment was not achieved as only nine *per cent* HHs were provided employment of 100 days. The percentage of HH provided 100 days of employment had declined from 11 in 2007-08 to 7 in 2011-12. Unemployment allowance was not paid to the beneficiaries despite non provision of employment within the prescribed period of 15 days. Similarly, compensation admissible under Payment of Wages Act was not paid even after delayed payment of wages. The District Programme Coordinators sanctioned the works to the implementing agencies throughout the year

without adhering to the time schedule prescribed in the guidelines. The Performance audit further revealed several deficiencies in execution of works such as execution of inadmissible works, payment to vendors for MIS work, sanction of works without approval of Gram Sabha, payments without measurement, delay in completion of works, cancellation of works after incurring expenditure, issue of completion certificates in respect of incomplete works and wasteful expenditure on works. Prescribed records including Muster rolls were not properly maintained as cases of overwriting/cutting, absence of signature, certificate of payment, incomplete information etc. were noticed. The participation of women in implementation, execution and decision making was not encouraging as only 10 to 38 *per cent* posts of mates and *Gram Rojgar Sahayak* were held by women. The objectives of the Scheme for creation of permanent assets through convergence with other schemes could not be achieved due to improper execution of the works. No records were maintained regarding inspections and monitoring done under the Scheme and the online MIS was incomplete. No internal audit was carried out during 2007-12.

2.2.20 Recommendations

In view of the various deficiencies noticed in the implementation of MNREGS, we recommend that the State Government consider implementing the following recommendations:

- Considering the huge vacancies in key positions, immediate steps may be taken for filling up all the vacant posts and capacity building of the staff may be ensured through necessary training;
- District Perspective Plan may be prepared including the priority of works for long term employment generation and sustainable development and Annual Action Plan may be prepared after taking inputs from *Gram Sabhas*;
- Preparation of labour budget may be ensured in accordance with the scheme guidelines;
- Steps may be taken to ensure optimum utilisation of available funds and timely release of State share;
- Door to door survey may be carried out to ensure coverage of all the eligible beneficiaries;
- It may be ensured that employment is provided within 15 days of application and that eligible beneficiaries are given at least 100 days of employment. The participation of more beneficiaries from weaker sections including women may be ensured;
- Payment of wages to the beneficiaries may be ensured in accordance with the guidelines/instructions and compensation may be paid to the beneficiaries for delayed payment of wages;
- Execution of works under the Scheme should be monitored closely to ensure that these are done efficiently, economically, effectively and as per the guidelines;

- Records including Job card register, cash book, muster roll, Measurement book, MPR etc. should be maintained in the prescribed format; and
- The frequency prescribed for social audit of the works executed under the scheme may be adhered to, the grievance redressal mechanism may be made effective and internal audit conducted.

FOOD, CIVIL SUPPLIES AND CONSUMER PROTECTION DEPARTMENT

2.3 Procurement and distribution of paddy by Chhattisgarh Marketing Federation (MARKFED)

2.3.1 Introduction

Chhattisgarh State Co-operative Marketing Federation Limited (MARKFED) is a Co-operative Marketing Society in the State of Chhattisgarh. It came into existence under Rule 9 (1) of Chhattisgarh Co-operative Societies Act, 1960 and was registered on 30 October 2000. MARKFED is responsible for procurement of paddy from the farmers at Minimum Support Price[1] (MSP) fixed by the Government of India (GoI), Department of Food and Public Distribution (DFPD) and to provide rice to the Food Corporation of India (FCI) and *Nagrik Apoorti Nigam* (NAN) at the rate of Custom Milled Rice (CMR). The paddy procured at MSP is issued to the millers for milling into rice (known as Custom Milled Rice). Millers are paid the cost of milling and the milled rice is sent to FCI and NAN, who in turn pay MARKFED as per rates fixed by GoI for the CMR. The CMR fixed by GoI is decided after including various incidental charges (incentive bonus, statutory charges, labour charges, transportation charges, driage, commission to Societies, interest charges, milling charges, administration charges and cost of gunny bags etc.) in the cost of paddy. The incidental expenditure incurred by MARKFED in excess of that included in the rate of CMR is submitted annually to the State Government as loss claim for reimbursement.

2.3.2 Funding pattern

In order to carry out its functions, MARKFED takes loans from various nationalised banks and the State Government. The State Government provides budgetary support under the head "Loss reimbursement to MARKFED" every year for reimbursement of loss incurred in procurement of paddy and delivery of rice to FCI/NAN. This, together with funds received from FCI and NAN against delivery of rice, are utilised by MARKFED for repayment of loan.

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[1] GoI finalises the per quintal rate of paddy every year which is known as Minimum Support Price.

2.3.3 Organisational Structure

The organisational structure of MARKFED is depicted in the organogram below:



2.3.4 Scope and methodology of Audit

The audit of MARKFED covering the period 2006-07 to 2011-12 was carried out between April-June 2012. We scrutinised the records maintained in the office of Managing Director (MD), MARKFED along with the records of three (Raipur, Dhamtari and Durg) out of 16 District Marketing Officers[2] (DMOs).

2.3.5 Scope limitation

At the time of audit (June 2012), MARKFED had finalised its annual accounts and loss claim cases up to *Khariff Marketing Season*[3] *(KMS)* 2008-09. As a result, we scrutinised loss claim cases upto *KMS* 2008-09 only. As regards other transactions of MARKFED not forming part of loss claim, we examined records up to 2011-12.

2.3.6 Audit findings

During audit of the records of the Managing Director (MD), MARKFED, Raipur and the District Marketing Officers (DMOs), Dhamtari, Durg and Raipur we noticed the following irregularities:

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2 Ambikapur, Bastar, Bilaspur, Dantewada, Dhamtari, Durg, Janjgir-Champa, Jashpur, Kanker, Kawardha, Korea, Korba, Mahasamund, Raipur, Raigarh, and Rajnandgaon.

3 *Khariff Marketing Season* is the season during which MARKFED procures paddy from the farmers at MSP decided by GoI. Every year the State Government declares the procurement period, which normally covers the period from October to March.

2.3.6.1 Excessive interest payment of ₹680.15 crore beyond norms fixed by Government of India in the cost sheet of Custom Milled Rice

During the *Khariff* Marketing Seasons (*KMS*) 2006-07 to 2008-09, MARKFED made interest payment of ₹ 800.58 crore to various banks, of which ₹ 120.43 crore (15 *per cent*) was received from FCI and NAN in accordance with the rates prescribed in the CMR cost sheet. The balance interest payment of ₹ 680.15 crore (85 *per* cent) was beyond the CMR norms which was claimed from the State Government as a loss included in the total loss claim case for ₹ 1045.13 crore as detailed in the following table:

Table 1 : Details of interest payments made to bank

(₹in crore)

Year	Amount of loss claim submitted to State Government	Total amount of interest paid to the banks	Amount of interest received from FCI & NAN	Amount of interest claimed from State Government included in the loss claim amount as shown in Col.2 (Col.3-Col.4)	Percentage of claimed interest loss over total loss (Col.5 over Col.2)	Percentage increase in interest loss over the previous year
1.	2.	3.	4.	5.	6.	7.
2006-07	234.63	179.03	25.31	153.72	65.52	203.56
2007-08	302.04	241.23	37.57	203.66	67.42	32.49
2008-09	508.46	380.32	57.55	322.77	63.48	58.48
Total	**1045.13**	**800.58**	**120.43**	**680.15**	**65.08**	

Note: *Since loss claim cases for the years 2009-10 to 2011-12 were not finalised by MARKFED, audit could not analyse the trend for these years.*

(Source : Loss claim cases of MARKFED)

It is evident from the above table that every year the interest loss formed a major part of the total loss claim. Increase in 2006-07 over the previous year was 203.56 *per cent*, whereas it was 32.49 and 58.48 *per cent* in 2007-08 and 2008-09 respectively. MARKFED had to bear the interest burden due to delay in repayment of the loan which was mainly due to (i) delay in finalisation of loss claims and subsequent delay in release of funds by the State Government, (ii) delay in receipt of payments from FCI/NAN, (iii) blocking of funds with Director General Supplies and Disposal (GS&D) and (iv) delay in receipt of extra incidental expenditure from GoI due to non submission of claims by MARKFED, as discussed subsequently.

2.3.6.2 Delay in submission of loss claim cases by MARKFED and subsequent delay in release of funds by the State Government

The State Government, while issuing orders for procurement of paddy in the respective years, assured MARKFED that the loss incurred in paddy procurement would be reimbursed by the Government.

The status of submission of loss claim cases by MARKFED to State Government and subsequent reimbursement of loss by the Government is as follows:

Table 2: Details of release of funds by State Government

KMS period	Amount of loss claim submitted to State Government		Time taken for finalisation of loss claim by MARKFED from 31st March of respective *KMS* (approx)	Details of release of funds by the State Government		
	Amount (₹ in crore)	Date		Amount (₹ in crore)	Date	Period of time taken by the State Government for release of fund from date of finalisation of loss claim (approx)
01.11.2006 to 15.02.2007	234.63	21.10.2008	19 months	30.68	24-Mar-07	Advance
				112.75	08-Aug-09	9 months
				78.56	22-Jan-10	15 months
Total (A)				**221.99**		
01.11.2007 to 15.02.2008	302.04	31.07.2009	16 months	125.04	17-Mar-10	8 months
				175.00	28-Sep-10	14 months
				0.53	31-Mar-11	20 months
Total (B)				**300.57**		
20.10.2008 to 15.02.2009	508.46	17.06.2010	15 months	100.00	19-Feb-09	Advance
				175.00	14-Jan-10	Advance
Total (C)				**275.00**		
Grand Total (A+B+C)	**1045.13**			**797.56**		

(Source : Compiled from information provided by MARKFED)

It is evident from the above table that MARKFED submitted the loss claim cases to Government after a delay ranging between 15 and 19 months for the *KMS* 2006-07 to 2008-09 and loss claims for the years 2009-10 onwards were not finalised till March 2013. Further, even after delayed submission of the claims, funds were released by Government with delay of eight to 20 months. Thus, had MARKFED finalised its loss cases and submitted loss claims for reimbursement in time, it could have saved interest burden of ₹ 157.26 crore[4].

During discussion (March 2013), the Secretary stated that after being pointed out in audit, from the current year, the Department has classified the loss component into two parts, *viz* (i) mandatory extra expenses over CMR as per policy of State Government as "extra expenditure" and (ii) extra incidental expenditure over CMR fixed by GoI as "loss".

The fact remains that though MARKFED was able to repay the loan on getting funds from the State Government as per budget provision under mandatory "extra expenditure", it could have made efforts to finalise and submit the loss claim cases for getting extra incidental expenditures reimbursed in a timely manner to avoid the interest burden.

2.3.6.3 Delay in receipt of payments from FCI and NAN

During audit of the records of MARKFED (June 2012) we observed that an amount of ₹ 861.50 crore (NAN: ₹ 749.87 crore and FCI: ₹ 111.63 crore) was outstanding as on June 2012 as receivables against the rice delivered to FCI

[4] The interest was calculated in audit taking the rate as 9.7 *per cent* per annum, which was the minimum rate charged by banks for the period April 2006 to March 2012.

and NAN. The bills receivable from FCI and NAN were pertaining to the period 2006-07 to 2009-10. Due to delay in getting payments from FCI and NAN, MARKFED could not repay the loan amount in time which consequently increased its interest liability to the extent of ₹ 196.83 crore[5].

During discussion (March 2013), the Secretary stated that the delay on the part of FCI was due to non-submission of certain documents by MARKFED and stated that necessary directions will be issued to MARKFED for future compliance. Further, as regards delay on the part of NAN, the Secretary stated that this was due to non release of funds to NAN from GoI. The delay in release of funds by GoI to NAN was also due to delay in finalisation of final cost sheet by GoI. The submission of expenditure details for finalisation of final cost sheet to GoI involves MARKFED as well as NAN.

The fact remains that the delay was on the part of MARKFED, as it failed to submit the expenditure details for finalisation of the final cost sheet in time due to non finalisation of annual accounts.

2.3.6.4 Blocking of funds towards cost of gunny bags from FCI

The gunny bags required for transporting paddy and rice are procured by MARKFED from Director General Supply and Disposal (DGS&D) every year. The cost of gunny bags is included in the CMR, which is to be reimbursed by FCI and NAN.

During audit (June 2012) of the records of DMOs, Raipur and Dhamtari we observed that payment amounting to ₹ 212.71 crore[6] towards reimbursement of the cost of gunny bags was outstanding from FCI till the date of audit. Since MARKFED arranged the fund from interest bearing loan, the delay in receipt of reimbursement from FCI had increased the interest liability to the extent of ₹ 48.51 crore[7].

During discussion (March 2013), the Secretary stated that delay was due to non reconciliation of stock with FCI. It further stated that the total outstanding has been brought down to ₹ 165.04 crore.

The fact remains that due to non reconciliation of stock with FCI, MARKFED increased its interest liability. Since the amount is ultimately reimbursed by the State Government to MARKFED to meet the interest liability, it results in drain to the State exchequer.

2.3.6.5 Avoidable payment of penal interest amounting to ₹ 62.21 crore due to non-adherence to the conditions of the agreement regarding maintenance of minimum stock balance

MARKFED takes loans from the State Bank of India (SBI) as per credit limit sanctioned by the Reserve Bank of India (RBI) after executing loan agreement

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5 The interest was calculated in audit taking the rate as 9.7 *per cent* per annum, which was the minimum rate charged by the banks for the period April 2006 to March 2012.

6 (DMO Dhamtari- ₹ 90.33 crore and DMO Raipur -₹ 122.38 crore)

7 The interest was calculated in audit taking rate of interest as 7.5 *per cent* per annum, which was minimum rate on which State Government provided loan to MARKFED.

between SBI and the Government of Chhattisgarh, Food, Civil Supplies and Consumer Protection Department, Raipur every year. As per para-6 read with para-9 (d) of the agreement, the borrower shall not be entitled to draw under the credit accounts any amount in excess of the credit limit and in any event not in excess of the value of the hypothecated goods valued on the basis of the procurement price or the issue price, whichever is lower. In case there is excess drawal, such drawal should be adjusted immediately, failing which the bank would be entitled to charge a higher rate of interest on such excess drawal at the rate of two *per cent* above the maximum lending rates prescribed by RBI from time to time, till such irregularity is fully adjusted to the satisfaction of the bank.

We observed that during 2006-07 to 2008-09, SBI charged penal interest at the rate of two *per cent* per annum above the applicable rate in the clean portion (outstanding stock not covered by stock of paddy with MARKFED) of the cash credit (food credit) account in terms of para 9 (d) of the loan agreement as detailed below :

Table 3: Details of penal interest charged by bank

(₹ in crore)

Year	Amount of penal interest charged	Reasons
2006-07	9.67	Failure to adjust the excess drawal in terms of para 9 (d) of loan agreement.
2007-08	17.97	
2008-09	34.57	
Total	**62.21**	

(Source : Furnished by MARKFED)

Since MARKFED was required to maintain the minimum stock as per the agreement, the non-maintenance of the same resulted in avoidable penal interest of ₹ 62.21 crore.

During discussion (March 2013), the Secretary stated that after being pointed out in audit, the Department had requested RBI to consider waiver of penal interest with certain justification. In the justification the Department submitted that according to the conditions of loan agreement, paddy stock both in raw and processed form (rice) were hypothecated to the bank. Hence the stock of rice delivered to FCI/NAN for which no payments were received by MARKFED should be treated as stock of MARKFED and considered as available hypothecated stocks in lieu of proportionate stock of paddy. In reply, RBI has advised the State Government to take up the matter with individual banks and necessary correspondence in this regard is made.

Thus, had MARKFED adhered to the loan agreement, penal interest burden to the extent of ₹ 62.21 crore could have been avoided.

2.3.6.6 Delay in receipt of outstanding payments of ₹3.24 crore from NAN

GoI implemented Food for Work Programme during 2001-02 to provide free food in drought-affected areas in Chhattisgarh. As per the orders of the State Government dated 28 April 2001, against the total allocation of 2,98,507 MT paddy by GoI, MARKFED was required to provide 2,02,507 MT and Civil Supplies Corporation (CSC) was required to provide 96,000 MT of paddy. The fund arrangement as per the programme was made through cash credit limit of SBI.

During audit (June 2012) of the records of MD, MARKFED we observed that for the above supply of paddy, NAN paid only ₹ 115.30 crore against the total bill of ₹ 118.54 crore raised by MARKFED in 2001-02. The remaining amount of ₹ 3.24 crore was not paid by NAN till the date of audit (June 2012). This amount was subsequently paid in December 2012. Since MARKFED had arranged funds as interest bearing loan, therefore, the delay in receipt of this amount had increased the interest burden of MARKFED by ₹ 6.89 crore[8].

During discussion (March 2013), the Secretary stated that outstanding payment was already received (December 2012) from NAN. However efforts are being made to obtain the interest.

The reply is not acceptable as tangible efforts were not made by MARKFED to get the balance amount released from NAN in time to avoid payment of interest.

2.3.7 Avoidable loss of ₹ 58.33 crore in gunny bag transactions and blocking of fund amounting to ₹ 18.46 crore.

2.3.7.1 Loss of ₹ 39.02 crore due to recovery of gunny bags at lesser rates

MARKFED purchases gunny bags for storage, transportation and milling of paddy procured at MSP. The millers were provided paddy in these gunny bags. The miller takes 40 kg paddy in each gunny bag and in turn returns the same with 50 kg rice which is transferred to FCI/NAN. Further, against each quintal of paddy, the millers provide 67/68 *per cent* rice. GoI allows 40 *per cent* depreciation on gunny bags in the CMR cost sheet.

During scrutiny of loss cases pertaining to loss incurred due to depreciation on gunny bags *KMS* 2006-07 to 2008-09, we observed that MARKFED recovered the cost of gunny bags left with millers at the rate of ₹ 10 each while as per CMR it should have been recovered at the rate of 60 *per cent* of the cost of a new gunny bag. The recovery of cost of gunny bags at lesser rate resulted in avoidable loss of ₹ 39.02 crore as detailed below:

Table 4: Details showing loss due to recovery of gunny bags at lesser rates

KMS	Rate of gunny bag as per CMR (in ₹)	Number of gunny bags left with millers (in number)	Rate at which MARKFED recovered from millers (in ₹)	Total amount recovered from millers (₹ in crore) (Col.3 x Col.4)	Rate of recovery as per CMR cost sheet (in ₹) (60 *per cent* of Col.2)	Amount of short recovery (₹ in crore) {Col.3 x (Col.6-Col.4)}
1.	2.	3.	4.	5.	6.	7.
2006-07	24.26	26617252	10	26.62	14.56	12.13
2007-08	23.30	28493979	10	28.49	13.98	11.34
2008-09	24.36	33663825	10	33.66	14.62	15.55
Total						**39.02**

(Source: Information provided by MARKFED)

During discussion (March 2013), Secretary stated that the recoveries from

[8] As per letter no. Accounts/Finance/108/5010/2013, dated 16.01.2013 issued by MARKFED to NAN.

millers for the gunny bags left with them are made at the rates fixed by the State Government. The idea behind this was to incentivise the millers to expedite the milling. However, the Secretary assured that as in the past, the rate at which money is to be recovered from rice millers in lieu of the left over gunny bags with them shall be fixed judiciously.

2.3.7.2 *Loss of ₹ 19.31 crore due to receipt of amount of gunny bags at lesser rates from FCI*

As per CMR cost sheet fixed by GoI, cost of one quintal of rice supplied to FCI included the cost of two gunny bags plus depreciation. The CMR cost sheet details the cost right from purchase of one quintal of paddy to its conversion into one quintal of rice.

We observed that during 2008-09, MARKFED had received only 60 *per cent* cost of two gunny bags supplied with one quintal of rice instead of getting the full cost of gunny bags along with depreciation as per cost sheet of CMR. No effort had been made by MARKFED to get the balance amount and the same was submitted to the State Government for reimbursement as loss. The amount receivable from FCI in this regard was ₹ 19.31 crore as detailed below:

Table 5: Details showing receivables from FCI

1.	Supply of gunny bags to FCI during 2008-09	95,64,464 pieces
2.	Rate of gunny bag as per CMR	₹ 24.36
3.	Depreciation as per CMR	₹ 9.75
4.	Amount which should have to be received from FCI	95,64,464 x (24.36 +9.75) = ₹ 32.62 crore
5.	Amount received from FCI	₹ 13.31 crore
6.	Amount not received from FCI	₹ 19.31 crore *(Sl. No.5 – Sl. No.4)*

(Source: Compiled from the information provided by MARKFED)

During discussion (March 2013), the Secretary stated that MARKFED had not included the amount in the loss case for the relevant year. Further, the same was shown as receivables in the books of accounts.

The fact remains that an amount of ₹ 19.31 crore has remained unrecovered since 2008-09 till March 2013.

2.3.7.3 *Blocking of funds of ₹ 18.46 crore due to non receipt of cost of substandard gunny bags from jute mill suppliers*

As per condition of DGS&D[9] supply orders, the supplier should replace the sub-standard/fungus affected gunny bags or refund the cost of the bags to MARKFED.

During scrutiny (June 2012) of records of MD, MARKFED we observed that jute millers supplied 12,61,693 bales[10] of gunny bags during the period 2006-07 to 2011-12 at a cost of ₹ 1969.81 crore, out of which 10,007 bales of gunny bags were found sub-standard and were affected by fungus. These gunny bags were neither replaced by the jute millers nor was the cost of gunny bags of ₹ 18.46 crore refunded to MARKFED as detailed below:

[9] Director General of Supplies and Disposal
[10] A bale consists of 500 number of gunny bags.

Table 6:Details showing cost of substandard gunny bags not refunded to MARKFED

Year	Supply of gunny bags in quantity	Quantity of substandard gunny bags in bale	Rate of gunny bags (*per bale*)	Cost of substandard gunny bags (₹ in lakh) (Col.3 x Col.4)
	(in bales)			
1.	2.	3.	4.	5.
2006-07	189528	56	11500	6.44
2007-08	200824	455	11300	51.42
2008-09	163177	404	12000	48.48
2009-10	180744	350	16700	58.45
2010-11	244053	1904	20000	380.80
2011-12	283367	6838	19020	1300.59
Total	**1261693**	**10007**		**1846.18**

(Source: Information provided by MARKFED)

During discussion (March 2013), the Secretary stated that it was the responsibility of DGS&D to act against the jute millers. He further stated that despite repeated efforts of MARKFED, DGS&D did not respond to requests to refund the cost of substandard gunny bags.

Audit pointed out that MARKFED should adjust the outstanding amount in the forthcoming payments to DGS&D. The Secretary stated that this was difficult as MARKFED is dependent on DGS&D for timely supply of gunny bales for procurement of paddy. He further stated that efforts will be undertaken at the State Government level also to get refund of the amount in question.

The fact remains that 10,007 bales of substandard gunny bags are yet to be replaced resulting in blocking of funds of ₹ 18.46 crore. Besides, chances of deterioration of the gunny bags lying since the last seven years can not be ruled out.

2.3.8 Non-submission of claims amounting to ₹ 154.68 crore to GoI on account of extra incidental expenditure incurred on delivery of CMR to FCI

As per orders issued annually by GoI, Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution, the rate/cost of CMR and other elements as indicated in the cost sheet are provisional. The State Government should send its claim for final incidental charges (statutory charges, labour charges, transportation charges, driage, commission to Societies, interest charges, milling charges administration charges and cost of gunny bags etc.) along with audited accounts and documentary proof and detailed justification for each item at the earliest after the end of the season.

We observed (June 2012) that the incidental expenditure incurred by MARKFED in procurement of paddy and delivery of rice to FCI at CMR cost was in excess of the GoI norms for the years 2006-07 to 2008-09. The claim for reimbursement of extra expenditure incurred by MARKFED on delivery of rice at cost of CMR was not submitted to GoI. Instead the total extra expenditure of ₹ 154.68 crore over the cost fixed in the CMR was submitted to the State Government as a loss claim for reimbursement as per details given below:

Table 7: Details showing extra incidental charges incurred by MARKFED

Year	Rice delivered to FCI (in Qtl)		Equivalent quantity of paddy (in Qtl) on rice delivered to FCI			Total procured paddy (in Qtl)	Total loss incurred in business in procurement of paddy (` in crore)	Loss per Qtl (in `) (Col.8 / Col.7)	Loss on rice delivered to FCI
	Arwa	Usana	Arwa	Usana	Total				
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
2006-07	1061827	2355767	1584816	3516070	5100886	37078207	234.63	63.28	32.28
2007-08	374899	1410365	559551	2105022	2664573	31510047	302.04	95.86	25.54
2008-09	4777357	4875	7130384	7276	7137660	37470004	508.46	135.70	96.86
Total	**6214083**	**3771007**	**9274751**	**5628368**	**14903119**	**106058258**	**1045.13**		**154.68**

(Source: Compiled by audit from the information provided by MARKFED)

Thus, non-submission of claims to GoI for reimbursement of extra incidental charges incurred in the business process against delivery of rice at CMR cost to FCI resulted in loss of ₹ 154.68 crore to the State Government.

During discussion (March 2013), the Secretary agreed for timely submission of claims to GoI and stated that efforts have already been made to finalise the accounts for the years 2009-10 to 2011-12 and the same will be completed within four months. Now the losses to MARKFED are being reimbursed on provisional basis subject to the condition that after finalisation of final cost sheet of CMR from GoI, the money received from GoI will be refunded to the State Government. Any funds issued by the State Government towards loss compensation in previous years to MARKFED shall either be refunded by MARKFED or adjusted by State Government against future loss claims, to the extent such funds are received by MARKFED after finalisation of final costs of various years.

2.3.9 Inclusion of inflated charges in the loss claim amounting to ₹ 6.70 crore

2.3.9.1 Non-accountal of interest earned resulted in submission of excess loss claim of ₹3.35 crore

During scrutiny (June 2012) of General Ledger maintained by MARKFED for the year 2008-09 we observed that money received from the State Government and FCI/NAN on account of reimbursement of loss claim and delivery of rice respectively was kept in fixed deposits in the banks and an interest of ₹ 3.35 crore was earned during 2008-09. The loss claim submitted to State Government should have to be reduced to that extent, which was not done by MARKFED.

During discussion (March 2013), the Secretary agreed with the audit observation and assured that necessary adjustment of such excess loss will be made in the loss claim for the year 2009-10.

2.3.9.2 Inclusion of excessive transportation charges of ₹ 3.35 crore during 2008-09 beyond actual expenditure and subsequent submission of loss claim

A loss claim for ₹ 6.36 crore for *KMS* 2008-09 was submitted to Government towards transportation charges for transporting 26,96,793.07 quintal paddy from different societies to FCI depots.

During scrutiny of records pertaining to loss claim cases for the *KMS* 2008-09 we noticed that DMO, Raipur incurred an expenditure of ₹ 3.01 crore only for transporting paddy to FCI depot and accordingly FCI reimbursed the expenditure to MARKFED as per their claim (June 2009). Thus, the loss claim amounting to ₹ 3.35 crore was raised in excess of actual expenditure.

On this being pointed out, the DMO Raipur stated (June 2012) that the claim was raised as per average rate of transportation and actual expenditure was claimed from FCI.

During discussion (March 2013), the Secretary assured that necessary adjustment of excess claims will be made in the forthcoming loss claims.

2.3.10 Conclusion

MARKFED routinely incurs losses in procurement and distribution of paddy as it runs its business by taking interest-bearing loans from the banks. Hence, it is imperative that it adopts sound management practices. Steps taken by MARKFED to minimise its interest burden were inadequate due to non-finalisation of accounts and delayed submission of loss claim cases to the State Government, resulting in delayed release of funds by the Government. We noticed inadequate efforts in getting receivables from FCI & NAN, recovery at lower rates from millers in respect of gunny bags left over with them and blocking of funds with FCI and DGS&D. Delayed submission of claims for incidental charges to GoI incurred in excess of that admissible resulted in delay in finalisation of final cost sheet.

2.3.11 Recommendations

- *MARKFED should make efforts to minimise its interest burden by finalising its annual accounts timely and ensuring submission of loss claim cases at the earliest.*
- *Receivables due from FCI/NAN should be pursued effectively so as to reduce interest liability.*
- *A suitable mechanism should be instituted to ensure correctness of claims submitted to Government.*

REVENUE AND DISASTER MANAGEMENT DEPARTMENT

2.4 Acquisition and Allotment of Land

2.4.1 Introduction

As per provisions contained in Article 300A of the Constitution of India, no person shall be deprived of his property save by the authority of law. The State Government may acquire private land under the Land Acquisition Act, 1894 (LA Act) for public purposes such as infrastructure development, irrigation/power and other projects. As per Madhya Pradesh Industries (Allotment of Shed, Plot and Land) Rules, 1974 (CG Industry Rules, 1974) (as adopted by the Government of Chhattisgarh) after receiving the application for requirement of land from firms/industries and after verification, a proposal for acquisition of private land or transfer of Government land is to be forwarded to the Collector. After acquisition, the land is to be transferred to the Department of Commerce and Industries which is further handed over to Chhattisgarh State Industrial Development Corporation (CSIDC). Thereafter, CSIDC issues a Letter of Intent (LOI) for allotment of land to the industry and after receiving the charges[1] from the industry, land is allotted for 99 years on lease basis.

2.4.2 Organisational structure

The Revenue and Disaster Management Department (RDM) is headed by the Principal Secretary at the Government level, who has been vested with the powers to issue notifications under various provisions of the LA Act for acquisition and allotment of the land. He is assisted by the Commissioner, Land Records and four[2] Divisional Commissioners. At the district level, the District Collector, assisted by Land Acquisition Officers (LAO) and *Tehsildars*, is responsible to administer land acquisition cases.

2.4.3 Scope of audit

We conducted the audit between May 2011 and March 2012, covering the period from 2007-08 to 2011-12. The records of the Revenue and Disaster Management Department, Managing Director (MD), CSIDC and Commissioner, Commerce and Industries at State level and Collectors, two[3] Special LAOs, 10[4] LAOs and General Manager (GM), District Trade and Industries Centre (DTIC) were test checked in five[5] districts.

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1 Premium, lease rent and service charges
2 Bastar, Bilaspur, Raipur and Surguja
3 Arang-Abhanpur and Tata Project
4 Bhatapara, Gharghoda, Hasdeo Project, Jagdalpur, Janjgir-Champa, Khairagarh, Kondagaon, Raigarh, Raipur and Rajnandgaon
5 Bastar, Janjgir-Champa, Raigarh, Raipur and Rajnandgaon

2.4.4 Audit Findings

2.4.4.1 Planning

The total land holding in the State (as on November 2000) is 137.90 lakh Ha[6]. However, the category-wise details of the land (agricultural, industrial, commercial, residential etc.) available at the time of formation of the State (November 2000) and thereafter was not maintained. In order to ensure the proper development of the State in all sectors such as social and economic sector etc., creation of a centralised database of private land acquired, compensation paid and land allotted/leased etc. is essential for proper planning.

During discussion (March 2013), the Secretary, RDM accepted the fact and stated that the State Government is in the process of developing a centralised database.

2.4.4.2 Acquisition and allotment of land

Whenever the Government feels that land in any locality is needed for public purpose, a notification under Section 4 (i) of the LA Act, 1894 to that effect shall be published by the Land Acquisition Officer (LAO)/Collector in the Official Gazette for survey. Thereafter, a declaration shall be made under Section 6 for publication of notification to the effect that the land is needed for public purpose. The Collector shall then cause a public notice to be given to persons interested stating that claims for compensation against acquisition of such land may be made to him under Section 9. The Collector shall proceed to enquire into objections (if any) under Section 11 pursuant to the notice given under Section 9 and shall make an appropriate award under his hand, within two years from the date of declaration under Section 6 (i).

As per the Government instructions (August 1977), for setting up Government projects, Government land should be allotted without any premium or on payment of a nominal amount of ₹ 25 and private land should be allotted only after acquisition of land and deposit of due amount of compensation and service charge by the concerned firm/industries/Department as per the LA Act and CG Industry Rules, 1974.

The State Government acquired 12778.737 Ha[7] (Government land-3409.669 Ha and private land-9369.068 Ha) of land during 2007-08 to 2010-11 for different purposes as per the information furnished by 16 districts[8] (out of 18 districts). In the five test checked districts, 8241.814 Ha of land comprising 2371.162 Ha of Government land and 5870.652 Ha of private land was acquired/allotted as detailed below:

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6 Information as furnished by the Department- Forest land-63.49 lakh Ha, Agriculture land-55.61 lakh Ha, Barren/Waste land-10.20 lakh Ha and other land-8.60 lakh Ha

7 This includes the details of land acquired during the year 2007-08 to 2010-11. Though the information for the year 2011-12 has been called for, the same was not furnished to audit.

8 Bastar, Dantewada, Dhamtari, Durg, Janjgir-Champa, Jashpur, Kanker, Kawardha, Korba, Koria, Mahasamund, Narayanpur, Raigarh, Raipur, Rajnandgaon and Surguja

Table 1 District wise details of acquisition and allotment of land

(Area in Ha)

Sl. No.	Name of District	Private land	Government land	Total land	Allotted land
1	Raipur	842.316	667.499	1509.815	1509.815
2	Janjgir-Champa	1897.708	1079.048	2976.756	2976.756
3	Raigarh	NA	230.857	230.857	230.857
4	Bastar	2150.650[9]	276.15	2426.80	489.160[10]
5	Rajnandgaon	979.978	117.608	1097.586	1097.586
	Total	**5870.652**	**2371.162**	**8241.814**	**6304.174**

(Source: Information furnished by the districts)

It may be seen from the above table that the entire acquired land (both private and Government) was allotted in the test checked districts except in Bastar, where only 489.160 Ha (20 *per cent*) land was allotted against 2426.80 Ha acquired land. Non-allotment of land in Bastar was mainly due to non-demarcation of the land by the District Collector for allotment to M/s Tata Iron and Steel Company Limited as discussed in paragraph no. 2.4.4.6.

2.4.4.3 Acquisition of "Shamilat Charagah" land for M/s Lanco Solar Private Limited

As per the proposal of MD, CSIDC (July 2007) for setting up of Integrated Infrastructure Development Centre at Village Mahroomkala in Rajnandgaon district, Directorate of Commerce and Industries sent a letter (July 2007) to the Collector, Rajnandgaon for transfer of 70.695 Ha Government land. Accordingly the process for transfer of Government land was initiated by the Collector (December 2009).

During audit of LAO, Khairagarh, we observed that out of 70.695 Ha Government land, 54.924 Ha land was treated as private land stating that the land was "*Shamilat Charagah*[11]" and without ensuring the actual land owners, the process of acquisition for allotment of land to M/s Lanco Solar Private Limited for setting up of Photo Voltaic Manufacturing Plant and Coal Based Power Plant was initiated (March 2010). Award for compensation of ₹ 8.14 crore was passed in favour of a single land owner and others by the Collector (July 2010) and against this, an amount of ₹ 8.84 crore was deposited by M/s Lanco Solar Private Limited (August 2010). However, LAO, Khairagarh did not take initiative to pay the compensation even after lapse of more than two years to the land owners as of March 2013.

When we pointed this out, the Collector, Rajnandgaon accepted the facts and stated (January 2013) that a letter had been forwarded (November 2012) to the Government for taking necessary action on the issue with regard to opposition and boycott by the villagers in respect of acquisition of *Shamilat Charagah* land.

During discussion (March 2013), the Secretary, RDM accepted the facts and stated that the project is on hold and no compensation has been paid. It was

[9] Private land includes 1764.61 Ha of private land acquired for Tata Steel Plant

[10] 1937.64 Ha of land was not allotted to Tata Iron and Steel Company Limited.

[11] The land donated by the villagers for public use

further stated that necessary instructions will be issued to the Collector to declare it as Government land.

2.4.4.4 Short recovery of ₹ 48.83 crore due to allotment of Government land to industries at lower rate

The State Gazette Notification (March 2010) notified the minimum[12] rates of compensation for private land acquired for industrial purpose. The order was however, silent about allotment of Government land. Government land was being allotted at the rates of the area concerned prescribed in the guidelines issued by the Sub-Registrar for sale and purchase of land of the concerned district. However, as per the Department of Commerce and Industries circular (March 2012), the minimum rates of premium for Government lands allotted for industrial purpose should be as per paragraph 4.15 (a) of Rehabilitation Policy 2007 (₹ 6 lakh per acre). As per the instructions issued by the Department of Commerce and Industries (August 2009), the amount (premium and lease rent) received from the investor against allotment of Government land should be deposited in Government account through challan.

During audit of the records of MD, CSIDC, we observed that in 15 cases, Government land measuring 648.561 Ha was allotted for industrial purposes during March 2010 to December 2010 by CSIDC at rates less than the revised rate of barren land (₹ 6 lakh per acre). Thus, against the chargeable amount of ₹ 98.52 crore[13], only ₹ 49.27 crore was levied which had resulted in short levy of ₹ 49.25 crore ***(Appendix 2.4.1)***.

When we pointed this out (December 2011), revised demand letters were issued by CSIDC between May and June 2012 to the industries in seven[14] out of 15 cases after re-calculation of premium amount. Of these, M/s Lafarge India Private limited, Raipur had deposited the differential amount of ₹ 42.33 lakh[15] (August 2012). However, revised demand letters in respect of the other eight industries were not issued as of March 2013. We also observed that in the revised demand letter issued to M/s KSK Mahanadi Limited, against the recoverable amount of ₹ 16.12 crore, revised demand for ₹ 7.26 crore only was issued, which was yet to be recovered (March 2013).

When we pointed this out (February 2013), MD, CSIDC accepted the facts and stated (March 2013) that revised demand letters were being issued to other industries. As regard short demand of ₹ 7.26 crore, no specific reply was furnished.

During discussion (March 2013), the Secretary, RDM stated that the audit observation pertains to CSIDC and a letter has been issued to Industry Department for submission of reply.

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[12] ₹ 6 lakh per acre for Barren land, ₹ 8 lakh per acre for un-irrigated single crop land and ₹ 10 lakh per acre for irrigated dual crop land

[13] Premium at the rate of ₹ 6 lakh per acre for 648.561 Ha of land allotted *plus* Lease rent at the rate of 2.5 *per cent* of premium.

[14] 1) M/s Bajrang Power and Ispat Limited, 2) M/s Dhiru Power Generation Private Limited, Korba, 3) M/s Godawari Energy Limited, 4) M/s Jindal Steel and Power Limited Raigarh, 5) M/s KSK Mahanadi Power Company Limited, 6) M/s Lafarge India Private Limited, Raipur and 7) M/s Sona Power Private Limited, Janjgir

[15] Premium-₹ 41.33 lakh and Lease rent-₹ 1.01 lakh

2.4.4.5 *Irregular allotment of Government land*

As per conditions of award (September 2008) passed by the Collector, Janjgir-Champa for allotment of Government land to M/s Wardha Power Company Limited, the acquired land should be allotted to the Company only after ensuring re-construction of all the structures and Government assets available or existing in the acquired area at its own cost.

We observed that though the award of 207.985 Ha Government land was allotted to M/s Wardha Power Company Limited, Hyderabad[16]. However, MD, CSIDC handed over (December 2008) the land to the Company without ensuring the re-construction of the structures and Government assets[17] existing at the time of allotment of land. We further observed that the allotted land also included Rogda Dam involving 21.794 Ha of land.

When we pointed this out (May 2011), the Collector, Janjgir-Champa stated (May 2011) that the land was handed over to GM, DTIC Janjgir-Champa stipulating the requisite conditions. GM, DTIC stated (May 2011) that it was the responsibility of CSIDC to ensure that the conditions of allotment of land were fulfilled before allotment of the land. MD, CSIDC also stated (January 2012) that the records have been sent to the Committee constituted by the State Legislature for investigation but did not explain the reasons for non-observance of the conditions of award.

During discussion (March 2013) the Secretary, RDM stated that the audit observation pertains to CSIDC and a letter has been issued to Industry Department for submission of reply. It was also stated that DTIC should ensure the reconstruction of Government assets, before allotting the land to industry.

The fact remains that the handing over of the Government land to the Company without ensuring reconstruction of the structures and Government assets existing at the time of allotment of land was irregular.

2.4.4.6 *Non-establishment of Tata Steel Plant due to non-allotment of land*

For setting up Tata Steel Plant at Lohandiguda (Bastar), Memorandum of Understanding (MOU) was executed between Government of Chhattisgarh and Tata Iron and Steel Company Limited in June 2005. As per instruction of MD, CSIDC (March 2006), site verification was carried out by the District committee (April 2006) and an area of 2160.58 Ha (Government-178.99 Ha, Forest-120.31 Ha and Private-1861.28 Ha) land was earmarked for allotment. The Rehabilitation Policy of the State Government was approved in March 2006. The process of acquisition of land was initiated in July 2006 and award of ₹ 69.43 crore for 1764.61 Ha of private land was passed in October 2007 (1105.45 Ha), November 2007 (308.73 Ha) and February 2008 (350.43 Ha) respectively. The acquired land along with 170.31 Ha of Government land was handed over to DTIC (February and December 2008) which was further handed over to CSIDC (December 2008).

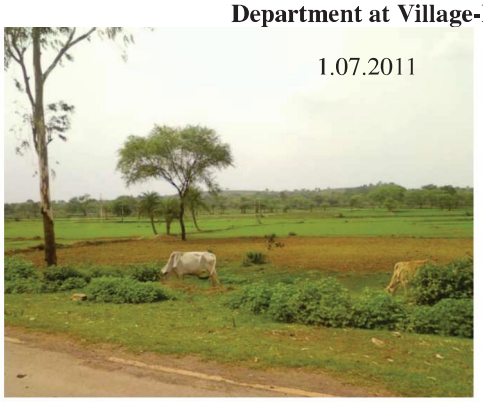
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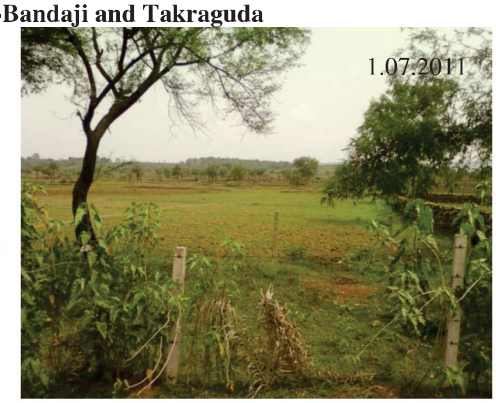
16 For setting up 1750 MW Thermal Power Plant at Tehsil-Akaltara

17 Canal, Tank, Road and Dam area

We observed that though compensation amounting to ₹ 72.89 crore[18] (including service charge of ₹ 3.47 crore) was deposited by Tata Iron and Steel Company Limited between October 2007 and November 2008, an amount of ₹ 42.07 crore only (60 *per cent*) was disbursed to the land owners till the date of audit (February 2013). During joint physical verification of the site by Audit team members and officials of the Department (July 2011) it was found that farmers were growing crops on these lands and the land was not allotted to the Tata Iron and Steel Company Limited due to non demarcation of the land.

Photographs of the joint physical verification by Audit team members and officials of the Department at Village-Bandaji and Takraguda





When we pointed this out, MD, CSIDC stated (November 2011) that due to non-demarcation of the land by the Collector, Bastar, the acquired land could not be handed over to Tata Iron and Steel Company Limited. While accepting the fact, the Collector, Bastar stated (February 2013) that the land was handed over to the Commerce and Industry Department but as it was located in a highly sensitive area, physical possession of the land could not be made and concrete efforts are being made to expedite the process of handing over the land.

During discussion (March 2013), the Secretary, RDM stated that the audit observation pertains to CSIDC and a letter has been issued to Industry Department for submission of reply.

The fact remains that the land could not be handed over for intended use to Tata Iron and Steel Company Limited even after lapse of five years and remittance of ₹ 72.89 crore.

2.4.5 Non-utilisation of land

As per Rule 14 of CG Industries Rules, 1974, commercial production should be commenced within three years from the date of possession which can be extended for a further period of six months. We observed that there were instances where land was not utilised for the intended purpose as discussed in the succeeding paragraphs:

[18] In October 2007- ₹ 21.01 crore, November 2007-₹ 14.49 crore, December 2007-₹ 10 crore, January 2008-₹ 10 crore, November 2008-₹ 15.74 crore and January 2009-₹ 1.65 crore

2.4.5.1 *Non-utilisation of land allotted to National Mineral Development Corporation for the intended purpose*

As per the proposal (April 2000) of National Mineral Development Corporation (NMDC) for setting up an Iron and Steel plant based on Russian technique (Romelt) to utilise mining wastes of NMDC's Iron Ore Project Bailadila (District Bastar) which were harmful for environment, 403.82 Ha land (Private-289.81 Ha and Government-114.01 Ha) was allotted and handed over by the Collector and GM, DTIC Bastar (September and October 2001) respectively.

During audit of records of LAO, Jagdalpur, we observed that the said plant was not established even after lapse of 10 years and hence the land could not be put to use for the intended purpose. The fact was also got confirmed during joint physical verification of the site by Audit team members and officials of the Department (July 2011) that only an office building and boundary walls were constructed and levelling of land was under process.

Photographs of joint physical verification of the site by Audit team members and officials of the Department at Nagarnar (Bastar)



When we pointed this out (December 2011), the Collector, Bastar stated (February 2013) that the construction of the plant was in progress and the target of production is from the year 2015.

During discussion (March 2013), the Secretary, RDM stated that a letter has been issued to the Industry Department for submission of reply.

Thus, non-establishment of the plant even after lapse of 10 years defeated the purpose of the land acquisition and allotment of the land. Besides, the objective of utilising the mining waste could also not be achieved.

2.4.5.2 *Non utilisation of land allotted to M/s Visa Steel Limited for the intended purpose*

In order to set up an Integrated Steel and Captive Power Plant at Patrapali and Kotmar Village (District Raigarh), M/s Visa Steel Limited, Kolkata (Company) applied through DTIC, Raigarh for acquisition of 65.611 Ha of private land in April 2003. Accordingly, compensation amounting to ₹ 1.76 crore was provided to Collector, Raigarh by DTIC in September 2005 and after completion of land acquisition, the award for an area of 61.415 Ha

private land and compensation of ₹ 1.66 crore was passed in favour of the Company in October 2005, of which an area of 59.071 Ha[19] land was handed over to CSIDC through DTIC in January 2006. Thereafter, the same was handed over to the Company in July 2006. MOU was executed between Government of Chhattisgarh and the Company in August 2008 with the condition that the Company had to commence the implementation of the project not later than two years from the date of signing of the MOU failing which the MOU would be deemed to have expired.

We observed that though the acquired land (59.071 Ha) was handed over to the Company in July 2006, the plant could not be established till July 2011. The fact was also got confirmed during joint physical verification of the site by Audit team members and officials of the Department (July 2011). Despite this, neither the allotment of land was cancelled nor was any action initiated against the Company.

Photographs of joint physical verification of the site by Audit team members and officials of the Department at Village Patarapali and Kotmar





When we pointed this out (July 2011), LAO, Raigarh accepted the facts and stated (February 2013) that a proposal for taking action against the Company through Chief GM, DTIC Raigarh had been sent to the Collector.

During discussion (March 2013), the Secretary, RDM stated that the matter pertains to CSIDC and a letter has been issued to Industry Department for submission of reply.

2.4.6 Assessment and payment of compensation

Section 23 of the LA Act, 1894 (as amended in 1984) provides that while determining the amount of compensation to be paid for land acquired under the Act, market value of land on the date of publication of the notification under Section 4 (1) including valuation of standing crops, trees, permanent structure and other components available on the land is to be considered. The State Government *inter alia* clarified (March 1965) that after collecting the sales instances[20] and annual sale rate issued by the office of Sub-Registrar of the district concerned, the higher one should be taken into account in determining the market value. As per Section 23-1A, in every case, in addition to market value of the land an award amount calculated at the rate of

[19] After excluding 2.344 Ha land

[20] Average sales value of the last three years of the concerned area

12 *per cent* per annum on such market value shall be paid for the period commencing on and from the date of publication of notification under Section 4(1), in respect of such land to the date of the award order or the date of taking over possession of land, whichever is earlier. Further, under Section 23 (2) of the LA Act, a sum of 30 *per cent* of the market value of such land was to be paid as *Solatium*[21].

2.4.6.1 Short levy of compensation due to erroneous calculation and fixation of market value of land of ₹4.01 crore

During audit of the records of LAO, Janjgir-Champa, we noticed that in two cases, assessment of market value was done ignoring the higher rate as prescribed in the guidelines of the Sub-Registrar and also additional compensation was calculated for 12 months instead of 13 months. This resulted in short levy of compensation amounting to ₹ 4.01 crore ***(Appendix 2.4.2)***.

When we pointed this out, Collector, Janjgir-Champa stated (March 2013) that the award was passed as per the Rehabilitation Policy, 2007 and the compensation was determined as per the guidelines of Sub-Registrar.

During discussion (March 2013), the Secretary, RDM accepted the fact and stated that the cases pointed out in audit will be examined and reply will be furnished.

2.4.6.2 Non/delayed payment of compensation amounting to ₹59.65 crore

As per Section 12(2) of the LA Act, the Collector should give immediate notice of award to the persons interested who are not personally or by their representatives present when the award is made. Sections 31(1) and (2) provide that on making an award under Section 11 of the LA Act, the Collector should tender payment of the compensation awarded by him to the entitled persons or deposit the compensation in the Court to which a reference under Section 18 would be submitted.

- We, however, noticed that in 89 cases in the five test checked districts, compensation of ₹ 302.08 crore for acquisition of private land measuring 2863.536 Ha was awarded between November 2007 and August 2011. Though the compensation amount was deposited with the LAOs, the compensation amounting to ₹ 56.12 crore (19 *per cent*) to 1376 land owners was not disbursed in 86 cases even after lapse of one to nine years. In the remaining three cases, though the land owners approached the Court, LAOs Jagdalpur and Raigarh had not deposited the compensation amounting to ₹ 2.14 crore in the Court, in gross violation of Section 31(1) and (2) of the LA Act (***Appendix 2.4.3***).
- In 13 cases of LAO, Raigarh, award of compensation amounting to ₹ 12.58 crore for 183.25 Ha of private land was passed between May 2008 and October 2009, out of which ₹ 1.39 crore was distributed to the land owners with delays ranging between three to 20 months after receipt of compensation amount from Water Resources Department (January 2010).

[21] *Solatium* is an additional compensation/consolation required to be paid at the rate of 30 *per cent* on the compensation amount fixed

When we pointed this out, LAO, Raipur accepted the fact and stated (February 2013) that due to lack of interest shown by the land owners for receiving the compensation and non submission of succession certificates compensation was not paid. However, LAO, Arang-Abhanpur stated (February 2013) that compensation was not distributed due to non receipt of clarification from the Government and absence of the land owners, whereas LAO, Janjgir-Champa stated (March 2013) that due to demand of employment before accepting the compensation amount and personal dispute, compensation could not be paid. LAO, Raigarh stated (March 2013) that compensation could not be paid due to court cases pending in the Hon'ble High Court, absence of the land owners and personal dispute.

During discussion (March 2013), the Secretary, RDM stated that non/delayed payment of compensation occurred mainly due to absence of land owners, personal disputes and cases pending in courts.

The Department may pursue for early finalisation of the cases regarding payment of compensation to land owners so as to avoid any further financial liability.

2.4.7 Non-adherence to the provisions of LA Act

2.4.7.1 Completion of work without payment of compensation

As per Section 17 of the LA Act, in case of urgency, whenever the Government so directs, the Collector can, after 15 days of publication of notice under Section 9(1), take possession of land required for public purpose. The LA Act provides that 80 *per cent* of compensation shall be paid in advance to the interested land owners before taking over such possession.

We observed that in two cases, LAO, Kondagaon (Bastar) gave advance possession of 0.728 Ha[22] of private land to Executive Engineer, Public Works Department (Bridge Division), Jagdalpur for construction of a bridge in January 2006 without ensuring deposit of 80 *per cent* compensation amount. The notifications under Section 4(1) and 6(1) were published in July 2010 and January 2011 respectively and the award was not passed as of June 2011. During joint physical verification of the site by Audit team members and officials of the Department (June 2011), it was found that the construction of the bridge had already been completed and the bridge was also inaugurated (May 2011).

[22] Mohlai-0.041 Ha and Pansangi-0.687 Ha

Photographs of joint physical verification of the site by Audit team members and officials of the Department at Mohlai





When we pointed this out (June 2011), LAO, Kondagaon accepted (June 2011) the facts and stated that due to misplacement of file, the process was initiated after completion of the work. In the second case, it was stated that the notification under Section 4(1) was in process (July 2011).

During discussion (March 2013), the Secretary, RDM accepted the fact and stated that due to public demand, the work was executed prior to payment of compensation and further stated that the process of acquisition is in progress.

The fact remains that even though the advance possession of the land was given and the construction works were completed, compensation was not paid to the land owners even after lapse of seven years. The Government may take necessary steps for payment of the compensation amount to the land owners early to avoid any additional financial liability.

2.4.7.2 Parking of funds amounting to ₹522.08 crore out of Government account and diversion of ₹21.50 lakh

As per instructions of the State Government (January 1998), the entire cost of land acquisition should be deposited in Government account[23] as the interest earned in bank account was very less whereas Government has to take loans at higher rates for creation of resources. During audit we observed that:-

- The compensation amount of ₹ 200.58 crore[24] received on account of land acquisition was retained in savings bank account instead of depositing in Personal Deposit (PD) account by five LAOs[25] as of March 2012. Moreover, service charges of ₹ 10.15 crore[26] received against acquisition of land and interest amounting to ₹ 20.60 crore[27] earned on savings bank account was also not deposited in Government account so far (February 2013).

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23 Compensation amount in Personal Deposit account (Treasury) and all other receipt in Government account (0029-Land revenue-800-other receipts)

24 LAO-Arang-Abhanpur-₹ 61.01 crore, Khairagarh-₹ 9.75 crore, Raipur-₹ 90.64 crore, Rajnandgaon-₹ 7.73 crore and Tata Project-₹ 31.45 crore

25 Arang-Abhanpur, Khairagarh, Raipur, Rajnandgaon and Tata Project

26 LAO Raipur-₹ 9.47 crore and Arang-Abhanpur-₹ 0.68 crore

27 LAO-Arang-Abhanpur-₹ 0.92 crore, Khairagarh-₹ 0.87 crore, Raipur-₹ 13.43 crore, Rajnandgaon-₹ 1.50 crore and Tata Project-₹ 3.88 crore

- MD, CSIDC had received ₹ 314.48 crore[28] towards various charges from industries against allotment of land for industrial purposes up to March 2012 and did not deposit the same in Government account as of February 2013.
- The premium amount of ₹ 7.02 crore received (July 2009) from the Executive Engineer, Chhattisgarh State Power Generation Company Limited (CSPGCL), Janjgir-Champa against allotment of Government land for Madwa-Tendubhata Thermal Power Project. The Collector, Janjgir-Champa deposited (December 2009) the amount in current account instead of PD account and after lapse of six months, the amount was deposited (July 2010) in PD account.
- As per the order of the Collector, Raipur (October 2011) for payment of the Digitisation and Computerisation of records work, LAO, Arang-Abhanpur paid (October 2011) ₹ 21.50 lakh, out of interest earned from land acquisition receipts in violation of Government instruction.

When we pointed this out, Collector, Janjgir-Champa stated (March 2013) that departmental enquiry had been instituted in this regard.

During discussion (March 2013), the Secretary, RDM accepted the facts and stated that instructions have already been issued for depositing the money in Government PD account and this will be reiterated again.

2.4.7.3 Unauthorised retention of ₹54.72 crore in Fixed Deposit

During audit of the records of LAO, Rajnandgaon, we observed that an amount of ₹ 28.90 crore received from DTIC for acquisition of 275.12 Ha private land for establishment of new Integrated Industrial Area at Joratarai (Rajnandgaon) was deposited in Fixed Deposit (FD) in Punjab National Bank. The notification under Section 4(1) was published in November 2006 and due to opposition raised by villagers for establishment of new Integrated Industrial Area at Joratarai, the acquisition process was cancelled (August 2008). Thereafter, MD, CSIDC requested (January 2009) to return the amount deposited for acquisition. Accordingly, after closing of the said FD (February 2009), ₹ 28.90 crore was returned to CSIDC (February 2009). Similarly, for construction of Bypass road, an amount of ₹ 25.82 crore[29] received from PWD for acquisition of land was also deposited in FD (April and November 2009), of which some were closed after maturity and six FDs of ₹ 5.11 crore were still in operation. Moreover, interest of ₹ 1.76 crore earned on FD was not deposited in Government account as of February 2013.

After this was pointed out in audit (February 2013), the Collector, Rajnandgaon stated (February 2013) that the process for opening of Treasury PD account is in progress and thereafter the amount of FD would be deposited in PD account. The reply is not acceptable as a similar reply was furnished in January 2012 but the PD account was not opened till February 2013.

During discussion (March 2013), the Secretary, RDM stated that instructions

[28] Premium amount-₹ 272.92 crore, Lease rent-₹ 41.38 crore and interest earned on Premium-₹ 0.18 crore

[29] In March 2009-₹ 4 crore and in November 2009-₹ 21.82 crore

will be issued for depositing the money in Government PD account.

2.4.7.4 Non-deduction of Income Tax at source of ₹42.46 lakh

Section 194 LA of the Income Tax Act 1961, provides that any person responsible for paying to a resident any sum, being in the nature of compensation or the enhanced compensation for acquisition of any immovable property (other than agricultural land), shall, at the time of payment, deduct an amount equal to 10 *per cent* of such amount as income tax thereon where the amount of compensation exceeds ₹ 1 lakh.

We observed that in three LAOs[30], income tax of ₹ 42.46 lakh was not deducted from 18 land owners who were paid compensation of more than ₹ 1 lakh in each case for other than agriculture land as detailed below:

Table 2: Details of cases in which TDS was not deducted from the compensation payment

(₹in lakh)

Sl. No.	Name of LAO	No. of cases	Amount of compensation	TDS @10 *per cent*
1	Janjgir-Champa	04	263.88	26.39
2	Raipur	13	92.45	9.25
3	Raigarh	01	70.88	6.82
Total		**18**	**427.21**	**42.46**

(Source: Data compiled by the audit)

When we pointed this out, LAO, Janjgir-Champa stated (March 2013) that the acquired land was agricultural land. Hence, TDS was not deducted. The reply is not acceptable as the records furnished by the LAO, Janjgir-Champa indicated that the land was barren. Hence, income tax was deductible. LAO, Raipur stated (March 2013) that TDS was being deducted from December 2007 onwards whereas LAO, Raigarh stated (March 2013) that a reply would be furnished after scrutiny of the case.

During discussion (March 2013), the Secretary, RDM accepted the fact and stated that TDS would be deducted.

2.4.8 Rehabilitation and Resettlement

The State Government had framed the Rehabilitation Policy 2005 (as amended 2007) for displaced land owners. As per the Policy, implementation of the rehabilitation plan should be done simultaneously with the land acquisition process. The responsibility of monitoring of the Policy was entrusted to the State and District Level Committees. Emphasis was to be given on opening of training centres for job training security of those persons who had lost their land and employment was to be provided to a person from each family within two years from the date of taking possession of land by the firm/company, failing which un-employment allowance was to be paid equivalent to the rates prescribed in *Mahatma Gandhi National Rural Employment Guarantee* Act as per their qualification/eligibility.

During audit of the records of LAO, Janjgir-Champa, Raigarh and Bastar we

[30] Janjgir-Champa, Raigarh and Raipur

observed that an area measuring 1796.015 Ha of private land of 3298 land owners was acquired between September 2001 and August 2010 for setting up of industries. As per information furnished by the concerned LAOs, employment was provided to 1146 families, 39 families were benefitted in other manner and the remaining 2113 families were yet to be provided employment till March 2013 as detailed below:

Table 3: Statement showing the details of families rehabilitated

Sl. No.	Name of Plant and capacity	District	Area acquired in Ha	Date of allotment	Total Rehabilitated families	Employ-ment provided	Benefitted in other manner	Not benefitted
1	KSK Mahanadi 3600 MW	Janjgir-Champa	625.554	Dec-2008	705	429	39	237
2	Athena power Limited.,1200 MW	Janjgir-Champa	307.87	NA	448	311	0	137
3	Madwa Tendu Bhata, 1000MW	Janjgir-Champa	195.97	NA	668	126	0	542
4	NMDC	Bastar	288.81	Sep-01	303	280	0	23
5	NMDC	Bastar	318.74	Aug-10	1052	0	0	1052
6	Visa Steel Limited	Raigarh	59.071	Jul-06	122	0	0	122
	Total		**1796.015**		**3298**	**1146**	**39**	**2113**

(Source: Information furnished by the department)

While accepting the fact, the Collectors, Bastar and Janjgir-Champa stated (February and March 2013) that the process of providing employment and rehabilitation was in progress whereas, LAO Raigarh accepted the fact and stated (February 2013) that a proposal has been sent to the Collector for taking action against M/s Visa Steel Limited.

During discussion (March 2013), the Secretary, RDM stated that Government is reviewing the Rehabilitation Policy and the revised policy will be implemented soon.

2.4.9 Conclusion

The implementation of the Land Acquisition Act and proceedings thereunder suffered from flaws and lapses. In the absence of a centralised database at Government level, the status of land acquired and allotted could not be monitored. Entrepreneurs were benefitted in allotment of Government land at lower rates and the use of allotted land for the intended purpose was not being ensured. Appropriate procedure for assessment of compensation was not adhered to. Timely payment of compensation to the land owners was not ensured. Further, the affected families have not been rehabilitated as per the Rehabilitation policy. Besides, cases of keeping funds out of Government account and non deduction of income tax on compensation paid were also noticed.

2.4.10 Recommendations

The Government may consider the following steps to improve the system of land acquisition and allotment:

- A centralised database of land, both allotted as well as leased out, should be maintained;
- A State Level Monitoring Committee should be constituted for ensuring utilisation of the allotted/leased land for the intended purpose;
- Extant instructions regarding timely and proper accountal and remittance of receipts should be enforced;
- Timely realisation and payment of compensation to the land owners should be ensured; and
- The affected land owners should be rehabilitated in accordance with the Rehabilitation policy.

Chapter 3

Chief Controlling Officer based audit of Government Department

3.1 Horticulture and Farm Forestry Department

3.2 Public Health Engineering Department

Chapter 3

Chief Controlling Officer based audit of Government Department

3.1 Horticulture and Farm Forestry Department

Executive Summary

The Horticulture and Farm Forestry Department is responsible for increasing the area of cultivation and productivity of fruits, vegetables, spices, flowers, medicinal and aromatic plants through adoption of latest technologies and use of latest varieties of seeds.

The Chief Controlling Officer based Audit of the Department was conducted for the period of 2007-12 to examine the economy, efficiency and effectiveness of significant activities. The major audit findings are discussed below:

- There was shortage of key functionaries which ranged between 28 and 55 *per cent*.
  Adequate staff should be posted for monitoring the activities of the Department.
  (Paragraph 3.1.6.2)
- The Internal Audit Wing was not established to carry out periodic internal audits.
  Internal Audit wing should be established to ensure the internal checks.
  (Paragraph 3.1.6.3[a])
- Excessive mortality of perennial fruits and coastal horticulture crops led to non-achievement of objectives of area expansion under National Horticulture Mission.
  (Paragraph 3.1.6.4[a])
- A mechanism for collecting reliable and realistic data for assessment of horticultural production at both district as well as at the State level was not developed.
  Reliable mechanism should be developed for collecting realistic data.
  (Paragraph 3.1.8.2)
- Tardy implementation of National Horticulture Mission scheme resulted in non utilisation of ₹ 63.85 crore.
  Efforts should be made to utilise the scheme funds for the intended purpose.
  (Paragraph 3.1.9.1[a])
- Infrastructure created for model nurseries at a total cost of ₹ 6.41 crore could not be optimally utilised as it failed to attain the minimum production capacity.
  Functioning of Government nurseries should be monitored and reviewed periodically.
  (Paragraph 3.1.9.1[i])
- There was irregular expenditure on gap filling (₹ 19.26 lakh), plantation of onions under NHM (₹ 43.06 lakh), procurement of shade nets (₹ 2.98 crore) and injudicious expenditure on procurement of power sprayers (₹ 67 lakh).
  (Paragraphs 3.1.9.1[h], 3.1.9.1[e], 3.1.9.1[k][ii] and 3.1.9.1[l]

- There was non-achievement of targets under Integrated Post Harvest Management and creation of Market Infrastructure.

  Post harvest management should be strengthened to ensure value addition to the farmer's produce and sufficient infrastructure should be created for marketing of these produce.

  (Paragraph 3.1.9.1[m])

3.1.1 Introduction

Chhattisgarh State is divided into three agro climatic zones namely Chhattisgarh Plains, Bastar plateau and Northern Hills with distinct agro climatic features coupled with unique strength, weakness, opportunities and threats that would affect the development of horticulture in the region as well as in the State as a whole. Horticulture is gaining popularity owing to the high value of horticulture produces in comparison to agricultural crops.

3.1.2 Mandate and organisational structure of the Department

The mandate of the Horticulture and Farm Forestry Department is to motivate farmers to take up horticulture instead of traditional farming, acquaint the farmers with the techniques for taking up different types of horticulture crops, motivate the farmers for adoption of latest technology, publicise organic farming, distribute good quality seeds and planting materials, develop spices and medicinal and aromatic plants, demonstrate modern techniques, provide training to farmers and coordinate the facilities for storage, marketing and processing of horticultural produce.

In Chhattisgarh State, the Horticulture and Farm Forestry Department is functioning under Principal Secretary, Agriculture at the Government level. He is assisted by the Director, Horticulture and Farm Forestry, three Joint Directors at the State level and 11 Deputy Director/Assistant Director Horticulture at the district level.

3.1.3 Audit objectives

We conducted a Chief Controlling Officer based audit of the Horticulture and Farm Forestry Department to assess whether:

- Adequate infrastructure including planning, manpower, monitoring etc existed in the Department for effective implementation of the schemes/programmes,
- the funds received for schemes/programmes were utilised economically, efficiently and effectively; and
- the objectives/targets of various schemes/programmes were implemented efficiently and effectively and targets were achieved.

3.1.4 Audit criteria

The CCO based audit was evaluated with reference to audit criteria drawn from the following sources:

- Manual of the Department.
- Perspective Plan (2010-11 to 2014-15) and Annual Action Plans for the period 2007-08 to 2011-12.
- Guidelines of National Horticulture Mission, *Rashtriya Krishi Vikas Yojna*, Micro Irrigation Scheme, other orders issued by Government of India (GoI), State Government and the department for various schemes of Horticulture.
- Departmental Manuals, Chhattisgarh Treasury Code (2000), Chhattisgarh Financial Code and delegation of Financial Powers.

3.1.5 Audit scope and methodology

The CCO based audit was conducted by examining the records of the Horticulture and Farm Forestry Department. Initially seven districts where the National Horticulture Mission (NHM) scheme was already being implemented were selected along with two non-NHM districts. During the entry conference (24 May 2012), while discussing audit objectives/criteria and audit methodology, the Agriculture Production Commissioner-cum-Principal Secretary (APC) suggested to take up the audit of all the 11 NHM districts. As such, the audit coverage included all the 11 NHM[1] districts and two non-NHM[2] districts of the State. Further, the Directorate, Horticulture and Farm Forestry (DHFF), Assistant Director Horticulture (ADH), Seed Multiplication Farm, Bana, ADH, Principal Garden, Raipur and ADH, Canning and Food Preservation Training Centre, Raipur were also covered in the CCO based audit. A total of 17 out of 22 Drawing and Disbursing Officers (DDOs) in the Horticulture and Farm Forestry Department were covered. The period of coverage was for five years from 2007-08 to 2011-12.

The audit methodology included examination of reports and returns of each scheme/programme in the office of the Directorate, Horticulture and Farm Forestry and the selected districts. Government furnished (November 2012) replies to the audit findings which have been suitably incorporated wherever necessitated. The audit findings were discussed with the APC in the exit conference held on 20 February 2013.

3.1.6 Institutional weaknesses

In order to ensure soundness and aptness of the internal systems and controls in its key areas of activities an organisation needs to have sound infrastructure, sufficient manpower and adequate funds which help the organisation to manage and achieve its mandate in an economical, efficient and effective manner. Weaknesses of the Department noticed during our audit are discussed

[1] Bastar, Bilaspur, Durg, Jashpur, Kabirdham, Korba, Koriya, Raigarh, Raipur, Rajnandgaon, and Surguja

[2] Dhamtari and Kanker

in the succeeding paragraphs:

3.1.6.1 Planning

Preparation of Annual and Strategic Action Plan

NHM and RKVY guidelines stipulate that Annual Action Plans (AAP) for the State as well as the districts were to be prepared on the basis of ceiling of expenditure fixed in the guidelines of the Government of India (GoI) and for the State schemes, targets were to be fixed by the districts on the basis of guidelines of the State Government (GoCG).

The NHM guidelines envisage that the State Government should nominate or create a State Horticulture Mission (SHM), an autonomous agency to be registered under the Societies Registration Act, 1973 for implementing the Mission programme at the State and district levels. The SHM was created in June 2005. It was required to prepare Strategic/Perspective and annual State Level action Plan in consonance with the Mission's goals and objectives. Although a Strategic Plan detailing the implementation strategy for various schemes/activities was prepared by the SHM for the period 2010-15, no Strategic Plan/Perspective Plan was prepared for the period 2005-06 to 2009-10.

On this being pointed out (September 2012), the Government stated (November 2012) that the Action Plan for the year 2005-06 was got prepared through a consultant appointed by GoI. For the years 2008-09, 2009-10 and 2010-11, the AAPs were prepared at the State level which included the Action Plan till 2014-15.

During the exit conference (February 2013), the Agriculture Production Commissioner cum Principal Secretary (APC), while accepting the audit observation, stated that a road map has since been prepared for the period 2010-15.

3.1.6.2 Human Resource Management

Availability of adequate human resources is imperative for implementation and monitoring of schemes/programmes by the Department.

Scrutiny of records (May-August 2012) of the Directorate and the test checked districts revealed shortage of key functionaries at each level as per details given in the following table.

Table 1: Status of Officers and Staff as of March 2012

Post	State level						Test checked districts					
	As on March 2008 (pre-revised set-up)			As on March 2012 (revised set-up)			As on March 2008 (pre-revised set-up)			As on March 2012 (revised set-up)		
	Sanct-ioned	*PIP*	*Strength (per cent)*	*Sanct-ioned*	*PIP*	*Strength (per cent)*	*Sanct-ioned*	*PIP*	*Strength (per cent)*	*Sanct-ioned*	*PIP*	*Strength (per cent)*
DDH/ ADH	21	11	52	21	11	52	13	08	62	13	09	69
SHDO	70	49	70	70	39	56	58	38	66	58	30	52
HDO	92	61	66	92	66	72	68	48	71	67	50	75
RHEO	427	218	51	427	193	45	335	187	56	330	161	49

DDH/ADH-Deputy .Director, Horticulture/Asstt. Director, Horticulture; SHDO-Sr. Horticulture Development Officer; HDO-Horticulture Development Officer; RHEO-Rural Horticulture Extension Officer
PIP-Person-in-position
(Source: Information furnished by Department and compiled by Audit)

The shortage of key functionaries ranged between 28 and 55 *per cent.*

At the State level, the shortage of DDH/ADH[3], SHDO, HDO and RHEO as of March 2012 was 48, 44, 28 and 55 *per cent* respectively. In the test checked districts, against the new set up[4] there was increase in the strength of DHOs and HDOs from 62 to 69 and 71 to 75 *per cent* respectively whereas there was decrease in the strength of SHDO and RHEO from 66 to 52 and 56 to 49 *per cent* respectively at the end of March 2012. Overall shortage as of March 2012 at the State level in respect of the above key functionaries ranged between 28 and 55 *per cent* inspite of the fact that many new schemes like *Rashtriya Krishi Vikas Yojna (RKVY)*[5] and Vegetable Initiative for Peri-Urban Areas (VIPUA)[6] were launched in the State during the period. Due to shortage of manpower, monitoring of scheme activities was not effectively done resulting in excessive mortality of horticulture crops as discussed in succeeding paragraphs.

On this being pointed out (September 2012), the Government while accepting (November 2012) the facts, stated that compared to the increase in budget provisions (1734 *per cent*) and area expansion (271 *per cent*) under horticulture, the existing staff strength was inadequate which resulted in ineffective control on the implementation of scheme activities. During the exit conference (February 2013), the APC also accepted the facts and stated that since new recruitment rules have been prepared, recruitments will be done accordingly.

3.1.6.3 Monitoring

(a) Absence of Internal Audit

As per internal control standards of INTOSAI[7], internal controls are an integral component of an organisation's management processes which are established in order to provide reasonable assurance that the operations are carried out effectively and efficiently. Periodic inspection by the departmental

3 Hereinafter called District Horticulture Officer (DHOs)
4 Old set up was approved during October 2006 which was revised in June 2011 (new set up)
5 Launched in the State during 2007-08
6 Sub-scheme of RKVY launched in the state during 2010-11
7 International Organisation of Supreme Audit Institutions

officers is an important and effective tool with the management to ensure compliance of rules, procedures, guidelines and for proper implementation of the schemes.

Internal audit is a vital component of the internal control mechanism.

During test check (August 2012) of records at the Directorate, it was noticed that in the staff sanctioned, no provision for Internal Audit Wing (IA) was provided and established to carry out periodical internal audits in the Department during 2007-12. Due to non-establishment of an IA wing, the areas of weaknesses in the functioning of the Department would remain undetected.

On this being pointed out (September 2012), the Government stated (November 2012) that a proposal for additional posts has been submitted and sanction is awaited from the Government. In future, an IA Wing will be constituted after obtaining approval for the new set-up from the Government. During the Exit Conference (February 2013), APC also accepted the audit observation and stated that the IA Wing will be established in the Department as suggested by audit.

3.1.6.4 Monitoring activities

Systematic, result-oriented and intensified field monitoring is essential to assess the impact and the implementation of the schemes as per guidelines. Some of the observations indicating lack of monitoring by the Department are discussed below:

(a) Excessive mortality of perennial fruits and coastal horticulture crops led to non-achievement of objectives of area expansion under NHM

Excessive mortality of perennial fruits and coastal horticulture crops led to non-achievement of objectives of area expansion under NHM.

Para 8.16 of NHM guidelines envisage coverage of large areas under improved varieties of horticultural crops. A farmer will be eligible for receiving assistance, for taking up area expansion under the scheme. In respect of perennial crops, the assistance will be spread over a period of three years in the ratio of 60:20:20 in the first, second and third years respectively subject to survival of 75 *per cent* and 90 *per cent* crops during second and third years respectively. For proper monitoring of the progress of area expansion of horticulture crops, Crop Monitoring Reports (CMR) indicating the survival of horticulture crops were to be obtained from the field offices by the Mission Director, State Horticulture Mission.

During test check (May-August 2012) of records of 11 NHM districts, we observed that during the period 2005-06 to 2011-12, an amount of ₹ 50.48 crore was spent on area expansion of perennial fruits and coastal horticulture crops. On further checking of the CMRs pertaining to 398 out of the 803 clusters formed in the State, we observed that the survival rate of perennial and coastal horticulture crops was very low. The data pertaining to the remaining 405 clusters was not made available to us.

Table 2: Table indicating the range of survival of horticulture crops

Data available for cases of plantations	Number of cases where survival ranged between					
	0-10	11-20	21-30	31-50	51-80	81 & above
758	67 (09)	84 (11)	63 (08)	304 (40)	210 (28)	30 (04)

(Figures in bracket denotes percentage of the total cases)

From the available data of 758 cases of plantations of perennial and coastal horticultural crops for the 398 clusters for which CMRs were available, we observed that the survival of crops in respect of 68 *per cent* cases was below 50 *per cent* out of which in respect of nearly 20 *per cent* cases, the crop survival ranged between 0 and 20 *per cent*. Of the rest, in respect of nearly 28 *per cent* of the cases, the survival ranged between 51 and 80 *per cent* and only in four *per cent* cases, the survival percentage was above 80. Thus, it is evident from the above that survivability of perennial and coastal horticulture crops was on the lower side.

We observed that despite reminders being issued, the CMRs were not being furnished by the field offices to the Directorate. Due to low survival of perennial and coastal horticulture crops, the strategy of diversification from traditional crops to plantations in respect of these crops did not fructify.

On being pointed out (September 2012), the Government stated (November 2012) that the fruit plantations would bear fruits for commercial purpose only four-five years after their cultivation by which time the farmers lose their interest in its maintenance. It was also stated that despite successful plantation of horticulture crops during the first year, there was extensive damage to the fruit plantations in subsequent years due to open grazing by cattle, insufficient provision for fencing etc.

The Government's reply is not acceptable as it was the responsibility of the department to monitor the farmers' activities for successful implementation of the scheme. Further, the provision for fencing under the assistance has been fixed by the Technical Support Group (TSG)[8].

During the Exit Conference (February 2013), APC stated that information would be called for from the District Offices to verify the correctness of figures regarding mortality.

(b) Idle expenditure of ₹2.34 crore on infrastructure

Infrastructure costing ₹ 2.34 crore remained idle for a period of six to 49 months.

Para 8.4 of the NHM guidelines states that availability of good quality planting materials was central to development of horticulture and efforts should be made to create necessary infrastructure in the nurseries.

Scrutiny of the records (May-August 2012) of nurseries of the test checked districts revealed that during the years 2007-12, infrastructure for nurseries in the form of mist and hardening chambers[9], poly houses, green houses, screen

[8] TSG is a group created under NHM for providing technical support to the State. It consists of experts and technical personnel to advice, formulate, appraise and monitor implementation of the mission's programmes.

[9] Mist chamber is a chamber in which relative humidity is maintained artificially at high level with the help of mist installation and Hardening yards are used for strengthening of propagated plants.

houses etc were created in various nurseries. Further, during the period, infrastructure like extraction units for medicinal and aromatic plants was also created. We observed that though the infrastructure was established (2008-11) at a cost of ₹ 2.34 crore (***Appendix 3.1.1***) in nine nurseries, the same could not be utilised till date (February 2013) due to non-electrification, non-availability of requisite aromatic crops (raw material) and due to decline in the area expansion of medicinal and aromatic plants rendering them idle for a period of six to 49 months.

On this being pointed out (September 2012), the Government stated (November 2012) that there was delay in the installation of mist and hardening chambers since some of the technology was being imported. However, at present the mist and hardening chambers are being utilised through temporary electric connections and the plants produced are being utilised for distribution to beneficiaries under departmental schemes.

The reply of the Government is not acceptable as the mist and hardening chambers listed in ***Appendix 3.1.1*** were not operational during the period of audit as was intimated by the respective DDH/ADH. Further, documents in support of the Government's claim that the mist and hardening chambers were being utilised have also not been furnished.

In the exit conference (February 2013), while accepting the audit observation, APC stated that the matter will be taken up with the Energy Department to provide electric connections. Regarding non-availability of raw materials, APC stated that due to decline in the interest of farmers towards medicinal and aromatic crops, there was consequent low production of raw materials for distillation and extraction units. It was also stated that due to lack of inter-departmental coordination, especially with the Energy Department, electric supply could not be provided to the nurseries.

(c) Status of Departmental Enquiry cases

During test check of records of DHFF for the period 2007-12, we observed that 33 cases of disciplinary enquiry (DE) were pending against the staff for disposal (March 2012). The status of disciplinary proceedings as on March 2012 is as follows:

Table 3: Details of Inquiry Cases Pending For Settlement

Year	Opening Balance	No of DEs	Total Des	DEs finalized	DEs pending	Details of recovery, if any
2007-08	03	02	05	02	03	--
2008-09	03	04	07	0	07	--
2009-10	07	06	13	03	10	--
2010-11	10	02	12	07	05	a) ₹ 5000 ordered for recovery from Shri D.R. Hurmade, Retired, DDH. b) ₹ 3.28 lakh ordered for recovery from Shri P.N. Tiwari, SHDO
2011-12	05	03	08	0	08[10]	--

(Source: Information provided by Department)

[10] Two cases have since been disposed during the period April-September 2012

Persistent pendency of DE cases (***Appendix 3.1.2***) indicates lack of monitoring and absence of timely action on the part of the Department to ensure speedy disposal of the cases.

On this being pointed out, the Government stated (November 2012) that in two cases recovery has been proposed and in respect of the other cases, the departmental enquiry is under process.

In the exit conference (February 2013), while accepting the facts, APC stated that the pending cases will be disposed of at the earliest under intimation to audit.

3.1.7 Compliance issues

For sound financial management and control, it is essential that expenditure conforms not only to financial rules and regulations but is also in consonance with orders issued by the competent authority. This helps in maintaining good financial discipline besides preventing financial irregularities, misappropriation and frauds. Some of the audit findings on non-compliance with rules and regulations are discussed in the succeeding paragraphs:

3.1.7.1 Financial Management

To provide a thrust to development of horticulture in Chhattisgarh State, National Horticulture Mission (NHM), a Centrally Sponsored Scheme (CSS) has been implemented (2005-06) in the State. Further, Micro Irrigation Scheme (MIS) (2005-06), *Rashtriya Krishi Vikas Yojna* (RKVY) (2007-08) and Vegetable Initiative in Peri-Urban Areas (VIPUA) (a sub-scheme under RKVY started in 2011-12) were also implemented in the State to promote horticulture.

The funding pattern for Centrally Sponsored Schemes (CSS) and State Plans are as detailed below:

Centrally Sponsored Schemes	
National Horticulture Mission ***Components under NHM are-Production of planting material, Establishment of new gardens Rejuvenation/replacement of senile plantations, Creation of water resources, Protected cultivation, Promotion of Integrated Nutrient and Pest Management, Organic farming, Horticulture mechanisation, Technology dissemination through demonstration, Human resource development, Integrated Post Harvest Management, Establishment of marketing infrastructure.***	**85:15 by GoI & State Government.**
Micro Irrigation Scheme	**50:30:20 by GoI, State and beneficiary (Small and marginal farmers)** **40:10:50 by GoI, State and beneficiary (Other farmers)**
Additional Central Assistance	
Rashtriya Krishi Vikas Yojna ***Components under RKVY are-Establishment of new gardens, Hybrid seed production, Vegetable area expansion, Spice production, Flower area expansion,***	**100 *per cent* by GoI**

Medicinal and aromatic plants area expansion, Establishment of processing units, Horticulture mechanisation, Modernisation and upgradation of old nurseries, Protected cultivation, promotion of organic farming and Human resource development.	
State Plan Schemes/programmes	
1.Kela Utpadan ka Saghan Karyakram	**100 *per cent* by State Government**
2.Mela Pradashani Avam Prachar	
3.Bade Saharo Ke Aaspaas Sabji Utpadan	
4.Aalo Vikas Yojna	
5.Phal Paudh Ropan Yojna	
6.Masala Vikas Yojna	
7.Pushp Vikas Yojna	
8.Aushadhi Avam Sughandhit Faslo Ki Kheti	
9.Gharelu Bagwani Ki Aadarsh Yojna	
10.Saghan Falodyan Vikas Yojna	
11.Nursery me Unnat Avam Pramadhit Beej Utpadan	

(a) Allotment and Expenditure

Details of budget provision and expenditure during 2007-12 pertaining to Central funds released through the State Budget for RKVY scheme (Central) and matching share of the State for NHM and MIS schemes (State) are shown below:

Table 4: Details of Allotment and Expenditure

(₹ in lakh)

Year		Budget Provision	Budget Released	Short release (*per cent*)	Actual expenditure	Short utilisation (*per cent*)
2007-08	Central[11]	1043.00	1043.00	0.00	1043.00	0.00
	State[12]	2705.40	1726.55	36.18	1710.12	0.95
2008-09	Central	2368.86	2017.07	14.85	2017.07	0.00
	State	3139.20	2008.24	36.03	1997.25	0.55
2009-10	Central	5187.41	2527.74	51.27	2527.74	0.00
	State	3309.80	2319.76	29.91	2313.46	0.27
2010-11	Central	9472.37	9472.37	0.00	9472.37	0.00
	State	4950.41	2838.80	42.66	2824.51	0.50
2011-12	Central	11000.00	4237.67	61.48	4227.57	0.24
	State	5119.55	3966.46	22.52	3956.93	0.24
Total	**Central**	**29071.64**	**19297.85**	**33.62**	**19287.75**	
	State	**19224.36**	**12859.81**	**33.11**	**12802.27**	

(Source: Information furnished by the Directorate, Horticulture and Farm Forestry)

The above table indicates that there was short release of funds against the provision made by the State Government and the shortfall ranged between 23 and 43 *per cent* during 2007-12. In respect of Central share, the shortfall ranged between zero and 61 *per cent*. However, the utilisation of funds released ranged between 99 and 100 *per cent* in respect of both Central and State share.

Further, the Central share of NHM (85 *per cent*) and MIS were directly received by SHM and DHFF respectively from GoI as detailed in the following table:

11 Central share indicates funds released for RKVY scheme through the State budget.

12 State share indicates matching share of funds released by State Government for NHM and MIS

Table 5: Details of funds received directly from the Government of India

(₹ in lakh)

Year	Opening balance	Provision	Sanction	Releases	Short release (%)	Available funds	Expend-iture	Percentage of short utilisation
1	2	3	4	5	6	7=2+5	8	9
2007-08	4228.03	14194.32	9484.52	6633.98	30.05	10862.01	3239.64	70.17
2008-09	7622.37	14861.15	11138.87	3390.15	69.56	11012.52	8791.30	20.17
2009-10	2221.22	10839.10	7822.32	6976.21	10.82	9197.43	7631.32	17.03
2010-11	1566.11	10164.00	10164.00	10046.00	1.16	11612.11	9163.46	21.09
2011-12	2448.65	11650.00	11650.00	10800.00	7.30	13248.65	12284.88	7.27
Total		**61708.57**	**50259.71**	**37846.34**			**41110.60**	

(Source: Information provided by the Department and compiled by Audit)

The above table indicates that there was short release of funds ranging between one and 70 *per cent*. Despite short release of funds from GoI, the available funds could not be utilised fully. Short utilisation of funds was mainly due to lack of interest by farmers, as attributed by the Government, which lead to non-achievement of targets under various components of NHM. The percentage of short utilisation of funds also ranged between seven and 70 indicating inefficient planning and financial management.

On this being pointed out (September 2012), the Government stated (November 2012) that efforts will be made to obtain and utilise the entire funds sanctioned for different schemes.

(b) Irregular expenditure of ₹ 6.47 crore on cultivation of spices and non-perennial fruits

During the State Level Sanctioning Committee (SLSC) meeting held on 17 September 2008 for sanctioning of projects/plans under RKVY, Ministry of Agriculture, GoI while sanctioning the Annual Plans had reiterated that all the sanctioned plans should be implemented in those districts which are not covered by NHM. As per the directions/decision of SLSC, activities pertaining to the implementation of sanctioned plan under RKVY were not to be implemented in the districts where schemes of NHM are already being implemented.

Irregular expenditure of ₹ 6.47 crore from RKVY for area expansion in NHM districts.

Scrutiny of records of the test checked districts revealed that during the year 2010-11, 850 hectares were taken up under non-perennial fruits (Banana TC[13]) and Papaya on which ₹ 3.53 crore was incurred under RKVY in four districts (Korba, Raigarh, Surguja and Raipur). Further, in the same year area expansion of spices viz. Chilly, Coriander, Turmeric etc. was also taken up at a cost of ₹ 2.94 crore in these four districts in 2,350 ha under RKVY as detailed in ***Appendix 3.1.3***.

Since under RKVY, components being implemented under NHM were not to be taken up as decided by the SLSC, an expenditure of ₹ 6.47 crore incurred on area expansion on non-perennial fruits and spices under RKVY was irregular.

On this being pointed out (September 2012), the Department stated (November 2012) that due to increase in the demand for chilly and banana

[13] Tissue culture

crops from the districts, the same could not be met from the approved targets under NHM. As such, additional demand was met from the RKVY funds after obtaining permission from the SLSC. During the exit conference (February 2013), APC while accepting the audit observation stated that due to increase in the demand for chilly and banana crops, the same was met from RKVY funds.

Although provision was made in the approved plan for 2010-11 for non-perennial fruits and spices, the same were not specifically sanctioned for NHM districts. Further, no separate permission for taking up area expansion in NHM districts was incorporated in the minutes of the SLSC meeting (April 2011).

(c) Diversion of funds under NHM

Para 4.4 of the NHM guidelines envisages that the Executive Committee (EC) headed by Secretary, Department of Agriculture and Cooperation (DAC), Ministry of Agriculture, GoI is empowered to reallocate resources across States and components and approve projects on the basis of approved subsidy norms.

During scrutiny of records (June 2012) of DDH, Durg it was observed that in the year 2007-08, farmers took up cultivation of banana at their own expense and applied for subsidy. Due to the non-availability of funds under the component, the payment of first installment of assistance amounting to ₹ 7.53 lakh was made (September 2008) from the funds allotted for vermi-compost as per the orders (October 2007) of DHFF, Raipur. The second installment was not sanctioned initially on the grounds that subsidy for the year 2007-08 could not be paid in the year 2008-09. However, the President, District Mission Committee had sanctioned (August 2009) the second installment of ₹ 7.53 lakh from the budget for Human resource development. The required sanction from the appropriate authority (EC) for diverting the funds was not on record. Thus, total expenditure of ₹ 15.06 lakh incurred on banana cultivation by diverting the funds from other components of NHM without any sanction from the EC was irregular.

On this being pointed out (September 2012), the Government stated that Mission Director, SHM has powers to execute the schemes under NHM. It was also stated that allotment available for components which are not urgently required could be used for achieving the physical targets of other components whose financial allotment is awaited.

The reply of the Government is not acceptable because as per the NHM guidelines, the powers for allocation of State wise and component wise subsidy is vested with EC. APC accepted the audit observation during the exit conference (February 2013) and stated that necessary approval will be obtained from the National level for regularising the expenditure. Also, action will be taken against the official responsible for diversion of funds without approval from the appropriate authority.

(d) Non-utilisation of funds sanctioned for various programmes

Chhattisgarh State Treasury Code Rule 284 (1) states that no money should be drawn from the treasury until it is needed for immediate disbursement. Withdrawal of money in anticipation of expenditure or to avoid budget lapses is a serious irregularity and the person responsible for such withdrawal from the treasury will be subjected to disciplinary action. GoCG, Finance Department also issued instructions (June 2012) to all Departments to the effect that money drawn from the Consolidated Fund for State Plan Schemes which were deposited in bank accounts and were remaining unutilised till March 2012, were to be deposited in the accounts of the State Government along with accrued interest thereon. It was also directed that all committed expenditure of the Centrally Sponsored Schemes should be made at the earliest and the unutilised amount in the bank account as on March 2012 may be deposited in MH 8443-Civil Deposits (K-deposit) along with accrued interest. The orders were to be complied by June 2012.

Unutilised funds amounting to ₹ 4.62 crore were deposited into K-deposit or surrendered to the Government Account.

During scrutiny (August 2012) of the records of office of DHFF, we observed that the funds allotted to the districts for implementation of various scheme activities could not be utilised by the districts completely due to various reasons viz. non-receipt of permission from the Directorate for utilisation of funds allotted for maintenance of cashew plantations in Jagdalpur, not taking up the construction work of testing lab in Raipur, non-utilisation of funds for *Ádarsh Krishi Gram* scheme etc. In compliance to GoCG orders, various DDOs deposited ₹ 4.62 crore under the Major Head-0401 and Major Head-8443 (Civil Deposits) of the State Government as detailed in ***Appendix 3.1.4***.

Thus, the amount sanctioned and drawn under various schemes was not utilised and resulted either in surrendering of funds (₹ 90.95 lakh) into the Government account or transferring into K-deposit (₹ 3.71 crore). This indicated that the planning and financial management was not efficient.

On this being pointed out (September 2012), the Government stated (November 2012) that though scheme activities were in progress but as per Finance Department order, funds were deposited in the Government accounts.

The reply of the Government is not acceptable because the scheme funds were not utilised by the Department within a reasonable time resulting in funds remaining blocked. After the issue of the Finance Department's order, the same were deposited in the Government accounts. During the exit conference (February 2013), APC also accepted the above facts.

(e) Non- adjustment of Temporary Advances

Para 53 (iv) of the Chhattisgarh Treasury Code provides that temporary advance should be adjusted within three months from the grant of advance. Scrutiny of records of 15[14] DDOs revealed that temporary advances were being given by the DDOs to their subordinate officials for meeting expenses

[14] DDH Bastar, DDH Bilaspur, ADH Dhamtari, DDH Durg, ADH Jashpur, ADH Kabirdham, ADH Kanker, ADH Korba, ADH Koriya, ADH Pr. Garden Raipur, ADH Raigarh, DDH Raipur, ADH Rajnandgaon, DDH Sarguja and ADH SMF Bana, Raipur

on organisation of *Kisan Melas*, horticulture exhibitions, various training programmes and for labour payment. However, we observed that an amount of ₹ 9.61 crore ***(Appendix 3.1.5)*** was outstanding for adjustment at the end of the financial year 2011-12. Out of this, ₹ 9.21 crore was outstanding for more than three months to five years while ₹ 39.80 lakh was outstanding for more than five years. Thus, lack of effective control over the timely adjustment of the advances by the Department led to violation of financial rules.

On this being pointed out (August 2012), the Government stated (November 2012) that instructions have since been issued for adjustment of outstanding advances and action will be initiated against the responsible officials in case of non-adjustment within the prescribed period.

During the exit conference (February 2013), APC accepted the facts and stated that strict action would be initiated against the officials against whom advances are pending since long. It was also stated that the recovery will be done at the earliest. In respect of advances released to officials against whom previous advances were outstanding for adjustment, APC stated that action will be taken against erring officials who sanctioned further advances in such cases.

(f) Cash Management

Rule 284 (1) of the Chhattisgarh State Treasury Code provides that no money shall be drawn from the treasury unless it is required for immediate disbursement. Further, Rule 282, read with Rules 441 and 618, states that only permanent advances, *Pateli* commission and loans and advances are to be drawn through Simple Receipt Bill (CGTC-76).

In contravention to the above, scrutiny of the records of the test checked districts revealed that in nine[15] districts an amount of ₹ 12.83 crore ***(Appendix 3.1.6)*** was drawn from the Treasury through bills prepared on CGTC-76 on Simple Receipt (SR) proforma during 2007-12. Subsequently, the amounts were paid to the subordinate officers for making payment of assistance to farmers, organising training, purchase of seeds from *Chattisgarh Rajya Krishi Evam Beej Nigam* (Beej Nigam) and for other purposes under various schemes. The procedure adopted was in violation of the Chhattisgarh Treasury Rules. Further, as the amount drawn through SR bills was shown as final expenditure in the cash book, no adjustment vouchers were submitted to the Treasury.

On this being pointed out (August 2012), the Government stated (November 2012) that instructions had been issued by DHFF to all the DDOs for restricting the excess drawal of funds through SR bills. It was also instructed to avoid drawals through SR bills unless the funds are required for immediate disbursement.

While accepting the facts during the exit conference (February 2013), APC stated that instructions will be issued to subordinate offices for necessary compliance of the codal provisions.

[15] Bastar, Bilaspur, Dhamtari, Durg, Kanker, Koriya, Raigarh, Raipur and Sarguja

(g) Stock verification not conducted

Rule 133 of the Chhattisgarh Financial Code provides for physical verification of all stores once in a year as prescribed by respective Heads of Departments. A certificate of verification of stores with its results should be recorded on the list, inventory or account, as the case may be, where such verification is carried out.

Scrutiny of records of the test checked districts revealed that stock verification was not conducted during the period 2007-12 and as such no certificate of verification was found in the stock registers.

On this being pointed out (September 2012), the Government stated (November 2012) that instructions have been issued by DHFF to district offices for periodical stock verification by all the Head of Offices. During the exit conference (February 2013), APC accepted the facts and stated that instructions will be issued to subordinate offices for taking necessary action for verification of the stock.

3.1.8 Service delivery

3.1.8.1 Area expansion of horticulture crops

For increasing the area under horticultural crop plantation, the Department implements various schemes such as NHM, RKVY[16] and State sector schemes[17]. The year wise targets and achievements for area expansion of horticultural crops under all the schemes during 2007-12, reported by the Directorate are as under:

Table-6: Target and achievement of area expansion for all schemes

(in hectares)

Type of crop	2007-08		2008-09		2009-10		2010-11		2011-12		Total		
	T	A	T	A	T	A	T	A	T	A	*Target*	*Achieve -ment*	*Perce ntage*
Fruits	17708	9302	17738	21582	15218	13045	15874	15719	9065	9790	75603	69438	92
Vegetables	4823	4685	4953	4935	8988	8611	38900	38554	30061	29878	87725	86663	99
Spices	17455	12547	15900	15327	14780	14074	35045	33406	27126	31674	110306	107028	97
M&A*	7031	100	7615	6956	24980	25184	4120	3967	1950	2450	45696	38657	85
Flowers	2244	14	1470	976	2397	2421	6600	4555	4713	6704	17424	14670	84

*(Source: Information furnished by Department and compiled by audit).*Medicinal & Aromatic*
T=Target A=Achievement

Achievement of area expansion of fruits, vegetables and spices was more than 90 *per cent.*

It is evident from the table that the achievements were encouraging as during the period 2007-12, total achievement of area expansion of fruits, vegetables and spices was more than 90 *per cent.* The area expansion of medicinal and aromatic plants and flowers on the other hand was 85 and 84 *per cent* respectively of their targets.

On this being pointed out (August 2012), the Department stated

[16] Establishment of new gardens of perennial and non-perennial fruits, vegetable area expansion, spices area expansion, flowers area expansion and medicinal and aromatic plants area expansion.

[17] *Kela utpadan ka saghan karyakram, Bade saharon ke aaspas sabji utpadan, Aloo vikas yojna, Phal paud ropan yojna, pushp vikas yojna, Aushadi evam sugandith faslo ke kheti and sagan falodhayan yojna*

(September 2012) that in respect of medicinal & aromatic plants and flowers, the achievement was comparatively low due to less popularity and awareness amongst the farmers of the State for its cultivation. It was also stated that in future, training and extensive publicity will be done to ensure achievements of the targets.

During the exit conference (February 2013), APC intimated that targets are prepared on the basis of demand from the district offices. Regarding reasons for sudden spurt/dip in the target, it was stated that after the targets are compiled and fixed by the State Level Committees, the same are sent to the GOI where the targets get altered before being finalised. The final targets as approved by the GoI are complied by the State.

3.1.8.2 Production of various Horticulture Crops

The actual production of major crops in the State during 2007-08 to 2011-12 is as follows:

Table 7: Table showing total production of horticulture crops

(figures in MTs)

Type of crop	Achievements					Total	
	2007-08	2008-09	2009-10	2010-11	2011-12	*Target*	*Achievement*
Vegetables	46850	48807	98596	477684	389609	No targets were set	1061546
Spices	67628	104683	86696	210792	207465		677264
M&A*	570	39580	145312	28919	18473		232854
Flowers	41	2840	8014	12435	19442		42771

*(Source: Information provided by Department and compiled by audit. *Medicinal & Aromatic plants)*

There was decline in the production of all types of crops except flowers.

The above table indicates that during 2011-12, there was decline in the production of all type of crops except flowers despite the fact that the achievement of area expansion for flowers was much less than the target. The decline in production of other types of crops ranged between two *per cent* (Spices) and 36 *per cent* (Medicinal and Aromatic) over the previous year.

Scrutiny of the records (May-August 2012) of the selected districts revealed that there was no prescribed procedure to calculate the per hectare productivity of the horticulture produce. DHOs had intimated (May-August 2012) that the data regarding production were obtained by field staff as per information provided by the farmers. No recorded documents were maintained by the farmers for verifying the authenticity of the production. Thus, in the absence of any set procedure to ascertain the per hectare production, the production data indicated above cannot be taken as reliable.

During the exit conference (February 2013), APC agreed that no prescribed mechanism existed for recording the data of production of horticulture crops and stated that the productivity figures are arrived at on the basis of information provided by farmers without any documentation. It was also stated that information will be sought from GoI and other States to ascertain the procedure adopted for calculation of productivity.

3.1.8.3 *Per hectare productivity of horticultural crops in Chhattisgarh State as compared to the yield potential of the State*

Para 8.4 of NHM guidelines envisages increasing both production and productivity through adoption of improved and appropriate technologies for ensuring quality.

Test check of the records (May 2012) of DHFF revealed that for the period 2007-12, no target was set for increasing the per hectare productivity. Per hectare productivity of various horticulture crops in Chhattisgarh State is indicated in ***Appendix 3.1.7***.

In respect of most of the horticultural crops taken up in Chhattisgarh, the average productivity per hectare was lower than the actual yield potential of the State as recommended by the Indira Gandhi Agriculture University. Further, in many horticulture crops, the average productivity was also below the National Average.

On this being pointed out (September 2012), the Government stated (November 2012) that efforts are being made by the Department to reduce the gap between current production and yield potential of the State through supply of good quality hybrid and certified seeds and by supplying bio-fertilisers for improving the fertility of soil besides undertaking awareness campaigns.

During the exit conference (February 2013), APC while accepting the audit observation stated that necessary efforts will be made to attain the productivity level upto the yield potential of the State.

3.1.9 Status of implementation of schemes/programmes

For the CCO based audit, we reviewed the following schemes and components:

Name of the Scheme	Name of components covered
National Horticulture Mission	Production of planting material, Establishment of new gardens, Creation of water resources, Organic farming, Establishment of processing units, Horticulture mechanisation, Human resource development, Integrated post harvest management and Establishment of marketing infrastructure.
Rashtriya Krishi Vikas Yojna	Establishment of new gardens of fruits, Vegetable area expansion, Spices production, Flowers area expansion, Medicinal and aromatic plants area expansion, Hybrid seed production, Modernisation and upgradation of old nurseries, Establishment of processing unit, Horticulture mechanisation and Human resource development.
State Plan Scheme	*Phal paudh ropan yojna*

Observations noticed during our review of the schemes/programmes are discussed in the following paragraphs:

3.1.9.1 National Horticulture Mission

GoI launched (June 2005) National Horticulture Mission (NHM), a Centrally Sponsored Scheme, for holistic development of horticulture through area based regionally differentiated strategies, which include research, technology promotion, extension, post harvest management, processing and marketing, in consonance with comparative advantage of each State/region and its diverse agro-climatic features to enhance horticulture production, improve nutritional security and income support to farm households.

(a) Tardy implementation of National Horticulture Mission scheme resulting in non utilisation of ₹63.85 crore

Under NHM, GoI contributes 85 *per cent* of the funds and the balance 15 *per cent* is met by the State Government. Funds are released as per the approved Annual Action Plans (AAP). The State Horticulture Mission (SHM) is responsible to ensure that the expenditure is incurred in accordance with the sanctioned AAPs

During the years 2005-12, out of the total funds of ₹ 471.73 crore allotted to the SHM for implementation of the scheme activities, an amount of ₹ 149.86 crore was disbursed to the District Mission Committees (DMC) and against which expenditure of ₹ 86.01 crore (42.60 *per cent*) was incurred by DMCs ***(Appendix 3.1.8)***. This resulted in non-utilisation of ₹ 63.85 crore mainly in respect of components *viz.* Post Harvest Management (PHM), Fruit Area Expansion, Protected cultivation, community water tanks, cashew nut, Model Nursery, vermi compost etc., indicating tardy implementation of the scheme activities. Reasons for non-utilisation of the funds, as discussed during the State Level Executive Committee Meeting (October 2010) and as intimated by Government, were attributable to non-achievement of the targets due to lack of interest among the farmers, less assistance under PHM, non-receipt of proposals from districts etc.

The Government while accepting (November 2012) the audit observation stated that instructions have been issued to the DMCs and DHOs to utilise the available funds in the current financial year itself. During the exit conference (February 2013), APC agreed to the audit observation and stated that necessary action for utilisation of the un-utilised funds will be taken and also instructed the Director to look into the matter at the earliest.

(b) Targets and achievement under area expansion of horticulture crops

During the period 2007-12, the target and achievement in respect of area brought under horticulture cultivation under NHM are as under:

Table 8: Target and achievement of area expansion of horticulture crops under NHM

(in hectare)

Type of crop	2007-08		2008-09		2009-10		2010-11		2011-12		Total target	Total achievement
	T	A	T	A	T	A	T	A	T	A		
Fruits	14176	5774	15530	19467	13010	10791	8300	8109	5519	6273	56535	50414
Flowers	2230	0	1455	960	2250	2279	5523	3478	3680	5671	15138	12388
Spices	11020	6112	11000	10407	6720	6369	16045	14406	11770	16318	56555	53612
M&A*	6856	0	7200	6649	24080	24339	3020	2880	850	1350	42006	35218
Total	**34282**	**11886**	**35185**	**37483**	**46060**	**43778**	**32888**	**28873**	**21819**	**29612**	**170234**	**151632**

(Source: Information furnished by Department and compiled by audit.) **Medicinal & Aromatic plants*

From the above, it is evident that during the period 2007-08 to 2011-12, against the targets for area expansion of fruits, flowers spices and medicinal and aromatic crops, the achievements were 89, 82, 95 and 84 *per cent* respectively. This indicates that efforts of the Department in achieving the targets fixed in respect of area expansion on various horticulture crops were encouraging.

(c) Unfruitful expenditure on area expansion of Medicinal and Aromatic plants

Para 8.16 of the NHM guidelines envisages coverage of large areas under improved varieties of horticultural crops. The assistance is provided for bringing new areas under horticultural crops like fruits, flowers, spices, aromatic plants, and plantation crops like cashew, cocoa and arecanut. For medicinal and aromatic plants, assistance upto 75 *per cent* of the cost subject to a maximum of ₹ 11,250/ha limited to 4 ha per beneficiary is provided.

Test check of the records of 11 NHM districts revealed (May-August 2012) that during the years 2007-08 to 2011-12, the achievement of area expansion under medicinal and aromatic plants for these districts was as detailed below:

Table 9: Table indicating declining trend of Area Expansion of Medicinal and Aromatic plants

(in hectares)

Year	Eucalyptus Citridora	Lemon grass	Aloe vera	Patchauli	Khus	Palmarosa	Jamarosa	Expenditure (₹ *in lakh*)
2007-08	4200	1500	800	400	900	2500	612	1187.297
2008-09	1788	1900	900	213	550	1350	0	698.552
2009-10	1700	600	0	0	200	0	0	220.236
2010-11	800	750	0	0	200	200	0	277.272
2011-12	200	450	0	0	50	100	0	97.01
Total	**8688**	**5200**	**1700**	**613**	**1900**	**4150**	**612**	**2480.367**

(Source: Information provided by Department and compiled by audit)

Lack of infrastructure and marketing facilities led to decline in area expansion of Medicinal and Aromatic crops.

It is evident from the above table that there was a continuous decline in the area expansion during the years 2007-08 to 2011-12. In respect of aloe vera and patchouli, the area expansion was *nil* during the years 2009-10 to 2011-12 whereas in respect of Jamarosa[18], no area expansion was taken up since 2008-09. The total expenditure incurred on area expansion of above medicinal and aromatic crops was ₹ 24.80 crore as per details given in ***Appendix 3.1.9***.

[18] Jamarosa is an aromatic cash crop

During the meeting of the State Executive Committee (24 January 2006), it was decided to establish 80 oil extraction units under Post Harvest Management and seven Aloe vera gel extraction units in the State. However, only 15[19] processing/extraction units were established till date (November 2012). Further, one Aloe Vera Juice extraction unit in Kanker and two distillation units and non evaporative boilers in Kabirdham district were non-functional since October 2009 and March 2008 for want of electrification and non-availability of aromatic crops (raw materials) respectively.

A Memorandum of Understanding with three agencies for marketing of medicinal and aromatic produce was entered (2006-07) which however lapsed during 2008-09. Since then, purchase of horticulture produce of medicinal and aromatic variety has not been done by the agencies. Thus, due to lack of proper infrastructure for processing the medicinal and aromatic farm produce, the farmers lost interest resulting in decline in area expansion of medicinal and aromatic crops. Thus the objective of enhancing production, coverage and productivity of medicinal and aromatic plants in the NHM districts could not be achieved. Besides, the strategy of diversification from traditional crop to plantations also failed.

On this being pointed out (September 2012), the Government stated (November 2012) that during the initial years, the targets were fixed after discussions with the farmers. Due to lack of interest shown by the farmers in subsequent years, the targets were proportionately reduced. Further, due to lack of maintenance of crops by farmers, the desired profit also could not be earned.

The fact remains that there was lack of planning in establishment of new gardens of medicinal and aromatic plants as infrastructure in the districts for processing and marketing the farm produce was not sufficient as intimated by some of the DHOs. It also indicated that proper market assessment was not made before venturing into the area expansion programme for medicinal and aromatic plants. During the exit conference (February 2013), APC accepted the audit observation and stated that the decline in area expansion was mainly due to decline in farmers' interest and added that in future targets will be fixed keeping in mind the demand as well as availability of infrastructure.

(d) Wasteful expenditure of ₹ 8.33 crore due to excessive mortality of horticulture crops

As per paragraphs 8.15 (2005-06) and 8.16 (revised w.e.f 2010-11) of NHM guidelines, assistance for establishing new gardens is provided at ₹ 22,500 per ha (₹ 30,000 w.e.f. 2010-11) for perennial and non-perennial crops, and ₹ 11,250 per ha (₹ 12,500 w.e.f. 2010-11) for spices and aromatic plants. For perennial and non-perennial crops, assistance is provided in three installments of 50:20:30 (60:20:20 w.e.f. 2010-11) subject to survival rate of 75 *per cent* in the second year and 90 *per cent* in the third year. The provision for monitoring of the scheme activities had been fixed at 100 *per cent* to be done by RHEOs, 75 *per cent* by SHDO/GS, 25 *per cent* by DDH/ADH, 10 *per cent* by CEO,

[19] 12 Lemon grass & E. Citridora distillation/extraction plants and three Aloe vera juice/gel extraction units

Janpad Panchayat and five *per cent* by CEO, Zila Panchayat.

Excessive mortality of horticulture crops led to wasteful expenditure of ₹ 8.33 crore.

During test check of records of DDH, Bastar and ADH Rajnandgaon, we observed from the Crop Monitoring Report (CMR) that there was excessive mortality of crops. Out of the available CMR data of crops planted in different clusters in Bastar district, the survival rate was below 60 *per cent* in 99 *per cent* cases. Further, in Rajnandgaon district, the survival rate of crops ascertained from the available CMRs ranged between 20 and 70 *per cent.* Since the permissible limit for mortality after the first year of plantation under perennial crops is only 25 *per cent,* a survival rate below 75 *per cent* clearly indicated that the cropping had failed. Consequently, such cases automatically get excluded from the scheme activities and are not eligible for further assistance under the scheme. This issue has been highlighted subsequently in Para 3.1.9.1(f). Similarly, in case of spices and aromatic plants, the entire cropping had failed as there is no provision for mortality. We further observed that in Rajnandgaon district, the plantations were not done during the ideal planting period[20] as envisaged in the departmental guidelines (*Safal Bagbaani ke Upaay*). Thus, excessive mortality of horticulture crops in Bastar and Rajnandgaon district led to wasteful expenditure of ₹ 8.33 crore ***(Appendix 3.1.10)*** on the cost incurred for area expansion.

On this being pointed out (September 2012), the Government stated (November 2012) that excessive mortality was due to lack of interest by farmers in maintenance of the crops besides open grazing of cattle. It was also stated that most of the fields were affected by termites for which the farmers did not initiate the plant protection facilities which also resulted in mortality of crops.

The reply of the Government indicates lack of monitoring of the extension activities of the scheme. During the exit conference (20 February 2013), APC, while accepting the facts stated that action will be taken for providing better fencing facilities by involving the farmer's contribution also and thus reduce the mortality rate.

(e) Irregular expenditure of ₹ 43.06 lakh on plantation of onions under Spice Development

As per Para 8.16 of the NHM guidelines, assistance is provided for bringing new areas under horticultural crops like fruits, flowers, spices, aromatic plants, and plantation crops like cashew, cocoa and arecanut. The revised guidelines issued in the year 2010 states that assistance under spices will be provided for seed spices and rhizomatic spices as well as for perennial spices. The scheme guidelines nowhere provides for assistance for onions.

During scrutiny of records (May-August 2012) of DHO, Bastar, Durg, Kabirdham and Rajnandgaon, we however, observed that during the year 2008-09, onion cultivation was taken up under Spices and expenditure of ₹ 43.06 lakh was incurred as detailed in ***Appendix 3.1.11***.

Since there was no provision for cultivation of onions under NHM under spice

[20] Ideal planting period for mango-May-June; Guava & Lime-July-August; Ginger-May; Coriander-October-November; Rajnigandha-February-April; Citridora-June-July

cultivation, the entire expenditure of ₹43.06 lakh incurred on onion plantation was irregular.

On this being pointed out (September 2012), the Government stated (November 2012) that as there was demand from farmers for onion seeds, the same were provided and necessary approval from the State Level Executive Committee (SLEC) was also obtained (July 2009). Further, area expansion taken up for onions was indicated in the progress reports furnished to GoI.

The fact remains that the NHM guidelines empowers only the Executive Committee at the National level with discretionary powers to approve projects for which norms have not been fixed. NHM guidelines do not provide for assistance for onion under the spices cultivation programme. APC, while accepting the audit observation during the exit conference (February 2013), stated that necessary approval from the National level will be obtained for regularising the expenditure.

Approval from the national level was however awaited as of March 2013. There is also a need for proper demand assessment for providing the necessary assistance.

(f) Non-release of assistance amounting to ₹ 2.37 crore to farmers due to excessive mortality of horticulture crops

Para 8.16 of the NHM guidelines envisages coverage of large areas under improved varieties of horticultural crops. The assistance for cultivation of perennial fruits will be for a maximum area of four ha per beneficiary, spread over a period of three years in the ratio of 60:20:20 in the first, second and third year. Assistance for the second year will be subject to 75 *per cent* survival of the new gardens and for the third year, assistance will be subject to 90 *per cent* survival of plants.

Scrutiny of the records of DHFF, Raipur and the NHM districts revealed that during the years 2007-08 to 2011-12, the following expenditure was incurred for establishment of new gardens of perennial fruits:

Table 10: Table showing non-release of assistance during the second and third years

(₹ in lakh)

Year	Area covered (ha)	Amount incurred on area expansion	Allotment for assistance after 1st year	Assistance given after 1st year	Allotment for assistance after 2nd year	Assistance given after 2nd year	Total undistributed assistance
2007-08	2708	304.67	0	0	123.59	0	123.59
2008-09	12970	1453.55	95.47	2.38	28.35	28.35	93.09
2009-10	9105	1024.35	113.36	113.36	60.83	40.55	20.28
2010-11	4890	470.58	84.69	84.69	**	**	–
		3253.15	**293.52**	**200.43**	**212.77**	**68.9**	**236.96**

(Source: Information furnished by Department and compiled by audit)

The above table indicates that in respect of plantations done during the year 2007-08, no assistance was released after the first and second year. Similarly for the year 2008-09, against the allotment of ₹ 95.47 lakh, only ₹ 2.38 lakh could be provided as assistance. Further, for the plantations done during 2009-10, against the allotted assistance of ₹ 60.83 lakh, only ₹ 40.55 lakh could be released. Thus, during the period 2007-08 to 2010-11, a total of

₹ 2.37 crore could not be provided as assistance to the farmers. According to the Department, the reason for non-release of assistance was due to mortality of crops in excess of the limit prescribed for release of subsequent assistance.

During the exit conference (February 2013), APC while accepting the audit observation stated that necessary action will be taken in future to reduce the mortality in order to provide the complete assistance as per norms.

(g) Rejuvenation/rehabilitation of old and senile plantations

Para 8.19 of NHM guidelines provide for taking up productivity improvement programmes through removal of senile plantations, re-plantations with fresh stock supported with appropriate and integrated combination of inputs, pruning and grafting techniques. The programme was to be implemented through individual farmers, Farmers' Co-operatives, Self help groups, NGOs, growers' associations and commodity organisations. The assistance for rejuvenating senile plantations will be 50 *per cent* of the cost subject to a maximum ceiling of ₹ 15,000/ha limited to 2 ha per beneficiary.

Scrutiny (July 2012) of the records of DHO, Bastar revealed that against the target of 200 and 100 hectares for the years 2006-07 and 2008-09 respectively for rehabilitation/rejuvenation of old and senile plantations, ₹ 30 lakh was received during 2006-07 and ₹ 15 lakh was received during 2007-08. Besides this, ₹ 7.50 lakh each was received during 2010-11 and 2011-12. Against the total receipt of ₹ 60 lakh under this component, expenditure of ₹ 11.16 lakh was incurred on procurement (February 2009) of 30 power operated chain saw pruners from Beej Nigam. Out of the 30 chain saws pruners, only one pruner was issued (June 2010) to a farmer group. The remaining 29 pruners were issued (June 2011) to the Agriculture College, Jagdalpur.

It was decided (February 2011) in the meeting of the District Mission Committee, Bastar, Jagdalpur to take up the rejuvenation work of old and senile plantations through the Agriculture College, Jagdalpur. An estimate for the work was prepared and submitted (May 2011) to the Agriculture College, Jagdalpur along with demand draft amounting to ₹ 33.08 lakh for taking up the rejuvenation work. However, rejuvenation work could only be taken up departmentally in six hectares out of the target of 300 hectares till July 2012. Thus, the amount sanctioned during 2006-07 and 2007-08 could not be utilised till date (February 2013) for the intended purpose of rejuvenation of senile plantations, thereby locking ₹ 48.08 lakh (₹ 33.08 + ₹ 7.5+ ₹ 7.5) and idling of the pruners valuing ₹ 10.79 lakh.

The Government informed that a specialist team has been constituted to take up the rejuvenation work and the same will be completed within the financial year. During the exit conference (20 February 2013), APC while agreeing to the audit observation stated that action will be taken to obtain information regarding the current status of rehabilitation work undertaken by the Agriculture College, Jagdalpur.

The reply of the Government substantiates the audit observation on locking of funds and idling of the pruners.

(h) Irregular expenditure of ₹19.26 lakh on gap filling due to excessive mortality of cashew plants

Para 8.16 of the NHM guidelines envisages coverage of large areas under improved varieties of horticultural crops. A farmer will be eligible for receiving assistance for cultivation which will be spread over a period of three years in the ratio of 50:30:20 in the first, second and third year respectively. Assistance for the second year will be payable subject to 75 *per cent* survival of the new gardens and for the third year the assistance will be payable subject to 90 *per cent* survival of the plants.

Scrutiny of the records of the test checked districts revealed that for Bastar district, the targets and achievement in respect of cashew cultivation during 2006-07 to 2008-09 were as follows:

Table 11: Table indicating target and achievement of cashew plantation in Bastar district

Year	Target (ha)	Achievement (ha)	Remarks
2006-07	500	500#	#Target of 2005-06
2007-08	2000	1883	--
2008-09	2000	853+117*	*Balance target of 2007-08

(Source: Information provided by Department)

In order to achieve the target during the years 2006-07 to 2008-09, the following cashew grafts were procured from various agencies for the purpose of area expansion as well as for gap filling:

Table 12: Table indicating procurement and utilisation of cashew grafts for gap filling

Year	No. of grafts	Agency	Cost per plant (₹)	Total cost (₹)	No of plants utilised for			Total	Remarks
					Area expan-sion	Gap filling after			
						1st year	2nd year		
2006-07	50,000	Hirwai Nursery	19.10	9,55,000	50,000 (06-07)	--	--	50,000	--
2006-07	1,00,000	Hirwai Nursery	19.10	19,10,000	1,88,300	27,070	--	2,15,370	20,000 grafts dead
2007-08	1,22,870	Orissa State Dev. Corpn.	18.80	20,99,960					
2007-08	10,450	Krishi V.V.	14.00	1,46,300					
2007-08	3,050	Depttl nursery	16.00	48,800					
2008-09	1,78,418	Bana Farm	18.90	33,72,100	85,300 (08-09) 11,700 (07-08)	77,800 (including 2nd year gap filling for 2006-07 plantations)	--	1,63,100	3,618 grafts dead
Total grafts used for gap filling						**1,04,870**			

(Source: Information provided by Department and compiled by audit)

The assistance for the second year is subject to survival of 75 *per cent* plants and assistance for the third year is subject to survival of 90 *per cent* plants. As

per the recommendations (June 2006) of the Technical Support Group (TSG), 100 grafts were to be planted per hectare.

During the year 2006-07, 500 ha were covered under cashew plantations on which 50,000 cashew grafts were planted. For 500 ha of cultivation, permissible gap filling after the first year was 25 ha i.e., 2,500 grafts. Further, gap filling in the third year was permissible only after survival of 90 *per cent* plants at the end of the second year. Thus, only 5,000 grafts could be utilised for gap filling after the second year. Similarly, in respect of 1883 ha plantations during the year 2007-08, permissible gap filling after completion of the first year was 47,075 being 25 *per cent* of total cashew grafts planted i.e. 1,88,300.

Scrutiny of the records of DDH, Bastar however, revealed that due to excessive mortality of cashew plants planted during 2006-07 and 2007-08, gap filling in excess of the permissible limit was done as detailed below:

Table 13: Details of area covered under cashew plantation and gap filling

Year	Area covered	Total cashew grafts used	Permissible limit for gap filling after 1st year (25 % of area covered)	Gap filling done after 1st year	Permissible limit for gap filling after 2nd year (10 % of area covered)	Gap filling done after 2nd year
2006-07	500	50,000	12,500	27,070	5,000	16,515
2007-08	1,883	1,88,300	47,075	61,285	--	--

(Source: Information provided by Department and compiled by audit)

From the above table, it is evident that gap filling in respect of cashew plantations done during 2006-07 and 2007-08 was not permissible as minimum survivability of plants required for gap filling could not be achieved. Thus, inadmissible expenditure of ₹ 19.26 lakh (*as detailed below*) on a total of 1,04,870 cashew grafts was incurred on gap filling.

Table 14: Table indicating total cost of cashew grafts procured for gap filling

Gap filling done during	Source of cashew grafts	No of grafts	cost	Total cost (total of col.4) (in ₹)	Unit cost (in ₹)	No of grafts used for gap filling	Cost incurred (in ₹)
1	2	3	4	5	6	7	8
2007-08	Orissa State	1,22,870	20,99,960	22,95,060	16.83	27,070	4,55,588
	Own nursery	3,050	48,800				
	Agriculture College	10,450	1,46,300				
2008-09	Bana Nursery	1,78,418	NA	NA	18.90	77,800	14,70,420
Total							**19,26,008**

(Source: Information provided by Department and compiled by audit)

On this being pointed out (September 2012), the Government stated (November 2012) that there was excessive mortality due to open grazing, termite attack and improper care by farmers besides lack of monitoring due to insufficient field staff. It was also stated that gap filling beyond the permissible limit was done to ensure survivability of cent *per cent* plants. During the exit conference (February 2013), APC agreed to the audit observation and stated that gap filling beyond the permissible limit was done

to ensure survivability of plants in order to continue the scheme activities.

However, the fact remains that gap filling done without ensuring required survivability led to inadmissible expenditure of ₹ 19.26 lakh.

(i) Production and Distribution of Planting Material

With a view to provide quality planting materials viz. plantlets, plants and seeds of various crops to the farmers, the Government established 117 nurseries in the State. These farms were provided with polyhouses, net houses, propagation houses and irrigation facilities. However, due to inefficient performance of the Government nurseries in the test checked districts, the desired quantity of planting material could not be produced as discussed in the succeeding paragraphs:

Performance of Government Nurseries

The production and distribution of good quality seeds and planting materials are an important component of the NHM. To meet the requirement of planting materials for bringing additional areas under improved varieties of horticultural crops and for rejuvenation programme for old and senile plantations, assistance is provided for setting up of new nurseries under the public as well as private sector.

As per Para 8.6 of NHM guidelines, the model nurseries to be established under the public sector were eligible for 100 *per cent* assistance subject to a maximum of ₹ 18 lakh per unit (revised to ₹ 25 lakh per unit w.e.f. year 2010-11) for a maximum area of four ha. The nurseries established will be required to produce one lakh plants per hectare per year (50,000 plants per hectare per year w.e.f. 2010-11).

Test check of the records of 11 NHM districts revealed that the nurseries were provided assistance amounting to ₹ 6.41 crore during 2006-07 to 2011-12 under NHM for Model Nursery for enhancing the production capacity of planting materials as detailed in ***Appendix 3.1.12***. We however, observed that in some of the nurseries, the mist chambers, hardening yards, polyhouses etc established under Model Nurseries were non-functional due to non-availability of electricity. Overall, the nurseries did not produce the minimum number of plants even after increasing their production capacity as indicated in the table below:

Table 15: Shortfall in capacity utilisation of nurseries during 2007-12

Name of the District	No. of nurseries taken up under Model Nursery	Expenditure on infrastructure	Combined total production capacity of plants	Actual production of plants	Shortfall (*per cent*)
Bastar	07	65,45,291	92,00,000	4,09,804	**87,90,196 (*96*)**
Bilaspur	10	84,02,737	1,30,00,000	21,49,689	**1,08,50,311 (*83*)**
Durg	08	63,82,388	1,08,00,000	23,74,253	**84,25,747 (*78*)**
Jashpur	06	62,93,236	58,00,000	5,74,751	**52,25,249 (*90*)**
Kabirdham	04	38,02,888	60,00,000	5,33,876	**54,66,124 (*91*)**
Korba	05	44,47,763	72,00,000	11,40,377	**60,59,623 (*84*)**
Koriya	05	47,80,708	50,00,000	4,67,701	**45,32,299 (*91*)**
Rajnandgaon	04	33,61,601	50,00,000	6,13,086	**43,86,914 (*88*)**
Raigarh	08	72,32,737	98,00,000	9,40,195	**88,59,805 (90)**
Raipur	07	69,96,924	68,00,000	5,15,539	**62,84,461 (*92*)**
Surguja	06	58,84,174	74,00,000	6,76,321	**67,23,679 (*91*)**
Total	**70**	**6,41,30,447**	**8,60,00,000**	**1,03,95,592**	**7,56,04,408 (*88*)**

(Source: Information provided by Department and compiled by audit)

Infrastructure costing ₹ 6.41 crore under Model nurseries remained largely under utilised.

Against the production capacity of four/two lakh plantlets each year, the shortfall in plant production ranged from 78 *per cent* in Durg to 96 *per cent* in Bastar District. Overall there was a shortfall of 88 *per cent* in capacity utilisation of the nurseries in all the NHM Districts. We also observed that green house, screen house, mist chambers and hardening yards totaling nine installed in these nurseries were non-functional due to want of electric supply [as discussed in para 3.1.6.4 (b)]. This led to under utilisation of the capacity created at a total cost of ₹ 6.41 crore.

On this being pointed out (September 2012), the Government stated (November 2012) that during 2006-07 to 2011-12, there has been an increase in the production of plants in the nurseries indicating increased production capacity due to establishment of Model Nurseries. However, due to various reasons including lack of inter-departmental coordination there was interruption in electric supply as well as non-availability of electric supply for which the matter is being taken up with Secretary, Energy Department.

The fact remains that even though there has been increase in the production of plants in the nurseries, the capacity utilisation of nurseries was far from satisfactory. During the exit conference (20 February 2013), APC, while agreeing to the audit observation, stated that reasons for under- utilisation of model nurseries will be examined and further stated that matter will be taken up with the Energy Department for providing electricity to those nurseries which are not functioning optimally due to lack of electric supply.

(j) Creation of Water Resources

Unfruitful expenditure of ₹ 3.81 crore on bore wells

The NHM guidelines provide for assistance for creating water sources through construction of community tanks, farm ponds/reservoirs with plastic/Reinforced Cement concrete lining to ensure life-saving irrigation to horticulture crops. As per Para 8.17 of NHM guidelines an assistance of ₹10[21]

[21] ₹ 15 lakh w.e.f. 2010-11 (para 8.20 of revised guidelines)

lakh per unit for an area of 10 ha was to be provided on community basis. The maintenance of the water source created was the responsibility of the community. GoI had approved (August 2008) the proposal of GoCG for installation of community bore wells in place of community water harvesting structures.

Unfruitful expenditure of ₹ 3.81 crore on Bore wells and pumps due to non-availability of electric connections.

Scrutiny of the test checked districts revealed that in nine districts, a total of 1747 successful bore wells were dug during the period 2007-12. Out of these, in respect of 688 bore wells dug at a cost of ₹ 3.20 crore, pumps were not installed. Further, it was also observed that although pumps were installed in 70 bore wells, no electric connection was available. The cost incurred on such bore wells was ₹ 61 lakh[22] (including cost of pumps). Non-installation of pumps and non-availability of electric connection resulted in unfruitful expenditure of ₹ 3.81 crore ***(Appendix 3.1.13)*** on 758 bore wells.

When we pointed this out (September 2012), the Government stated (November 2012) that before providing assistance to the farmers group under community bore wells, a contract is entered into with the farmer's group to the effect that they will be responsible for electrification. It was also stated that due to the poor economic condition of the farmers, electricity could not be arranged for which directions have been issued for provision of electricity from other schemes being implemented by various Departments.

It is thus evident from the reply that there was lack of planning, coordination and monitoring of activities for making the bore wells operational for the benefit of farmers. Provision of electric connections at the sites was also not ensured by the Department before providing assistance for bore well digging, which resulted in unfruitful expenditure of ₹ 3.91 crore on the bore wells. During the exit conference (20 February 2013), APC accepted the audit observation and stated that in future, bore wells will be dug only after assessing the feasibility of electricity connection.

(k) Organic farming

(i) Unfruitful expenditure of ₹ 9.31 crore on supply of HDPE[23] vermi-bed and shade nets

Organic farming in horticulture is becoming increasingly important. The basic rule of organic production is that natural inputs are to be applied and synthetic inputs are totally prohibited.

As per Para 8.29 of the NHM guidelines, for vermi compost units/organic production units, assistance will be at the rate of 50 *per cent* of the cost subject to a maximum of ₹ 30,000 per beneficiary for each unit. For smaller units, assistance will be on pro-rata basis. For HDPE vermi-bed, the cost will be ₹ 10,000 per bed.

As per the recommendations (22 June 2006) of the TSG, materials proposed to be provided as assistance for establishment of vermi-compost unit was HDPE tetra packs, shade nets and vermi-culture. Assistance was limited to ₹ 5,000

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22 Expenditure on digging of bore wells ₹ 41,25,805 and for pump installation ₹ 19,62,676

23 High Density Poly Ethylene

per unit.

Non-provision of vermi culture led to unfruitful expenditure of ₹ 9.31 crore on portable vermi beds and shade nets.

Scrutiny of the records of the selected NHM districts revealed that during 2007-08 to 2011-12 under organic farming, vermi-beds, shade nets and vermi-culture were distributed to the beneficiaries. We however, observed that in cases as detailed in ***Appendix 3.1.14***, although vermi beds and shade nets were distributed to the beneficiaries, earthworms (vermi culture) were not supplied. Also, department did not initiate any action to arrange the supply of the balance quantity of vermi culture to make the vermi compost units operational. In the absence of vermi culture, production of vermi compost was not possible. Thus, a total of 28,843 vermi compost units costing ₹ 8.87 crore and 1,23,061 sqm shade nets costing ₹ 43.56 lakh distributed during 2007-08 to 2010-11 could not be utilised, thereby defeating the intended purpose of production of vermi compost. Thus, the entire expenditure of ₹ 9.31 crore on purchases of vermi beds and shade nets during 2007-08 to 2010-11 was rendered unfruitful as of September 2012.

Photographs indicating unutilised vermi-beds



Portable HDPE vermi-compost unit filled with sand at village Ransargipal of Tokapal Block, Bastar. (29 July 2012)



Portable HDPE vermi-compost unit lying unutilised in village Joratarai of Rajnandgaon District. (16 May 2012)

On this being pointed out (September 2012), the Government stated (November 2012) that a proposal is being prepared for making the non-functional vermi compost units functional.

The supply of HDPE vermi beds without ensuring supply of vermi culture indicates lack of planning and monitoring in the implementation of vermi compost units and this had resulted in unfruitful expenditure of ₹ 9.31 crore.

During the exit conference (February 2013), APC also accepted the audit observation and stated that scheme being unsuccessful, the same has since been discontinued.

(ii) Procurement of low density shade nets (75 per cent)

As per the minutes of the meetings (February 2009 and May 2010) of TSG constituted under NHM, HDPE beds, earthworms and green shade net (90 *per cent* density) were to be provided as assistance to the beneficiaries for establishment of vermi-compost units in the farmer's field, under organic farming.

During scrutiny of the records of 11 NHM districts, we observed that during the period 2009-10 to 2011-12, against the TSG recommendations, a total of

9,53,725 sqm of shade nets of 75 *per cent* density instead of 90 *per cent* density were procured by the Directorate and issued to the field offices for onward distribution to the beneficiaries. The total cost of the shade nets (75 *per cent*) procured from *Chhattisgarh Rajya Krishi Evam Beej Nigam* (nodal agency) was ₹ 2.98 crore ***(Appendix 3.1.15)***.

Procurement and distribution of 75 *per cent* density of shade nets instead of 90 *per cent* density as recommended by the TSG was thus irregular and expenditure of ₹ 2.98 crore incurred by the Department on its procurement was in violation of the norms prescribed by TSG.

On this being pointed out (September 2012), the Government stated (November 2012) that after utilising the earlier specified shade nets, it was experienced at field level that partial shade was essential for making the worms active. On the basis of demand from the District Officers as per their practical experience, 75 *per cent* shade net was supplied. It was also stated that good results are being obtained after using 75 *per cent* shade nets.

The reply of the Government is not acceptable as the procurement of shade nets was not done as per the recommendations of the TSG constituted specially for providing technical guidance. Thus, expenditure incurred on its procurement was irregular.

During the exit conference (February 2013), APC while accepting the facts stated that approval from appropriate authority will be obtained and intimated to audit.

(l) Horticulture mechanisation

Injudicious procurement of power sprayers

The NHM guidelines under Horticulture Mechanisation (Para 8.53 of revised guidelines of NHM 2010) provide for assistance for power operated machines and tools including Power Saw and Plant Protection equipments. Assistance in this regard is to be provided to such associations, farmer groups, self-help groups and women farmer groups having at least 10 members involved in cultivation of horticultural crops, recognised/registered by the District Mission Committees, provided the balance 50 *per cent* of the cost of machines and tools is borne by them.

Our scrutiny of the records of the test checked districts revealed that DHFF issued (March 2008) supply order for 6,815 power sprayers to Beej Nigam under 'Innovative Technology'. The supply order was later cancelled (April 2008). Reasons for cancellation of supply order are awaited, though called for (January 2013). However, before cancellation of the supply order, Beej Nigam had already supplied (March 2008) 650 and 800 power sprayers to Surguja and Durg respectively. As per the directions (August 2008) of DHFF/Mission Director, SHM, the supplied power sprayers were to be distributed amongst farmers groups created during 2006-07 and 2007-08 under Community Borewells in Surguja, Durg, Kabirdham, Korba, Jagdalpur, Bilaspur and Raigarh districts and to adjust this amount from the funds available under the component of area expansion, for which assistance is provided to farmers under NHM. The total cost of the 1450 power sprayers

was ₹ 66.99 lakh[24].

We further observed that the distribution of power sprayers was not uniform in the seven NHM districts where power sprayers were supplied. The status of distribution is detailed below:

Table 16: Table showing of status of distribution of power sprayers

District	Quantity supplied	Quantity distributed	Quantity remaining idle	Value of undistributed Power sprayers (₹)
Bastar	150	42	108	4,98,960
Bilaspur	200	40	160	7,39,200
Durg	75	75	0	0
Kabirdham	75	0	75	3,46,500
Korba	100	100	0	0
Raigarh	200	200	0	0
Surguja	650	0	650	30,03,000
Total	**1,450**	**457**	**993**	**45,87,660**

(Source: Information provided by Department and compiled by audit)

It is evident from the table that the purchase of the power sprayers was initiated without any planning. This is substantiated by the fact that the supply order was cancelled. The distribution of power sprayers was also not uniform as some of the districts had distributed the entire quantity supplied to them whereas in respect of other Districts, the distribution was partial or nil. Thus, the entire procurement of the power sprayers was injudicious and unwarranted. Further, due to non-distribution, 993 power sprayers costing ₹ 45.88 lakh remained idle till date (February 2013).

After we pointed this out (September 2012), the Government stated (November 2012) that the power sprayers were procured as per demand from the districts. Power sprayers were to be distributed to farmers' groups under 'plant protection equipment'. It was further stated that some of the DHOs had distributed the power sprayers to farmer groups.

The reply of the Government is silent about the undistributed power sprayers. The power sprayers were procured without any planning as the supply order was later cancelled and the power sprayers already supplied were not completely distributed to the targeted beneficiaries till date (February 2013). Further, the decision to adjust the cost of the power sprayers under plant protection equipments was an afterthought as directions to this effect were issued only after the cancellation of the supply order.

While accepting the facts during the exit conference (February 2013), APC stated that the matter will be further examined and intimated to audit.

(m) Non-achievement of targets under Integrated Post Harvest Management and Creation of Market Infrastructure

As per Para 8.54 of the NHM guidelines, Post harvest management (PHM) includes packaging, grading, transportation, curing and ripening and storage. These facilities are essential for increasing marketability of horticulture produce, adding value to produce, increasing profitability and reducing losses.

Similarly, as per Para 8.61 of the NHM guidelines, assistance under the

[24] at the rate of ₹ 4620 per power sprayer

component 'Creation of Market Infrastructure' is provided with the objectives of inducing investments from private and cooperative sectors in the development of marketing infrastructure for horticulture commodities, strengthening existing horticulture markets etc. to enable farmers to realise better price and to create general awareness among farmers, consumers, entrepreneurs and market functionaries on market related agricultural practices.

Scrutiny of records of the Directorate and the NHM districts revealed that during the period 2007-12, the Department made provision of ₹ 33.25 crore for seven out of 12 components in post harvest activities. The physical achievement against the targets in respect of various components ranged between zero and 17 *per cent*. Scrutiny further revealed that the Department also made provision of ₹ 22.20 crore for four out of eight components in Market infrastructure activities. The physical achievement against the targets under the components ranged between zero and 40 *per cent.*

Though provision was made and funds were available but due to non-achievement of physical targets, ₹ 16.62 crore (approximately 50 *per cent)* (***Appendix 3.1.16***) of the funds under PHM and ₹ 9.68 crore (approximately 44 *per cent)* of the funds under 'Creation of Market Infrastructure' remained unutilised (***Appendix 3.1.17***). The reasons for non achievement of the targets under PHM, as analysed during the SLSC meeting (October 2010), were mainly due to lack of interest amongst the farmers/businessmen owing to assistance being restricted to only 40 *per cent* of the project cost and in respect of market infrastructure, it was due to lack of interest amongst the farmers/businessmen owing to which project proposals were not received from the districts.

This indicates that physical and financial targets in the AAP were made without assessing the field level requirements resulting in lack of support mechanism to add value to the farmer's produce and marketing infrastructure for farmers to realise better price for their horticulture produce.

On this being pointed out (September 2012), the Government stated (November 2012) that till 2007-08, the horticulture produce was distributed at the State level itself. However, for subsequent years, extensive publicity was made regarding the facilities available to private industrialists for creating infrastructure under PHM. This resulted in establishment of seven cold storages, 275 pack houses, 570 zero energy cool chambers alongwith two wholesale markets in the State till date (November 2012).

The Government further stated (November 2012) that two wholesale markets-one each at Bilsapur and Raipur have been established whereas in respect of village *haat,* no proposals have been received from the districts. For establishment of one retail outlet in the private sector, sanction has since been provided.

During the exit conference (February 2013), APC accepted the facts and stated that necessary action will be taken for utilisation of the funds and achievement of the targets.

3.1.9.2 *National Agriculture Development Plan (Rashtriya Krishi Vikas Yojna)*

The Horticulture and Farm Forestry Department handles various schemes under RKVY, viz, Establishment of new gardens, Community Orchid Development, Hybrid seed production, Vegetable area expansion, Spices production, Flowers area expansion, Modernisation and up-gradation of old nurseries, protected cultivation, etc.

Scrutiny of the records of the test checked districts revealed that during the period 2007-12, there was cent *per cent* achievement of the targets for area expansion of horticulture crops[25] during the years 2007-08 and 2009-10 to 2011-12. However, no target was fixed for area expansion during the year 2008-09 and there was no achievement against it.

Table 17: Targets and Achievements for area expansion under RKVY

(area in hectare)

Crop	2007-08		2008-09		2009-10		2010-11		2011-12	
	T	A	T	A	T	A	T	A	T	A
Fruits	1932	1932	--	--	--	--	5000	5000	500	500
Vegetables	1003	1003	--	--	3135	3135	28000	28000	17014	17014
Spices	2135	2135	--	--	2460	2460	8000	8000	2156	2156
A&M	--	--	--	--	400	400	400	400	250	250
Flowers	--	--	--	--	131	131	1050	1050	1000	1000

(Source: Information provided by Department and compiled by audit)

Further, the status of budget received and expenditure incurred under RKVY during the period 2007-08 to 2011-12 was as below:

Table 18: Table indicating status of budget provision and expenditure

(₹in lakh)

Year	Budget		Expenditure
	Provision	Released	
2007-08	1043.00	1043.00	1043.00
2008-09	2368.86	2017.07	2017.07
2009-10	5187.41	2527.74	2527.74
2010-11	9472.37	9472.37	9472.37
2011-12	11000.0	4237.67	4227.57
Total	**29071.64**	**19297.85**	**19287.75**

(Source: Information provided by Department and compiled by audit)

The table indicates that against the total provision of ₹ 290.72 crore for the period 2007-12, only ₹ 192.98 crore, being 66 *per cent* of the provisioned amount was released by GoI. Almost the entire allocated funds were however utilised during 2007-08 to 2011-12.

(a) *Performance of the Government Seed Multiplication Farm, Bana, Raipur*

A Plug Type Vegetable Seedling Production Unit was established (March 2010) at the Government Seed Multiplication Farm, Bana at a cost of ₹ 5 crore with an annual production capacity of 70 lakh seedlings per year.

[25] Fruits, vegetables, spices, flowers, aromatic and medicinal crops

On scrutiny of records of ADH, Bana, we observed that though the unit was established in March 2010, production of seedlings could commence only w.e.f. April 2011 due to problems in supply of electricity. Further, against the production capacity of 70 lakh seedlings per year, 49.23 lakh seedlings ***(Appendix 3.1.18)*** could only be produced upto May 2012 (13 months). The average monthly production was 3,78,703[26] seedlings against the actual capacity of 5,83,333[27] seedlings.

The commencement of production after one year of establishing the Plug Type Unit due to non-availability of electricity indicates lack of planning.

On this being pointed out (September 2012), the Government stated (November 2012) that initially the capacity of the installed mist chamber and hardening yard was not proportionate to the capacity of the seedling unit. However since a new mist chamber is being constructed through RKVY, the entire unit will function in its full capacity in future.

During the exit conference (February 2013), APC stated that after the completion of the additional mist chamber, the unit will be working in its full capacity. It was also stated that the unit is functioning as a '*Centre of Excellence'* and its performance is being reviewed by representatives from other States.

(b) Unfruitful expenditure of ₹25 lakh on Hybrid seed production

For the purpose of vegetable hybrid seed production program, a Memorandum of Understanding (MoU) was signed (June 2011) between ADH, Seed Multiplication Farm, Bana, Raipur (SMF) and M/s Nirmal Seeds Private Limited where ADH was nominated as the implementing and funding agency for execution of the project under Public-Private-Partnership (PPP). While the ADH was responsible for providing irrigation facilities, green/poly house, shade net, farm machineries, implements, manures, fertilisers and other cost of cultivation besides providing skilled and unskilled labours, the agency was responsible for supply of parents of hybrid seeds, technical guidance for hybrid seed production and to procure the seeds obtained from cultivation as per the pre-determined procurement policy. The validity of the MoU was till the completion of the project in the financial year 2011-12. Funds amounting to ₹ 25 lakh was sanctioned under RKVY during the year 2010-11 for taking up the Hybrid Seed Production.

Scrutiny of the records of ADH, Vegetable Seed Production Farm, Bana, Raipur revealed that as per the MoU, the agency was to organise seed production program as under:

Sl. No.	Name of crop	Area in Hectare
1	Hybrid Okra	2.00
2	Hybrid Chilly	0.50
3	Hybrid Brinjal	0.50
4	Hybrid Bitter Gourd	1.50
5	Hybrid Capsicum	0.50
	Total	**5.00**

We however, observed that the actual sowing of seeds was done by the agency

[26] 4923135 seedlings produced in 13 months

[27] 7000000 seedlings per year i.e. average of 583333 seedlings per month

during July-September 2011, i.e. after the appropriate (as prescribed in the departmental guidelines) sowing period of May-June for which ADH, Bana had also taken up the issue (August 2011) with the agency, reminding them to complete the seed sowing work as per the MoU. An amount of ₹ 25 lakh was incurred by ADH, Bana by way of providing skilled/un-skilled labour, fuel, screen house and other expenses being the cost of cultivation for hybrid seeds.

However, against the total sowing of seeds for cultivation of hybrid seeds, the following quantity of hybrid seeds could only be produced till February 2012:

Table 19: Table indicating the actual yield of hybrid seeds

1 ha=2.41 acre *Yield in quintals*

Type of hybrid seed	Area under production (ha)	Proposed average yield (qtl/ha)	Proposed total yield	Actual yield (Percentage)	Short yield (qtls)
Okra	2.00	18.075	36.15	0.165 (0.46)	35.985
Chilly	0.50	3.615	1.8075	No yield	1.8075
Brinjal	0.50	10.845	5.4225	0.32 (6)	5.1025
Bitter Guard	1.50	13.255	19.8825	0.483 (2)	19.3995
Capsicum	0.50	NA	NA	No yield	--

(Source: Information provided by the Department and compiled by Audit)

The table indicates that against the proposed yield, actual yield was very less and the yield percentage ranged between zero and six. As per MoU, the agency was required to procure the hybrid seeds so produced. However, till date (February 2013), the same was not done by the agency.

Non-achievement of desired yield led to unfruitful expenditure of ₹ 25 lakh on hybrid seed production.

It is evident that the entire vegetable hybrid seed production program taken up under the PPP failed to achieve its objective and the expenditure of ₹ 25 lakh incurred by ADH, Bana was rendered unfruitful.

During the exit conference (February 2013), APC accepted the facts and stated that since the hybrid seed production programme was taken up for the first time, the desired production of hybrid seeds could not be achieved due to lack of experience and lack of technical expertise. However, directions have been issued for recovering the value of seeds produced from the agency as per the terms of the agreement of PPP.

The reply of the Government indicates that there was lack of planning and expertise in taking up the vegetable hybrid seed production programme which led to unfruitful expenditure.

(c) Unwarranted procurement of plug type plastic trays costing ₹48.80 lakh for Plug type seedling production unit at Bana and excess expenditure of ₹43.68 lakh on its purchase

For production of vegetable seedlings through vegetative propagation, supply order was issued (November 2009) by DHFF to 'NERAMAC[28]' for establishment of 'Plug Type Vegetable Seedling Production Unit' at Bana. The supply order *inter-alia* included supply of 75,000 Plug type plastic trays at the rate of ₹ 3.98 per tray and equal quantity of corrugated paper box for packing the plastic trays at the rate of ₹ 8.98 per box for use in the Plug type

[28] North Eastern Regional Agricultural Marketing Corporation Limited

seedling production unit. The capacity of each Plug type plastic tray was 99 seedlings.

Scrutiny of records of ADH, Bana revealed that a total of 49,23,135 seedlings were produced in the Plug Type Seedling Production Unit during April 2011(*operational date*) to May 2012 which indicates that approximately 49,729[29] set of trays were used in its production. Thus, out of 75,000 trays, 25,271 trays remained unused in the nursery. The annual production capacity of the plug type unit is 70,00,000 seedlings.

It was however noticed that despite availability of 25,271 trays, the Department purchased (February 2011) additional 1,15,303 Plug type plastic trays (99 cavity) costing ₹48.80 lakh. The unit cost of plastic trays provided with the Plug Type production unit was at the rate ₹ 4.47 (₹ 3.98+12.5 *per cent* VAT) whereas the additional plastic trays were purchased at a rate of ₹ 42.75 and ₹ 39.75 per tray. Thus, purchase of 1,15,303 additional Plug type plastic trays was not only unwarranted but also resulted in excess expenditure of ₹ 43.68 lakh[30].



Plug type plastic trays lying at Seed Multiplication Farm, Bana,(2 June 2012)

On this being pointed out (September 2012), the Government stated that ₹ 1.69 crore was sanctioned under RKVY by the SLSC for future expansion of the Plug type seeding production unit and the plastic trays have been procured from a Government institute keeping in view the future expansion.

The reply of the Government is not acceptable as taking into account the production capacity of the Plug Type Seedling Unit, the total trays accumulated can be sufficient for approximately two[31] years. Thus, the purchase of the plug type trays in excess of immediate requirement was in violation of the extant financial rules. The reply of the Government is silent about the excess expenditure incurred on the procurement of plastic trays.

While agreeing to the fact during the exit conference (February 2013), APC stated that the matter will be examined to ascertain the reasons for excess procurement and that too at a higher price.

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29 4923135 seedlings ÷99=49729 trays

30 42.75-4.47=38.28*100000=38,28,000 & 39.75-4.47=35.28*15303=5,39,889
Total excess cost =38,28,000+5,39,889=43,67,889

31 Total seedling production capacity of the plug type unit=7000000 annually i.e, 70707 trays will be consumed. Hence, 140574 trays will be consumed in 140574/70707=1.98 years

3.1.9.3 Vegetable Initiative in Peri-Urban Areas

Unfruitful expenditure of ₹ 10.19 crore under 'Vegetable Initiative in Peri-Urban Areas' programme

The programme 'Vegetable Initiative for Peri-Urban Areas' is a sub-scheme under RKVY which was taken up in the year 2011-12 to develop the project for vegetable supply to an identified city. In order to implement the programme, Director of Horticulture was to prepare a perspective/strategic plan based on the baseline survey to assess the extant of vegetable supply chain to the identified city, identify bottlenecks and potential vegetable growing clusters, existing as well as potential. This required organisation of vegetable growers into farmers' association/groups, identification and selection of aggregators and tie-up with Farmers Associations/Groups.

For the first year, Raipur city was identified for which vegetable growers chain in eight adjoining districts viz, Mahasamund, Dhamtari, Durg, Kabirdham, Bilaspur, Raipur, Rajnandgaon and Kanker were to be developed under this scheme. For the purpose of baseline survey, one agency and for creating farmers produce organisations (FPOs), two private agencies were engaged through Small Farmers Agrobusiness consortium (SFAC) by the DHFF.

Scrutiny of records (July 2012) of seven[32] out of the eight districts revealed that the physical target of 5,760 hectares and financial target of ₹ 7.20 crore was achieved for vegetable cultivation under this scheme during 2011-12. However, the agencies engaged for establishing farmers' organisations neither conducted any survey work in six[33] out of the eight districts nor furnished any report on the creation of FPOs and details of tie-ups with market aggregators in respect of the remaining two districts.

However, without completion of survey work, constitution of the farmers' association or their FPOs and selection of market aggregators by the agencies, the DHOs had distributed planting and input materials and incurred expenditure as detailed below:

Expenditure incurred on vegetable cultivation without creation of FPOs and tie-ups with market aggregators led to unfruitful expenditure of ₹ 10.19 crore.

Component	Expenditure incurred (₹ in lakh)
Seed Production of vegetables	104.00
Vegetable cultivation	720.00
Protected cultivation	60.35
Promotion of INM/IPM	10.00
Organic farming	114.00
Training of farmers	10.50
Total	**1,018.85**

After the mobilisation of FPOs, tie-ups with aggregators were to be ensured in such a way that the farm produce reached the targeted city for fulfilling the demand for vegetables. Without any FPOs, any tie-ups with aggregators and establishment of farmer's markets etc, it was not possible to ensure that the vegetables, produced under this scheme, reached its intended destination. Thus, the main objective of the scheme got defeated and the expenditure

[32] Bilaspur, Dhamtari, Durg Kabirdham, Kanker, Raipur and Rajandgaon
[33] Bilaspur, Durg, Kabirdham, Kanker, Raipur and Rajnandgaon

incurred was rendered unfruitful.

During the exit conference (February 2013), APC stated that one of the two agencies could not complete the allotted work of creation of FPOs and selection of market aggregators which led to non-fulfilment of the scheme objectives.

3.1.9.4 State Plan Schemes

For improving the economic condition and ensuring higher returns from limited land available with the farmers, the State is implementing various schemes for cultivation of fruits, vegetables and spices like Fruit Development, Vegetable Development, Banana production programme, Flower Development plan etc.

During the period 2007-12, the target and achievement of various horticulture crops under the State Plan schemes was as indicated below:

Table 20: Targets and Achievements under State Plan Schemes

Crop	2007-08		2008-09		2009-10		2010-11		2011-12		Total		Percent-age achieve-ment
	T	A	T	A	T	A	T	A	T	A	T	A	
Fruits	1600	1596	2208	2115	2208	2254	2574	2610	3046	3017	11636	11592	99.62
Vegetables	3820	3682	4953	4935	5853	5476	10900	10554	13047	12864	38573	37511	97
Spices	4300	4300	4900	4920	5600	5245	11000	11000	13200	13200	39000	38665	99
A&M	175	100	415	307	500	445	700	687	850	850	2640	2389	90
Flowers	14	14	15	16	16	11	27	27	33	33	105	101	96

T=Target; A=Achievement; A&M=Aromatic and Medicinal crops
(Source: Information furnished by Department and compiled by audit)

It is evident from the above that during the period 2007-08 to 2011-12, the target fixed in respect of area expansion of all types of horticulture crops was largely achieved.

(a) Unfruitful expenditure of ₹54.55 lakh on assistance to beneficiaries for Mango plantation under State sponsored scheme

The guidelines of the State sponsored scheme for fruit plantation '*Phal Paudh Ropan Yojna'* provides for assistance to farmers for fruit plantation. For mango plantation, assistance of ₹ 10,938 per hectare (25 *per cent* of total cost) is to be provided to the beneficiaries in five years subject to 80 *per cent* survivability of the plants in subsequent years.

We however, observed from the records of DHOs, Bastar, Bilaspur and Raipur that during the years 2007-08 to 2010-11, a total of 1547 hectares was taken up under area expansion of mango. However, due to excessive mortality of mango crops, assistance after the first and in some cases after the second and third installments could not be provided to the farmers. Thus, due to excessive mortality of mango plants, the expenditure of ₹54.55 lakh (***Appendix 3.1.19***) incurred under the scheme failed to achieve the objective of area expansion thereby rendering the entire expenditure unfruitful.

During the exit conference (February 2013), APC accepted the audit observation and stated that subsequent assistance could not be provided as the

survivability of the plants were below the required percentage for release of subsequent assistance. Government also attributed the high mortality to improper care by farmers.

3.1.10 Conclusion

The Horticulture and Farm Forestry Department was set up to promote horticulture by motivating farmers for taking up horticulture instead of traditional farming, distribution of good quality seeds and planting materials, adoption of latest technology, providing training to farmers etc., and to oversee implementation of various Central and State schemes. Though, Strategic Action Plan for the period 2010-11 to 2014-15 was prepared for implementation of National Horticulture Mission, no such plan was prepared for the period 2005-06 to 2009-10 by the State Horticulture Mission. The Department suffered due to shortage of manpower at various levels resulting in ineffective monitoring of the scheme activities. Internal audit, a vital component of internal control mechanism, was absent. Except for medicinal and aromatic crops and flowers, achievement of targets under area expansion in respect of other horticulture crops was very good. Lack of proper monitoring by the Department led to excessive mortality of horticulture crops under National Horticulture Mission. Non-adherence to rules /regulations/ instructions by the Departmental authorities led to irregular expenditure on cultivation of spices and non-perennial fruits, diversion of funds, non-adjustment of temporary advances and extensive drawal through Simple Receipt bills.

Under National Horticulture Mission, we noticed there was non-utilisation of funds, and unfruitful expenditure due to non-availability of required infrastructure for operationalisation of created assets and under *Rashtriya Krishi Vikas Yojna*, we noticed unwarranted procurement of plug type plastic trays, unfruitful expenditure on hybrid seeds production and under "Vegetable initiative in peri-urban areas" programme. In respect of State Plan schemes, we noticed that the assistance given to the beneficiaries for mango plantation was rendered unfruitful due to high mortality of plants.

3.1.11 Recommendations

We recommend that the Department should:

- *Ensure deployment of adequate manpower to ensure smooth implementation of various schemes/programmes.*
- *Reinforce the mechanism to collect reliable and realistic data for assessment of horticulture production.*
- *Take steps to ensure achievement of capacity utilisation in plant production by the nurseries.*
- *Strengthen post harvest management to ensure value addition to the farmers produce and create adequate infrastructure for marketing of the produce.*

3.2 Public Health Engineering Department

Executive Summary

Public Health Engineering Department is responsible for monitoring and managing various water resources for extending safe drinking water facilities to the rural/urban population of the State and implementation and maintenance of various Central and State schemes being implemented for the purpose of water supply, sanitation, ground water recharging/water conservation and improvement of the environment.

The Chief Controlling Officer based Audit of the Department was conducted for the period 2007-12 to examine the economy, efficiency and effectiveness of significant activities. The major audit findings are discussed below:

- Detailed habitation survey was not conducted.
  Detailed habitation survey should be conducted to update the database.
  (Paragraph 3.2.6.1[b])
- Shortage of key functionaries ranged between 29 and 50 *per cent*.
  Adequate staff should be posted for monitoring the activities of the Department.
  (Paragraph 3.2.6.2)
- There was no Internal Audit Wing to carry out periodic internal audit.
  Internal Audit wing should be established to ensure internal checks.
  (Paragraph 3.2.6.4[a])
- There were persistent savings ranging from 14 to 31 *per cent* due to non-utilisation of fund.
  Realistic budget estimates should be prepared through budgetary and financial controls.
  (Paragraph 3.2.7.1[a][i])
- The projects and schemes remained incomplete even after incurring expenditure of ₹ 133.39 crore.
  Efforts should be made to complete the projects within the stipulated time.
  (Paragraphs 3.2.8.2[a])
- There was undue aid to the contractor amounting to ₹ 12.99 crore due to non-adherence to the provisions of USOR and agreement.
  Provisions of USOR and agreement should be strictly adhered to.
  (Paragraphs 3.2.8.2[b] & [d])
- State level and sub-divisional laboratories were not established and there was shortfall in quality tests of water sources.
  State level and Sub-divisional laboratories should be established and regular monitoring of all water sources should be ensured.
  (Paragraphs 3.2.8.4[a] & [b])
- There was wasteful expenditure of ₹ 23.21 lakh due to expiry of undistributed Field testing Kits and reagents.
  The Field Testing kits and reagents should be utilised before expiry.
  (Paragraph 3.2.8.4[e])
- Excessive procurement of stock amounting to ₹ 2.77 crore was made.
  Procurement of stock should be made after due assessment of requirement.
  (Paragraphs 3.2.8.5 [b] and 3.2.8.6 [b])

3.2.1 Introduction

Public Health Engineering Department (PHED) of Government of Chhattisgarh is the principal agency for monitoring and managing various water resources for extending safe drinking water facilities to the rural/ urban population of the State. The Department is entrusted with the work of implementation and maintenance of various schemes out of the funds provided by the Government of India (GoI) and State Government, for the purpose of water supply, sanitation, ground water recharging/ water conservation and improvement of environment.

The status of availability of drinking water facilities in India and Chhattisgarh as per Census 2011 is detailed below:

Table 1: Details of households having drinking water facilities in India and Chhattisgarh

(figures in crore)

Category	India		Chhattisgarh	
	Population	Percentage	Population	Percentage
Total no. of households	24.67	-	0.56	-
No. of households having drinking water facilities within premises	11.49	46.57	0.11	19.64
No. of households having drinking water facilities near premises	8.84	35.83	0.31	55.36
No. of households having drinking water facilities away from premises	4.33	17.55	0.15	26.79

(Source: Website of Registrar General & Census Commissioner, India)

It may be seen from the above table that the percentage of households in Chhattisgarh having drinking water facilities within the premises was far below the National level. However, the percentage of households having drinking water facilities near/away from premises was above the National percentage.

Keeping in view the objective of providing drinking water facilities, PHED, Chhattisgarh is implementing four major schemes viz. National Rural Drinking Water Programme (NRDWP), Urban Water Supply Schemes, Rural Water Supply Schemes (RWSS) and Total Sanitation Campaign (TSC).

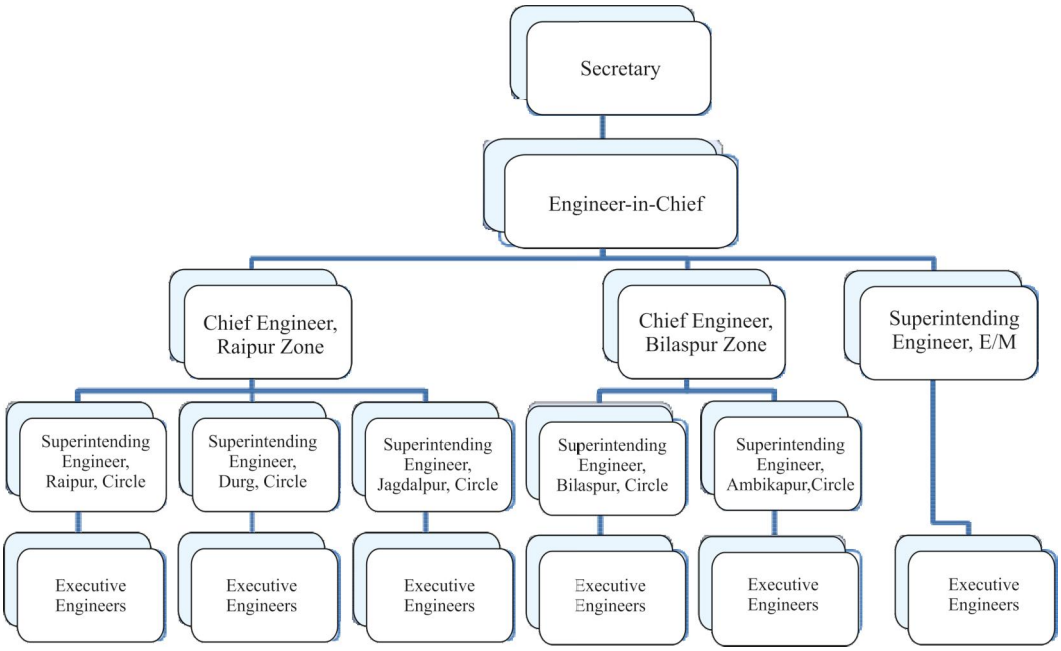
3.2.2 Mandate and organisational structure of the Department

PHED is the principal agency of the Government and is responsible for, *inter alia* preparation and execution of the water supply and sanitation projects in the State, maintenance of these projects either by itself or through local agency and carrying out work assigned in the Command Area Development.

The PHED is headed by the Secretary while Engineer-in-Chief (E-in-C) is the administrative head of the Department. The Department has two zones, six circles, 22 civil divisions and five mechanical divisions. The Engineer-in-Chief (E-in-C) is assisted by two Chief Engineers (CEs) at the Zonal level, six Superintending Engineers (SEs) at the circle level and 27 Executive Engineers

(EEs) at the divisional level. The organisational structure of the Department is depicted below:

Chart 1: Organisational Structure of PHE Department in Chhattisgarh



3.2.3 Audit objectives

The audit objectives were to evaluate whether:

- Planning was proper and adequate;
- Adequate manpower was available;
- Internal audit was in place and monitoring was effective;
- Financial management was efficient and effective;
- Programme management was efficient, effective and economical; and
- Store management was efficient and effective.

3.2.4 Audit criteria

The sources of audit criteria adopted for the CCO based audit of the PHED were as under:

- Works Department Manual (1983)
- Annual Action plans.
- Programme guidelines and administrative orders issued by GoI and the State Government.
- Chhattisgarh Financial Code (2000).
- Schedule of Rates (2002)

3.2.5 Audit scope and methodology

In order to conduct the Chief Controlling Officer (CCO) based Audit of PHED, nine[1] districts out of 16 were selected for audit. Apart from this, the Engineer-in-Chief office, the Chief Engineer offices (both Raipur and Bilaspur zone) and Superintending Engineer offices (one each from Raipur and Bilaspur zone) were also covered. The period of coverage was five years from 2007-08 to 2011-12. The audit was conducted from April 2012 to July 2012. Various aspects including planning, financial management, programme management, human resource management and internal controls were covered in the CCO based audit of PHED. An entry conference was held (21st May 2012) with the Secretary, PHED wherein the audit methodology, objectives, and coverage were discussed. The exit conference was held (21st February 2013) with the Secretary, PHED and the views of the departmental authorities were incorporated in the relevant observations.

3.2.6 Institutional Weaknesses

In order to ensure soundness and aptness of the internal systems and controls in its key areas of activities, an organisation needs to have sound infrastructure, sufficient manpower and adequate funds which help the organisation to manage and achieve its mandate in an economical, efficient and effective manner. Weaknesses in the Department noticed by us during the CCO based Audit are discussed in the succeeding paragraphs:

3.2.6.1 Planning

NRDWP guidelines stipulates that adequate water for drinking, cooking and other basic domestic needs on a sustainable basis is to be provided to every person. Scrutiny of records related to planning revealed deficiencies such as non-preparation of Village Action Plans (VAPs), District Water Security Plans (DWSPs) and inadequate survey etc. which are discussed below:

(a) Deficiencies in planning

NRDWP guidelines (2009-12) provides that Village Action Plans (VAPs), which include demographic, physical features, water sources, and other details of the villages i.e. available drinking water infrastructure and water sources and proposed work to augment the existing infrastructure and water sources were to be prepared for ensuring drinking water security. Based on all VAPs of the district, the District Water Security Plan (DWSP) was to be prepared by the concerned EEs. The guidelines further provides that States will have to plan for each year taking into consideration the ongoing schemes, new schemes as well as which will require augmentation and link to the habitations which are proposed to be covered under the schemes.

During scrutiny of records of the test checked districts we found that no VAPs and DWSPs were prepared during the period 2009-12 though, the AAPs for

[1] Ambikapur, Bilaspur, Dantewada, Dhamtari, Janjgir-Champa, Kawardha, Korea, Mahasamund, Raipur

NRDWP were prepared during the years 2009-12.

In the absence of VAP and DWSP, the physical and financial targets set in AAP as discussed in the subsequent paragraphs were not achieved and the objective of providing safe drinking water to the targeted people could only be achieved partially.

During the exit conference, the Government accepted the audit observation and stated (February 2013) that VAP was to include the availability of surface water sources as well as ground water which is a huge exercise and would involve high cost. However, the survey has been done for 10 villages in Rajnandgaon with the help of UNICEF recently.

The fact remains that without assessing village level demands, proper assessment cannot be made for State level AAPs.

(b) Detailed habitation survey not conducted

As per NRDWP guidelines (2009), the States were required to reverify the list of habitations entered online as a central database on the website[2] of the Department of Drinking Water and Sanitation, GoI and indicate the status of coverage in terms of covered or not covered habitations. If not covered, the specific reason as due to quality of water or quantity of water should be indicated. This process was required to be completed latest by March 2009.

The detailed habitation survey was not conducted since 2003.

During audit we observed that the Department had carried out detailed habitation survey in the year 2003. As per the survey, out of 5021 water quality affected habitations in the State, 4932 (98.20 *per cent*) were iron affected whereas the number of habitations affected by flouride, arsenic and hardness were 17 (0.34 *per cent*), 11 (0.22 *per cent*), 61 (1.22 *per cent*) respectively. However, detailed habitation survey was not carried out since 2003. In the absence of detailed survey of habitations, the present status of water quality affected areas, difficult and water stress areas and dark and grey areas required for planning could not be identified by the Department and did not form part of the AAPs.

During the exit conference, the Government stated (February 2013) that involvement of various other Departments is required for detailed habitation survey which is a huge exercise. It was further stated that the survey is conducted every 10 years and directions for conducting the next survey are awaited from GoI.

The fact remains that the AAPs which required incorporation of present status of water quality affected areas, difficult and water stress areas and dark and grey areas, did not contain such specific data due to non-conducting of detailed survey.

3.2.6.2 Human Resource Management

Inadequate staff strength

For effective functioning of the Department, implementation of the schemes

[2] www.ddws.nic.in

and monitoring activities, adequate human resources are necessary.

The position of sanctioned strength vis-à-vis persons in position in the Department as on March 2012 was as under:

Table 2: Status of manpower as on 31st March 2012

Sl. No.	Name of the post	Sanctioned Strength	Persons in position	Vacancy	Percentage of vacancies
1	Chief Engineer	4	2	2	50
2	Superintendent Engineer	11	12	--	--
3	Executive Engineer	42	27	15	36
4	Assistant Engineer	146	94	42	29
5	Sub Engineer	476	334	142	30
6	Draftsman/Assistant Draftsman	92	49	43	47
7	Head Clerk/ Senior/ Junior Assistant and others	307	159	148	48

(Source: Compiled from the records furnished by the Department)

There were vacancies in key posts ranged between 29 to 47 *per cent.*

It is evident from the above table that vacancies in key posts such as Assistant Engineer/ Sub Engineer/ Draftsman and Assistant Draftsman were significant, ranging from 29 to 47 *per cent*.

During the exit conference, Government stated (February 2013) that steps are being taken to fill up the vacancies.

3.2.6.3 Monitoring

Monitoring of Water Quality Monitoring & Surveillance

As per the Monitoring of Water Quality Monitoring & Surveillance (WQM&S) guidelines issued by the Department of Drinking Water Supply, Ministry of Rural Development, GoI (2008), for effective implementation of Water Quality Monitoring and Surveillance (WQM&S), field inspection by the District Water and Sanitation Mission (DWSM) and State Water and Sanitation Mission (SWSM) was to be done at least once in a quarter and once in six months respectively.

Details of visits made by the DWSM and SWSM during the last five years in the test checked districts are given below:

Table 3: Details of reviews to be conducted and actually conducted by DWSM and SWSM

Sl. No.	Name of the district	Target of reviews to be conducted by DWSM as per above instruction during 2007-12	No of reviews conducted by DWSM during 2007-12	Target of reviews to be conducted by SWSM as per above instruction during 2007-12	No of reviews conducted by SWSM during 2007-12
1	Ambikapur	20	0	10	0
2	Bilaspur	20	0	10	0
3	Dantewada	20	0	10	0
4	Dhamtari	20	0	10	0
5	Janjgir Champa	20	0	10	0
6	Kawardha	20	6	10	0
7	Korea	20	0	10	0
8	Mahasamund	20	0	10	0
9	Raipur	20	0	10	0

(Source: Compiled from the records furnished by the department)

There was inadequate monitoring under WQM&S.

It is evident from the above table, that in test checked districts, no review was conducted by DWSM except in Kawardha district where only six reviews were conducted against the target of 20. No review was conducted by SWSM.

This indicates that monitoring of WQM&S was highly inadequate.

During the exit conference, Government stated (February 2013) that necessary instructions would be issued for monitoring of WQM&S.

3.2.6.4 Internal Controls

Internal controls in a department *inter alia* includes internal audit, inspection of higher authorities etc. to ascertain and evaluate the level of compliance of rules and procedures in the organisation. Scrutiny of records revealed the following:

(a) Internal audit

There was no internal audit wing in the Department.

Test check revealed that the Department did not have any internal audit wing of its own and during the last five years, none of the test checked divisions were audited.

During the exit conference, the Government stated (February 2013) that steps would be taken to complete the audit of all field offices by the end of the financial year by deploying additional staff and creating an internal audit wing.

(b) Inspection by higher authorities

We observed that the higher authorities viz. E-in-C, CEs and SEs had not inspected the divisions during the last five years. The details of visits made by the higher authorities to the divisions during the last five years are given below:

Table 4: Details of visits to districts by higher authorities

Sl. No.	Name of the division	Visits made by E-in-C	Visits made by the Chief Engineer	Visits made by the Superintending Engineer
1	Ambikapur	0	0	0
2	Bilaspur	0	0	0
3	Dantewada	0	0	3
4	Dhamtari	0	0	2
5	Janjgir-Champa	0	0	1
6	Kawardha	0	1	1
7	Korea	0	0	0
8	Mahasamund	0	0	0
9	Raipur	0	0	0

(Source: Compiled from the records furnished by the Department)

From the above, it may be observed that E-in-C, PHED had not inspected any of the test checked divisions. However, the CE had visited Kawardha division once (May 2012) and SE had visited Dantewada thrice, Dhamtari twice and once each to Janjgir-Champa and Kawardha division during the last five years.

During the exit conference, no specific reply was given by the Government.

3.2.7 Compliance Issues

For sound financial management and control, it is essential that expenditure conforms not only to financial rules and regulations but is also in consonance with orders issued by the competent authority. This helps in maintaining good financial discipline besides preventing financial irregularities, misappropriation and frauds. Some of the audit findings on non-compliance with rules and regulations are discussed in the succeeding paragraphs:

3.2.7.1 Financial Management and Budgetary Controls

GoI and the State Government provides funds for schemes to be implemented by the Department. While funds are shared by the GoI and the State Government for Centrally Sponsored Schemes, in respect of State schemes, the funds are provided by the State Government. The funding pattern of various Centrally sponsored schemes and State schemes for providing safe drinking water, sanitation etc. is given in the following table:

Table 5: Funding pattern of Centrally Sponsored and State Schemes

Sl. No.	Name of Scheme	Component	Funding Pattern
Centrally Sponsored Schemes			
1.	National Rural Drinking Water Programme (NRDWP)	Coverage, Water quality, Operation and Maintenance.	50:50 by the GoI and the State Government
		Sustainability	100 *per cent* by the GoI
2.	Total Sanitation Campaign (TSC)	Individual latrines for BPL/ disabled households	60:20:20 by the GoI, the State Government and the beneficiaries respectively
		Individual latrines for APL	100 *per cent* by the beneficiaries.
		School Sanitation including Anganwadi	70:30 by the GoI and the State Government
State Schemes			
3.	Rural Water Supply Schemes	Piped Water supply scheme not covered under NRDWP	100 *per cent* by State Government
		Spot Source Scheme for small villages not covered under NRDWP	100 *per cent* by State Government
		Drilling of tubewells	100 *per cent* by State Government
		Operation & Maintenance	100 *per cent* by State Government
4.	Urban Water Supply Scheme	-	70:30 by the State Government and loan by the Local bodies

(Source: Guidelines issued by GoI and State Government)

PHED is responsible for initial estimation and control over expenditure against the grant or appropriation placed at its disposal. Our scrutiny of budgetary allocations and their utilisation revealed deficiencies such as consistent savings, inappropriate provision, and non reconciliation of cheques and remittances etc. as discussed below:

(a) Budgetary Management

(i) The financial outlay provided by the GoI and the State Government to the Department for the last five years was under:

Table 6: Year-wise Allotment and Expenditure

(₹ in crore)

Year	GOI			State			Total		
	Allot-ment	Expen-diture	Savings (*Per cent*)	Allot-ment	Expen-diture	Savings (*Per cent*)	Allot-ment	Expen-diture	Savings (*Per cent*)
2007-08	111.71	107.29	4.42 (3.95)	342.03	279.84	62.19 (18.18)	453.74	387.13	66.61 (14.68)
2008-09	148.58	123.18	25.40 (17.09)	380.58	329.76	50.82 (13.35)	529.16	452.94	76.22 (14.40)
2009-10	223.98	104.74	119.24 (53.23)	275.51	240.06	35.45 (12.87)	499.49	344.80	154.69 (30.97)
2010-11	128.70	100.45	28.25 (21.94)	284.11	238.71	45.40 (15.98)	412.81	339.16	73.65 (17.84)
2011-12	130.23	123.98	6.25 (4.80)	244.44	175.36	69.08 (28.25)	374.67	299.34	75.33 (20.11)
Total	**743.20**	**559.64**	**183.56**	**1526.67**	**1263.73**	**262.94**	**2269.87**	**1823.37**	**446.50**

(Source: Compiled from the records furnished by the department)

It may be seen from the above table, that an allotment of ₹ 2269.87 crore was provided to the PHE department by the GoI and the State Government during

the period 2007-08 to 2011-12. Against this, an expenditure of ₹ 1823.37 crore was incurred. As analysed by us, the saving of ₹ 446.50 crore occurred mainly due to non completion of urban/rural water supply schemes, non-incurring of expenditure under water quality and sustainability and non-achievement of targets under TSC. The details of scheme-wise funds allocated and the expenditure incurred is given in ***Appendix 3.2.1 and 3.2.2.***

During the exit conference, the Government stated (February 2013) that the main reason for savings was due to delay in sanction of the schemes/new items by the Government. It was further stated the budget for the next year is prepared by increase of 10 to 15 *per cent* of the current year's budget on *ad hoc* basis and assured that steps would be taken to utilise the funds to the maximum extent.

(ii) Unrealistic supplementary budget provision (Grant No. 20- PHE)

The budget provision and expenditure for Grant No. 20 pertaining to PHE Department was as follows:

Table 7: Year-wise Budget provision and expenditure

(₹in crore)

Year	Original	Supplementary (*Per cent*)	Total	Expenditure	Savings (*Per cent*)
2007-08	201.38	27.14 (13.48)	228.52	208.23	20.29 (8.88)
2008-09	250.56	18.92 (7.55)	269.48	247.56	21.92 (8.13)
2009-10	242.77	25.90 (10.67)	268.67	251.85	16.82 (6.26)
2010-11	212.17	45.63 (21.51)	257.80	239.70	18.10 (7.02)
2011-12	275.42	39.02 (14.17)	314.44	301.28	13.16 (4.18)

(Source: Appropriation Accounts of the respective year)

It is evident from the above table that:

1. There was lack of foresight in making original budget estimates which necessitated supplementary provisions under the grants ranging from 7.55 to 21.51 *per cent* of the original grant in each of the years from 2007-08 to 2011-2012.

2. Although supplementary provisions ranging from ₹ 18.92 crore to ₹ 45.63 crore were made, savings ranged from ₹ 16.82 crore to ₹ 21.92 crore at the end of the financial years indicating that requirement of funds through supplementary provisions was not assessed properly in all the years. During 2008-09, although the total expenditure of ₹ 247.56 crore incurred was within original provision of ₹ 250.55 crore, a supplementary provision of ₹ 18.92 crore was made unnecessarily.

During the exit conference, Government stated (February 2013) that in the year 2008-09, the supplementary provisions were made due to sanction of new posts. However, the posts could not be filled up.

(b) Shortfall in achievement of targets under 'Water Quality' and 'Sustainability'

'Water Quality' includes works as alternate water source development, dug well, installation of Iron Removal Plant (IRP)/ Fluoride Removal Plant (FRP) etc. 'Sustainability' includes hydro fracturing of tubewells, rejuvenation of old hand pumps, sub-surface dykes, boulder check cum dykes, percolation tanks, stop dams etc.

The NRDWP guidelines provide for 40 *per cent* of total allocation under two components viz. 'Water Quality' (20 *per cent*) and 'Sustainability' (20 *per cent*) which form a major part of the scheme.

There was shortfall in achievement of targets under 'Water Quality' and 'Sustainability'.

In nine test checked districts, we observed that though provision of ₹ 51.94 crore for 'Water Quality' was made in the AAP for the years 2010-11 and 2011-12, expenditure amounting to ₹ 1.12 crore (March 2012) in four[3] test checked districts was incurred while in the remaining four[4] test checked districts, actual expenditure could not be ascertained due to combined reporting of expenditures for Water Quality and Coverage. We further observed that in all the test checked districts, provision of ₹ 59.34 crore for 'Sustainability' was made in the AAP, but expenditure amounting to ₹ 9.40 crore (15.84 *per cent*) only was incurred (March 2012). The details of provisions made in AAP and expenditure under both the heads in the test checked districts is detailed below:

Table 8: Provision and expenditure under Water Quality and Sustainability

(₹ in lakh)

Districts	Water Quality			Sustainability		
	Provision	Expen-diture	Percentage	Provision	Expen-diture	Percentage
Ambikapur	1515.00	26.99	1.78	1039.20	94.71	9.11
Bilaspur	1097.50	NA	NA	1434.80	135.58	9.45
Dantewada	1401.01	NA	NA	300.75	76.62	25.48
Dhamtari	142.75	NA	NA	280.65	56.56	20.15
Janjgir-champa	261.50	NA	NA	440.16	61.67	14.01
Kawardha	309.18	28.80	9.31	351.25	89.25	25.41
Koria	389.90	45.17	11.58	552.37	53.77	9.73
Mahasamund	77.25	10.90	14.99	397.25	54.41	13.69
Raipur	0.00	0.00	--	1137.51	317.44	27.91
Total	**5194.09**	**111.86**	**2.15**	**5933.94**	**940.01**	**15.84**

(Source: Compiled from the records furnished by the department)

It was evident from the above that there was wide variation between provision made and expenditure incurred under 'Water Quality' and 'Sustainability'.

During the exit conference, the Government stated (February 2013) that progress would be made under both the components.

(c) Non-reconciliation of Cheques and Remittances

As per paragraph number 23.20.05 of the Central Public Works Account (CPWA) Code, the schedule of Reconciliation of Cheques and Cash

[3] Ambikapur, Korea, Kawardha, Mahasamund
[4] Bilaspur, Dantewada, Dhamtari, Janjgir-Champa

Remittances in Form-51 is to be sent with the Monthly Accounts to the Accountant General (Accounts & Entitlement) by the Public Works Divisions.

Scrutiny of records revealed that the amount of Cash and Cheques remittances were not reconciled and there were differences amounting to ₹ 58.94 crore in Cash remittances (Part-1) and ₹ 10.18 crore in Cheque remittances (Part-II) (***Appendix 3.2.3***)

We also observed that the accounts were not reconciled with the treasury in eight[5] districts and the period for which reconciliation was pending ranged from 13 to 60 months whereas in seven[6] districts the reconciliation was not done for two to seven months. However, reconciliation was done regularly in Dantewada.

During the exit conference, Government accepted the audit observation and stated (February 2013) that the process of reconciliation has been started. However, for early completion of the reconciliation, directions would be issued.

(d) Outstanding Miscellaneous Public Works Advances

As per Paragraph 13.4 of the CPWA Code, Miscellaneous Public Works Advances (MPWA) is a sub-head of a temporary character and is debited with the value of stores sold on credit, expenditure incurred on deposit works in excess of funds received, loss of cash/store items and sums recoverable from Government servants. The transactions are to be ultimately settled either by way of recovery in cash or by adjustments.

Scrutiny of monthly accounts of all the 16 districts revealed that an amount of ₹ 33.93 crore in 1142 individual cases remained outstanding as on March 2012 (***Appendix 3.2.4***). In the nine test checked districts, we observed that an amount of ₹ 16.88 crore was outstanding in 575 cases and no steps were taken by the Department to effect recovery or to adjust the outstanding amount.

During the exit conference, Government stated (February 2013) that most of the advances were due to non-payment by the concerned departments for deposit works.

3.2.8 Service Delivery

Programme Management

PHED implements State schemes i.e. Urban Water Supply Schemes and Rural Water Supply Schemes (RWSS) (not covered under the NRDWP) and Centrally Sponsored schemes i.e. NRDWP and TSC. The Urban Water Supply Schemes are executed to supply potable drinking water to every household in urban areas. RWSS comprised of Piped Water Supply Schemes (PWSS), Spot Source Schemes[7], drilling of tubewells, operation and

5 Ambikapur, Dhamtari, Kawardha, Rajnandgaon, Kanker, Raigarh, Jashpur, Durg

6 Bilaspur, Janjgir-Champa, Korea, Mahasamund, Raipur, Jagdalpur, Korba

7 Spot Source Schemes refers to schemes in which water is supplied from a distant source in case of non-availability or non-potability of the water in the area.

maintenance etc. The components of NRDWP scheme were Coverage, Water quality, Operation and maintenance, Sustainability and Support. TSC is implemented to increase sanitation coverage in rural areas.

The irregularities/shortcomings noticed in implementation of these schemes are discussed below:

3.2.8.1 Status of Habitations and drinking water coverage

As per Accelerated Rural Water Supply Scheme (ARWSP) norms (upto 2008), habitations with a supply of 40 litre per capita per day (lpcd) of water were categorised as Fully Covered (FC), those with 10 lpcd or more but less than 40 lpcd were categorised as Partially Covered (PC) and those below 10 lpcd were categorised as Not Covered (NC). After 2008, under NRDWP, the GoI shifted the conventional norms of litres per capita per day (lpcd) to drinking water security i.e. basic minimum requirement of water in a sustainable manner at the household level for drinking, cooking and other purposes. The challenges were to be met by Urban Water Supply Scheme (for medium and small towns), PWSS and Spot Source scheme (for medium and small villages) and drilling of tubewells.

The status of habitations and drinking water coverage during the year 2011-12 as compared to 2007-08 (five year period) was as follows:

Table 9: Status of Habitation and Drinking Water Coverage in Chhattisgarh

Particulars	2007-08	2011-12
1	2	3
No. of villages	19744	19744
No. of villages covered	19744	19744
No. of habitations	72775	72329
No. of habitations fully covered	62906	72329
No. of habitations partially covered	7288	-
No. of habitations not covered	2581	-
No. of habitations having iron affected water quality	4932	8747
No. of habitations having fluoride affected water quality	17	18
No. of habitations having hard water	61	65
No. of habitations having affected arsenic/nitrate	11	8
No. of schools not having drinking water facility	2965	4612
No. of Anganwadi centres not having drinking water facilities	NA	23413
No. of functional hand pumps	184401	218571
No. of small and medium towns	110	169
No. of AUWSP* sanctioned in medium and small towns	110	128
No. of completed AUWSP	43	69
No. of ongoing AUWSP	31	37
No. of AUWSP yet to be started	36	22
No. of PWSS sanctioned	1539	2357
No. of PWSS completed	1125	1736
No. of ongoing PWSS	255	130
No. of PWSS yet to be started	159	291
No. of sanctioned Spot source schemes	1963	2467
No. of completed Spot source schemes	1228	1900
No. of ongoing Spot source schemes	486	230
No. of Spot source schemes yet to be started	249	337

** Augmented Urban Water Supply Programme*
(Source: Administrative Report of the Department)

It is evident from the table that:

1. 59 (37+22) Water supply schemes, 421 (130+291) PWSS schemes and 567 (230+337) Spot source schemes for medium and small town, medium Villages and small Villages respectively were still ongoing/ yet to be started. Thus, the population required to be covered under the above schemes was yet to be benefited.
2. Moreover, in 41 (169-128) medium and small towns, required water supply schemes were yet to be initiated up by the department.
3. As on March 2012, 8747 habitations were supplied the contaminated water having iron, 18 with fluoride, 65 with hard water and eight with arsenic/nitrate affected water.
4. In 4612 Schools and 23413 Anganwadi Centres (AWCs) drinking water facility was not available.

During the exit conference, the Government stated (February 2013) that the coverage of habitations has improved further and current status of habitations and drinking water coverage would be furnished to audit.

However, the current status of habitations and drinking water coverage was not furnished to audit (March 2013).

Execution of Schemes

3.2.8.2 Urban Water Supply Schemes

The Urban Water Supply Programme is implemented in the State with funding pattern of 70 *per cent* Grants-in-aid by the State Government and 30 *per cent* loans taken by the local body. The Urban Water Supply Scheme consists of construction of Intake well on the water source, raw water mains for carrying water for treatment, Water treatment plant (WTP), clear water mains for carrying treated and chlorinated water for storage, Over Head Tanks (OHT) for storage of water and distribution network for supplying water to the habitations of the town.

In the nine test checked districts, we scrutinised 12 Urban Water Supply Schemes and one Sullage Conveyance, Treatment and Disposal scheme. As of July 2012, the status of the works was as shown in the following table:

Table 10: Status of Urban Water Supply Schemes

(₹ in crore)

Sl. No.	Name of District	Name of Project	Projected popula-tion	Year of sanction	Pro-ject cost	Revised project cost	Expen-diture	Due date of comp-letion	Current status
1	Ambikapur	Ambikapur Augmentation WSS-Outer	42103	2007-08	14.90	25.72	21.59	July 2010	Incom-plete
2		Sitapur Augmentation WSS	8675	2007-08	4.82	5.66	4.42	September 2010	Incom-plete
3	Bilaspur	Mungeli Augmentation WSS	31613	2007-08	4.44	6.52 awaited	4.20	March 2010	Incom-plete
4	Dantewada	Dantewada WSS	8225	2006-07	2.19	4.39	4.32	August 2009	Incom-plete
5		Bade Bacheli WSS	10298	2007-08	3.66	-	2.14	-	Incom-plete
6	Dhamtari	Dhamtari Augmentation WSS	100629	2008-09	17.24	31.36	18.44	May 2011	Incom-plete
7	Janjgir-Champa	Champa Augmentation WSS		2007-08	8.51	-	4.85	March 2010	Incom-plete
8	Kawardha	Kawardha Augmentation WSS	32415	2006-07	15.01	-	15.30	February 2009	Incom-plete
9		Sullage Conveyance, Treatment & Disposal Scheme for Sakri River in Kawardha	100000	2007-08	4.89	-	1.77	August 2010	Incom-plete
10	Korea	Manendragarh WSS	30755	2007-08	8.94	-	6.11	March 2009	Incom-plete
11	Mahasamund	Mahasamund Augmentation WSS	47203	2006-07	18.00	25.24	17.67	September 2009	Incom-plete
12	Raipur	Birgaon Augmentation WSS	57189	2006-07	16.74	29.31	26.93	September 2009	Incom-plete
13		Kasdol Augmentation WSS	11403	2007-08	4.75	7.73	5.65	April 2010	Incom-plete
		Total	**480508**		**124.09**		**133.39**		

(Source: Compiled from the records furnished by the department)

Non-completion of works after stipulated period and non-imposition of penalty for delay, extra cost, non-deduction of amount for testing, undue aid to contractors, execution of works without preparation of detailed estimates etc. noticed during scrutiny of records pertaining to these schemes are discussed below:

(a) Non-completion of works resulted in unfruitful expenditure of ₹ 133.39 crore and non-imposition of penalty ₹ 8.01 crore for delay

As per clause 2 of the agreement (Form A[8]), the time allowed for carrying out the work shall be strictly observed by the contractor. In the event of failure to complete the work within the stipulated period, the Executive Engineer shall levy penalty on the contractor, as compensation of an amount equal to 1/16 *per cent* of the value of work per week in respect of work costing ₹ 25 lakh and above. The provision further provides that the total amount of compensation shall be limited to six *per cent* of the total value of the work.

[8] Percentage Rate tender

As per Clause 13 of the agreement (Form F[9]), the work shall be finished within the period stipulated in the agreement and in case of default, liquidated damages per day as stipulated in the agreement shall be levied limited to 10 *per cent* of the estimated value of the work.

During scrutiny, we noticed that administrative approval in the 12 test checked Urban Water Supply Schemes and one Sullage Conveyance, Treatment and Disposal scheme in the selected districts was accorded for ₹ 124.09 crore by the PHED, Government of Chhattisgarh (GoCG).

There was unfruitful expenditure due to non-completion of work and non-delivery of intended benefits to the targeted beneficiaries.

During audit of records of PHED, we observed that the 13 schemes comprised of 112 major components/ works out of which Notice Inviting Tender (NITs) for 92 works amounting to ₹ 91.89 crore were invited. Out of the remaining 20 works, while three works were at different stages of tendering, tenders for 17 works were not invited till the date of audit (July 2012). We further observed that out of 92 works, 49 works were completed and the progress in respect of 37 works ranged between 51 to 99 *per cent*. However, the progress in respect of four out of the six remaining works was low, ranging between 33 to 48 *per cent* while two works were not started. Though the stipulated period of completion of 13 schemes was between March 2009 to May 2011, none of the schemes was completed even after incurring of expenditure aggregating to ₹ 133.39 crore (***Appendix 3.2.5***).

Scrutiny further revealed that although the schemes were incomplete even after lapse of 14 to 36 months of the stipulated period of completion, out of 13 schemes, in 11 schemes the competent authority had neither given any time extension nor imposed any penalty against the contractors as stipulated in the agreement. In Dantewada, in two water supply schemes, penalty was imposed at lesser rates i.e. 0.5 to 1.5 *per cent* contrary to the provisions of the agreement. This had resulted in non-imposition of penalty amounting to ₹ 8.01 crore on the contractors and led to extension of undue financial benefit (***Appendix 3.2.6*).**

It was evident from the above that non-completion of the works not only resulted in unfruitful expenditure amounting to ₹ 133.39 crore but also led to denial of intended benefits to the targeted beneficiaries.

During the exit conference, the Government stated (February 2013) that some of the water supply schemes were at completion stage and water supply is being provided to the people partially. It was further stated that necessary instructions would be given to obtain certificate after completion of all the schemes.

The reply was not acceptable as there was nothing in the records produced to audit to indicate whether any time extension was allowed by the department or any penalty was imposed on the contractors due to delay in completion of the works.

[9] Lump sum tender

(b) Undue aid of ₹ 9.04 crore to contractor due to non-deduction of testing charges

As per Clause 5 of General Notes of Unified Schedule of Rates (USOR) in respect of work of Water Supply and Sewerage (w.e.f. 01.09.2002), the contractor, on completion, or whenever required by the Engineer-in-Charge, shall prove all materials, pipes, fittings, joints and other accessories etc. to be clear, clean, perfect in working condition and strong enough to withstand the tests so specified here-in-under different items of specification. The contractor shall rectify any defects as to the materials or workmanship, so noticed, and the defective portions shall be re-tested at his expense. Till such time the test is completed an extra 10 *per cent* of the bill amount shall be withheld from the contractor's running bill and the same would be released only after testing to the entire satisfaction of the Engineer-in-Charge.

There was undue aid to contractor due to non-deduction of testing charges.

Scrutiny of records revealed that the above mentioned clause was not made part of the agreement in eight[10] test checked districts. It was also observed that in 65 agreements of raw and clear water main, WTPs and distribution network in these districts, 10 *per cent* of the amount for testing was not deducted from the Running Account bills of the contractor as provided in the above clause. However, in Bilaspur, though the above clause was incorporated in the common set of conditions of the agreement, 10 *per cent* for testing was not deducted from the bills of contractor.

Thus, the provision of USOR was not made part of the agreements in eight test checked districts except Bilaspur and the required amount i.e. 10 *per cent* of value of work done for testing was not deducted from the contractor's bills. This had resulted in undue aid of ₹ 9.04 crore to the contractors (***Appendix 3.2.7***).

During the exit conference, the Government accepted the audit observation and stated (February 2013) that instructions will be issued for deductions from the contractors' bills accordingly.

(c) Extra cost of ₹ 1.72 crore due to preparation of inflated estimates

As per clause 2.027 of the WD Manual the rates in an estimate should generally agree with the Schedule of Rates. Where for any cause the latter is not considered suitable or sufficient, the deviation should be explained in detail in the estimates, and if there is no relevant rate in the SOR for a particular item of work in the estimate, the proposed rate should be supported by an analysis.

Scrutiny of records in three divisions[11] revealed that estimated cost of five works[12] as per USOR of PHED was ₹ 17.10 crore. However, while preparing

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10 Ambikapur, Dantewada, Dhamtari, Janjgir Champa, Kawardha, Korea, Mahasamund, Raipur

11 Dantewada, Kawardha, Mahasamund

12 Construction of Intake well, Jackwell and RCC foot Bridge under Mahasamund Augmentation WSS, Canal Intake, Raw water Gravity Mains, WTP, RCC Sumpwell, Clear Water Mains and OHSR (550 Kl) and Distribution System under Kawardha

the Detailed Project Report (DPR), the above estimated cost was enhanced by 25 to 70 *per cent* (₹ 1.72 crore) without any justification by the divisions. Since the tendering procedure was available to get the most competitive price, there was no justification to revise the estimates in an *ad hoc* manner without following the provisions of the WD Manual. Thus, the enhancement in estimates in an *ad hoc* manner facilitated the contractors in quoting higher rates which resulted in extra cost of ₹ 1.72 crore (***Appendix 3.2.8***).

During the exit conference, Government stated (February 2013) that the estimates would be prepared from the new SOR which has been enforced from February 2013.

(d) Undue aid of ₹ 3.95 crore to the contractors by preparing break up schedule of payment in violation of provisions of the agreement

As per Clause 15 of the conditions of agreement (Form-F: Lumpsum contract), the contractor shall be paid 90 *per cent* of the total value of the work done and the amount remaining due shall be paid to the contractor within 12 months after completion of the work.

There was undue aid to contractor due to violation of provision.

During scrutiny of the records of 39 agreements in eight[13] test checked districts, we observed that the above clause of the agreement was not adhered to and the break up schedule of payment for execution of various stages of works was prepared by taking 100 *per cent* of the tendered cost of the work and payments were made to the contractors stage wise as per the break up schedule of the agreements. Thus, due to not taking the above clause into consideration while preparing the break up schedule for payment of these works, the contractors received payment of 100 *per cent* of the value of work done instead of 90 *per cent* as mentioned in the above clause. This resulted in undue aid of ₹ 3.95 crore to the contractors (***Appendix 3.2.9***).

During the exit conference, the Government accepted the audit observation and stated (February 2013) that the breakup schedule would be prepared as per the provisions in the agreement.

Other points of interest noticed in execution of Urban water supply schemes:

(e) Avoidable extra cost of ₹24.13 lakh due to laying of pipeline on both sides of road

The work of providing, laying and jointing pipe line (distribution main) under Mungeli Augmentation Water Supply Scheme was awarded (October 2010) to a contractor[14] with contract amount of ₹ 2.11 core. The stipulated period of the completion of the above work was 11 months including rainy season. The work was under progress and the contractor was paid ₹ 1.02 crore (November 2011).

Augmentation WSS, Sullage Conveyance, Treatment & Disposal scheme for prevention of Pollution of Sakri River and Construction of Intake well, Jackwell and RCC Bridge under Dantewada WSS

13 Ambikapur, Dantewada, Dhamtari, Janjgir-Champa, Kawardha, Korea, Mahasamund, Raipur

14 Agreement No. 27 DL/2010-11

The work was sanctioned with 20981 m of length DI K-7 pipe which included 3574 m of 150 mm and 786 m of 200 mm DI K-7 pipe.

Scrutiny of records revealed that during execution, the Department laid pipes on both sides of the road on some stretches. As a result, the length of 150 mm K-7 & 200 mm K-7 pipe had increased from 3574 m to 4500 m and 786 m to 1400 m respectively. The increased length was not provided in the original estimate and was executed without approval of the competent authority. Thus, execution of pipeline work on both sides of the road resulted not only in avoidable extra expenditure but the work executed to the extent of ₹ 24.13 lakh was also unauthorised. The details are given below:

Table 11: Details of avoidable extra cost

(₹ in lakh)

Sl. No.	Description	Original Length (in m)	Revised Length (in m)	Increase in Length (in m)	Rate (in ₹)	Total
1	150 mm K-7 DI pipe	3574	4500	926	832	770432
2	200 mm K-7 DI pipe	786	1400	614	1037	636718
						1407150
	Add tender *per cent* 71.5 *per cent* above					**2413262**

(Source: Compiled from the records furnished by the department)

During the exit conference, the Government stated (February 2013) that the pipeline was laid on both sides keeping in view the importance of the road and for providing facility to the residents.

Since the DPR was prepared after detailed survey of the site, there should not have been any deviation during execution. Hence, the reply is not acceptable.

(f) Excess payment of ₹ 22.94 lakh to contractor due to change in scope of work in Dantewada Water Supply Scheme

The DPR of the work of Dantewada Water Supply Scheme included intake well, approach bridge and approach road estimated at a cost of ₹ 28.12 lakh. The technical sanction of ₹ 35.15 lakh (25 *per cent* above estimated cost on prevailing tender rate) was accorded (September 2007).

The E-in-C, PHED, inspected the site and instructed (December 2006) to shift the intake well upstream by 100 m which changed the location of the intake well from within the river to the bank of the river. As per the instruction, item of jack well was to be executed in place of approach bridge and approach road.

The work of construction of intake well, treatment plant, overhead service reservoir etc. was awarded (December 2007) to a contractor on lump sum basis for ₹ 1.75 crore. The stipulated period of completion was 12 months excluding rainy season. The work was under progress and the contractor was paid ₹ 1.67 crore (July 2012).

Scrutiny of records revealed that while inviting tender (March 2007), the item of intake well with estimated cost of ₹ 35.15 lakh was included in the scope of work. Though the item of jack well as suggested by E-in-C was not included in the scope of the work, however, the same was executed. No separate

estimate for executing this item was prepared by the Department. It was further observed that the item of approach bridge and approach road were not excluded from the estimate and the payment to the contractor was made as per breakup schedule of the agreement without adjusting the non-executed items. This had resulted in excess payment amounting to ₹ 22.94[15] lakh to the contractor.

During the exit conference, the Government accepted audit observation and stated (February 2013) that action would be taken and recovery would be made from the final bill of the contractor.

3.2.8.3 Rural Water Supply Schemes

PHED executes Rural Water Supply Schemes (RWSS) under the State schemes and Centrally Sponsored Schemes. RWSS, *inter alia*, includes drilling of tubewells, laying and jointing of pipelines, construction of overhead tanks etc. Under RWSS, two schemes i.e. Piped Water Supply Schemes (PWSSs) for medium and small town having population of more than 2000 (as per Census 2001) and Spot Source Scheme for small towns having population of less than 2000 are being implemented. After completion of the RWSS works, PHED hands these projects over to the *Gram Panchayat* (GP) for maintenance.

Scrutiny of records revealed several deficiencies such as extra cost on construction of OHT, closure of schemes due to non-maintenance, non-completion of schemes, drilling of unsuccessful tubewells and irregular expenditure etc. as discussed in the succeeding paragraphs:

(a) Extra cost of ₹ 11.03 crore due to irregular execution of OHT in PWSS for villages having population less than 2000 and delay in completion

PHED, GoCG issued instructions (April 2007) to follow the criteria of population while preparing DPRs of PWSS schemes for villages. Accordingly, for villages having population of more than 2000, the PWSS consisting of construction of Over Head Tank (OHT), laying and jointing of pipelines and drilling of tube-well should be executed.

There was extra cost due to execution of PWSS in villages having population less than 2000.

Scrutiny of records in the test checked districts revealed that in 106 PWSS, although the population of the concerned villages was less than 2000, the schemes were executed with OHT in disregard to the above instructions of the Government. The implementation of PWSS scheme with OHT in the small villages resulted in extra expenditure of ₹ 11.03 crore (***Appendix 3.2.10***). We also noticed that although the stipulated period of completion of these schemes was ranging between three and six months, the schemes were not completed even after lapse of 24 to 36 months (July 2012).

During the exit conference, the Government stated (February 2013) that the population of villages was based on 2001 census and the actual population has increased. On the basis of the present population, the PWSS may be

[15] Cost of approach bridge & road = ₹ 9.69 lakh + ₹ 1.50 lakh = ₹11.19 lakh
Total cost = ₹ 11.19 + 25 *per cent* prevailing rate + 64 *per cent* tender premium = ₹ 22.94 lakh

implemented in these villages.

The contention of the Department is not acceptable as the DPRs were prepared taking into account the actual population of the villages.

(b) Closure of Piped Water Supply scheme/ Spot Sources due to non-maintenance

PWSS/ Spot Source Scheme were closed due to non-maintenance.

As per the guidelines issued by GoCG (April 2007), PWSS/ Spot Source schemes were to be handed over to the GPs of the concerned village by PHED after completion. Every GP was provided ₹ 15,000 and ₹ 7,500 annually for operation and maintenance of the PWSS and Spot Source scheme respectively. The guidelines further provide that availability of sufficient water sources in the concerned village would be the main criteria for taking up the scheme.

Scrutiny of records of the test checked districts revealed that out of 1792 PWSS/Spot Source Schemes handed over to GPs, 229 schemes (***Appendix 3.2.11***) were closed due to non-payment of electricity bills, non-functioning of motor pumps, non-availability of electricity connection, non-maintenance and dried water source.

Thus, due to non-maintenance of schemes by the GPs, the people of 229 villages could not avail the benefit of drinking water facilities of PWSS scheme.

During the exit conference, Government accepted the audit observation and stated (February 2013) that the PWSS were handed over to the GPs for maintenance and an amount of ₹ 15000 and ₹ 7,500 per annum for PWSS and Spot Source schemes respectively were being given to GPs for maintenance. The maintenance was to be done by the GPs from this fund and user charges were to be collected from the water users, which was not being done.

3.2.8.4 Water Quality Monitoring and Surveillance

The Water Quality Surveillance Programme (2008-12) aims at ensuring a consistently acceptable level of drinking water quality and requires continuous and systematic programme of water quality testing. Monitoring involves laboratory and/or spot testing of water samples collected from different locations. As per National Rural Water Quality & Surveillance Programme (2004, Department of Drinking Water Supply, Ministry of Rural Development), the objectives of water quality monitoring are:

- To assess the impact of activities by man upon the quality of water and its suitability for required uses;
- To determine the quality of water in its natural state which might be available to meet future ends;
- To keep under observation the sources and pathway of specified hazardous or harmful substances

Scrutiny of records of Water Quality Monitoring and Surveillance (WQM&S) Programme of the test checked districts revealed deficiencies such as non-establishment of laboratories, huge shortfall in water testing,

non-procurement of reagents, shortfall in distribution of Field test Kits and wasteful expenditure etc. which are discussed below:

(a) Non-establishment of State level and Sub-divisional Laboratories

The WQM&S (2008-12) guidelines provide for a State level laboratory which would test at least 10 *per cent* of the samples tested by the district water quality testing laboratories including positively tested samples apart from routine cross-verification of the test results. They would also be involved in testing concentrations of rare elements and extend all necessary help in providing water quality testing reports to the State Governments during the periods of natural calamities and disasters.

The WQM&S guidelines provides for testing of 100 *per cent* sources at sub-divisional laboratories both for biological and chemical as well as physical parameters.

State level and Sub-divisional laboratories were not established.

During scrutiny of records, we observed that no laboratory was established at the State level for conducting water quality tests in the State and for cross verification of tests conducted by Divisional/ District level laboratories (July 2012). In the test checked districts, we however observed that laboratories were established at Divisional level whereas no laboratory was established at the Sub-divisional level and the water quality tests were conducted by Divisional/ district level laboratories.

The absence of laboratories at the State and Sub-divisional level resulted in non-testing of water samples. Thus, the quality of water supplied could not be verified.

During the exit conference, Government stated (February 2013) that State level and 18 sub divisional laboratories would be started soon.

(b) Shortfall in monitoring of water sources/quality tests conducted by Gram Panchayats and Divisional level laboratories

The WQM&S (2008-12) guidelines provide that existing Field Test Kits should continue to be used for primary detection of chemical and biological contamination of all the drinking water sources in the villages by GPs. The guidelines further provide for testing of 100 *per cent* sources at sub-divisional laboratories both for biological and chemical and physical parameters and 10 *per cent* of the samples to be tested which include positively tested samples by the district laboratories. The guidelines also provide that all drinking water sources should be tested at least twice a year for bacteriological contamination and once a year for chemical contamination.

Shortfall in monitoring of water sources/ quality tests

During scrutiny of records in eight test checked districts, we observed that all the water sources available were not tested even once in a year by GPs. Since the GPs were not testing the water sources and the Sub-divisional laboratories were not set up, the onus of conducting the tests rested only on the Divisional laboratories. Consequently, there was huge shortfall in the number of tests conducted by these laboratories. The details of tests done on water sources from 2007-08 to 2011-12 is shown below:

Table 12: Details of Monitoring by Gram Panchayats and Divisional level laboratories from 2007-08 to 2011-12

Districts	No. of water sources available	Monitoring/ testing by GP			Monitoring/ testing by Divisional Laboratory		
		Number of water sources monitored / tested	Shortfall	Percentage shortfall	Number of water sources monitored / tested	Shortfall	Percentage shortfall
Ambikapur	20860 to 25391	0	20860 to 25391	100	395 to 3147	20465 to 22244	88 to 98
Bilaspur	15225 to 16801	NA	15225 to 16801	100	650 to 1881	14575 to 15581	89 to 96
Dantewada	8201 to 12650	NA	8201 to 12650	100	121 to 2026	6175 to 12437	75 to 99
Dhamtari	7478 to 8080	0 to 3807	4081 to 7693	52 to 100	0 to 300	7478 to 7786	96 to 100
Janjgir-Champa	9903 to 11171	0	9903 to 11171	100	0 to 9032	1893 to 9903	17 to 100
Kawardha	6589 to 9315	NA	6589 to 9315	100	0 to 511	6589 to 8804	95 to 100
Korea	8820	51 to 432	8388 to 8769	95 to 99	51 to 432	8388 to 8769	95 to 99
Mahasamund	16748 to 19259	0 to 2157	16748 to 19259	88 to 100	0 to 4314	16748 to 18963	76 to 100

(Source: Compiled from the records furnished by the department)

It is evident from the above table that the shortfall in monitoring/ testing by GPs was 100 *per cent* in five test checked districts (Ambikapur, Bilaspur, Dantewada, Janjgir-Champa and Kawardha). In three test checked districts (Dhamtari, Korea and Mahasamund), the percentage of shortfall ranged between 52 and 100. We further observed that the percentage of shortfall in water quality testing ranged between 75 and 100 in eight test checked districts. In Janjgir-Champa, the percentage of shortfall was ranging from 17 to 100. In Raipur, it was stated that 100 *per cent* water sources were tested by GPs but no test reports and testing records were produced to audit for verification (May 2012).

Thus, due to shortfall in conducting of tests by GPs and Divisional Laboratories, the possibility of use of contaminated water by the habitations cannot be ruled out.

During the exit conference, Government accepted the audit observation and stated (February 2013) that the tests were not being done by the GPs and to increase the number of tests, mobile testing vans have been procured.

(c) Non-procurement of reagents for laboratory

Reagents are required in the laboratory for testing the water samples for bacteriological, physical and chemical contamination for different parameters such as PH, total hardness, iron, chlorine, nitrate, arsenic, flouride etc.

During scrutiny of records of eight[16] districts, it was observed that reagents required for water quality tests in Divisional Laboratories were not procured for periods ranging from two to five years during the review period (***Appendix 3.2.12)***. However, reagents were procured in Dhamtari district.

Thus, the Divisional Laboratories were not having chemicals/ reagents for

[16] Ambikapur, Bilaspur, Dantewada, Janjgir-Champa, Kawardha, Korea, Mahasamund, Raipur

conducting quality test on water samples and non-procurement of reagents may result in non-testing of water sources for quality.

During the exit conference, the Government accepted the audit observation and stated (February 2013) that the reagents were not procured due to shortage of funds which has now been resolved under NRDWP and the required reagents are now being procured.

(d) Shortfall in distribution of Field Testing Kits to Gram Panchayats

The WQM&S guidelines provide for Field Testing Kits (FTKs) to be used for primary detection of chemical and biological contamination of all drinking water sources in the villages by GPs. One FTK per GP shall be provided and in addition, one, three and two demo kits shall be provided at State, District and Block level respectively.

During scrutiny of records of six districts, we observed that FTKs were not distributed to all the GPs. We also observed that in some cases, the FTKs were not distributed to GPs despite their availability in stock. The details of distribution of FTKs to GPs during the year 2007-12 were as follows:

Table 13: Details of FTKs procurement and distribution

District	Year of procurement	No. of FTKs procured/ received by district/ division	No. of GPs in the district/ division	No. of FTKs distributed to GPs	No. of GPs with no FTKs in the district/ division	Balance of FTK
1	2	3	4	5	6=(4-5)	7 = (3-5)
Ambikapur	2009-10	867	1090	867	223	0
Bilaspur	2009-10 to 2010-11	1180	856	618	238	562
Kawardha	2008-09 to 2010-11	400	368	150	218	250
Mahasamund	2009-10 and 2011-12	450	491	350	141	100
Raipur	2009-10	1150	1204	1150	54	0

(Source: Compiled from the records furnished by the department)

Thus, non-distribution of FTKs to all the GPs resulted in non-testing of water sources for primary detection of chemical and biological contamination of all the drinking water sources in the villages.

During the exit conference, the Government stated (February 2013) that the matter would be examined.

(e) Wasteful expenditure of ₹23.21 lakh due to expiry of undistributed Field Testing Kits/ reagents

During scrutiny of records of three divisions, we observed that all the FTKs and reagents procured were not distributed to Sub divisions/ GPs for quality testing of water as envisaged in the guidelines. The details of FTKs procured and not distributed are as below:

Table 14: Details of FTKs & reagents procured and expired

District	Type	Year of procurement & receipt	Units procured	Units distributed	Units not distri-buted	Units expired	Rate	Total amount (in ₹)
Bilaspur	FTK	2009-10 & 2010 -11	1180	618	562	562	2614.5	1469349
Kawardha	FTK Reagent	2010-11	200	68	132	132	1245	164340
Raipur	FTK Reagent	2010-11	1000	823	177	550[17]	1250	687500
	Total		**2380**			**1244**		**2321189**

(Source: Compiled from the records furnished by the department)

There was wasteful expenditure on FTKs and reagents.

It may be seen from the table that in the above three districts, 2380 FTKs were procured out of which 1244 FTKs were not distributed and the validity of their useful life (one year) had also expired.

Moreover, we observed that in Raipur, 1000 FTK reagents were procured out of which 373 reagents were issued (May and June 2012) i.e. after expiry of the useful life (February 2012) of the FTK reagent.

Thus, non-issue of 1244 FTK and FTK reagent not only resulted in wasteful expenditure of ₹ 23.21 lakh but also defeated the purpose and objectives of WQM&S.

During the exit conference, the Government stated (February 2013) that the matter would be examined.

(f) Non-installation of Iron Removal Plants

Ground water is affected by impurities such as iron, flouride, arsenic etc. As per the Administrative Report of the Department (2011-12), the number of habitations affected by iron had increased from 4932 habitations in 2003-04 to 8747 in 2011-12 in the State. Further, the AAP stipulates that the Stand Alone System Iron Removal Plant (IRP) (NEERI Model)[18] is to be installed in hand pumps to purify water containing high content of iron.

During scrutiny of records of eight divisions, we observed that there was shortfall in installation of IRPs during 2009-10 to 2011-12 as detailed below:

[17] 373 reagents were issued after expiry

[18] The IRP (NEERI Model) is an Iron Removal Plant developed by National Environmental Engineering Research Institute, Nagpur.

Table 15: Target and Achievement of Stand Alone System IRP (Neeri Model)

District	2009-10			2010-11			2011-12		
	IRP Planned	IRP installed	Shortfall	IRP Planned	IRP installed	Shortfall	IRP Planned	IRP installed	Shortfall
Ambikapur	150	0	150	300	0	300	200	0	200
Bilaspur	195	15	180	190	20	170	197	29	168
Dantewada	213	0	213	470	0	470	469	0	469
Dhamtari	25	0	25	75	0	75	70	0	70
Janjgir Champa	25	0	25	50	0	50	0	0	-
Kawardha	50	0	50	120	0	120	70	0	70
Korea	25	0	25	50	0	50	107	4	103
Mahasamund	13	0	13	35	0	35	35	0	35
Total	**696**	**15**	**681**	**1290**	**20**	**1270**	**1148**	**33**	**1115**

(Source: Compiled from the records furnished by the department)

It would be seen from the above table that in seven out of nine test checked districts, the shortfall in installation of IRP was 100 *per cent*, whereas in Bilaspur and Korea, the shortfall ranged between 85 and 96 *per cent*. In Raipur, there was no iron affected habitation.

Photographs showing reddish platform of hand pumps due to high content of Iron in water at a village in Block Sitapur, District Korea



Thus, there was shortfall in IRPs installed in iron affected sources. As such, the possibility of use of drinking water with high content of iron cannot be ruled out.

During the exit conference, the Government stated (February 2013) that construction and installation of IRPs is a specialised work for which limited numbers of personnel are available. However, IRPs would be installed soon.

3.2.8.5 Total Sanitation Campaign

With a view to accelerate sanitation coverage in rural areas for Below Poverty Line (BPL) and Above Poverty Line (APL) families, schools and Anganwadis Centres (AWCs), eliminate open defecation to minimise risk of contamination of drinking water sources and food, convert dry latrines to pour flush latrines and to eliminate manual scavenging practice, GoI launched Total Sanitation Campaign (TSC) in 1999. The cost of the construction of sanitary toilets was to be shared in the ratio of 60:20:20 by GoI, State Government and the beneficiary in case of BPL, 100 *per cent* cost was to be borne by the

beneficiary in case of APL and 60:30:10 by GoI, State Government and the beneficiary in case of schools and AWCs.

(a) Non achievement of targets

During the year 2007-08, the GOI sanctioned ₹ 678.78 crore for construction of 34.24 lakh sanitary toilets (BPL-15.54 lakh, APL-18.12 lakh, School-0.48 lakh, AWCs- 0.10 lakh) and these were to be completed by March 2012. Accordingly, the GOI and State Government released ₹ 283.49 crore and ₹ 143.22 crore respectively against which an expenditure of ₹ 375.14 crore was incurred (March 2012).

The progress of TSC during the period 2007-08 to 2011-12 is detailed below:

Table 16: Target and Achievement under TSC

Sl. No.	Category	Target (in lakh no.)	Achievement (in lakh no.)	Percentage of achievement
1	BPL	15.54	10.52	67.70
2	APL	18.12	8.30	45.81
3	Schools	0.48	0.49	100
4	Anganwadis	0.10	0.10	100

(Source: Compiled from the records furnished by the department)

It may be seen from the above table that while the targets in respect of schools and AWCs were fully achieved, the percentage of achievement in respect of BPL and APL was however 68 and 46 respectively.

During the exit conference, the Government stated (February 2013) that necessary instructions would be issued to achieve the targets.

(b) Blocking of fund of ₹2.29 crore due to procurement of Latrine Pan Set without requirement

There was blocking of funds due to excessive procurement of latrine pan sets.

As per Rule 118 of the Chhattisgarh Financial Code Volume-I, purchases should be made only after assessment of definite requirements.

Scrutiny of records revealed that Latrine Pan Sets required for TSC were purchased by the Department without proper assessment of the requirement. The details of latrine pan sets procured, used and balance available in stock during the last five years in test checked districts are given below:

Table 17: Details of pan sets procured and utilized

(₹ in lakh)

District	Number of pan sets procured	Number of pan sets used	No of pan sets lying in stock	Average Rate (in ₹)	Amount
Dantewada	15800	0	15800	244.37	38.61
Dhamtari	32939	30431	2508	200.57	5.03
Korea	32300	13800	18500	204.38	37.81
Mahasamund	7280	0	7280	221.57	16.13
Raipur	59923	0	59923	218.71	131.06
Total	**148242**	**44231**	**104011**		**228.64**

(Source: Compiled from the records furnished by the department)

During test check of five districts, we observed that 1,48,242 latrine pan sets were purchased out of which 1,04,011 latrine pan sets valuing ₹ 2.29 crore

were not utilised for one to five years. The Stock registers in Ambikapur, Bilaspur, Janjgir-Champa and Kawardha were not produced to Audit.

Thus, the procurement of latrine pan sets without assessing requirement led to blocking of funds of ₹ 2.29 crore.

During the exit conference, the Government stated (February 2013) that the verification is being done in the State as a whole and thereafter action will be taken.

3.2.8.6 Store Management

A sound system of store management involves efficient planning of purchase requirements, economic procurement, control over issues, timely accounting and safe physical custody. Our scrutiny revealed the following:

(a) Physical verification of stores

Rule 126 and 133 of the Chhattisgarh Financial Code Volume-I lays down that the physical verification of stores and stock should be ensured once in a year by the head of the office through any designated officer.

The status of physical verification in the test checked districts was as follows:

Table 18: Details of physical verification conducted

District	Year of last physical verification conducted
Ambikapur	2011-12
Dantewada	2008-09 to 2011-12
Dhamtari	2008-09 to 2011-12
Kawardha	2008-09
Korea	2010-11 to 2011-12
Raipur	2007-08 to 2011-12

(Source: Compiled from the records furnished by the department)

It is evident from the above table that physical verification of stores was not being done in Ambikapur and Kawardha for the last four years, in Korea for the last three years and in Dantewada and in Dhamtari districts for the last one year. No information was furnished by Bilaspur, Janjgir-Champa and Mahasamund districts.

During the exit conference, the Government accepted the audit observation and stated (February 2013) that instructions for strict compliance would be issued.

(b) Excessive procurement

As per Rule 118 of the Chhattisgarh Financial Code Volume-I, purchases should be made only after assessment of definite requirements.

Scrutiny of records revealed that in four divisions, stocks were procured in excess of requirement and stock valuing ₹ 47.50 lakh was not issued since 2007-08. The details of stock not cleared are as follows:

Table 19: Details of items lying unused

Districts	Name of Item	Amount (in ₹)	Procured during
Dantewada	GI pipe	193857	2009-10
Dhamtari	GI pipe	1230671	2010-11
	CI Tyton pipe	46758	2007-08
Kawardha	GI pipe	601239	2010-11
	ACP pipe	157996	2008-09
	CI Tyton pipe	1332029	2008-09
Raipur	GI pipe	40279	2007-08
	HDPE Tank	1146915	2008-09
Total		**4749744**	

(Source: Compiled from the records furnished by the department)

Further, in PHE Division Raipur, it was observed that out of 770 Force lift pumps procured during 2008-09 to 2011-12, only 373 pumps were issued during this period. The remaining 397 Force lift pumps valuing ₹ 23.86 lakh were lying in stock. Details regarding item wise stock available were not furnished by PHE Division Ambikapur, Janjgir-Champa and Korea.

Thus, procurement in excess of requirement led to blocking of funds of ₹ 71.36 lakh.

During the exit conference, the Government stated (February 2013) that the GI pipe would be used in the works and for remaining items, matter would be reviewed.

3.2.8.7 Training

Training to women and Gender Empowerment

As per Clause 9.13 of the NRDWP guidelines, at least 30 *per cent* of hand pumps mistries under various skill development programme and other training schemes should be women of the local area/habitation as they can take care of the operation and maintenance of the hand pumps in a better way than others. It also provides that prominent women from the habitations should represent the Village Water and Sanitation Committee (VWSC)/*Pani Samiti* and should constitute at least 50 *per cent* of women.

Scrutiny of records of the test checked districts revealed that women of the local area were not given such type of training for operation and maintenance of hand pumps and no steps had been taken to include prominent women from the habitations in the VWSC/*Pani Samiti*. Thus, the objectives of Gender Empowerment by training of women and also employing women caretakers for hand pumps in the habitations were not achieved.

During the exit conference, the Government stated (February 2013) that awareness among women in villages for participation is being created.

3.2.9 Conclusion

The PHED is responsible for preparation and the execution of the water supply and sanitation projects in the State. As on March 2012, out of sanctioned 128 Urban water Supply Schemes and 4824 PWSS and Spot Source Schemes, 69 Urban water Supply Schemes and 3636 PWSS and Spot Source Schemes were completed. We noticed deficient planning in execution of schemes as VAP and DWSP were not prepared and thus, could not form part of AAP. Further, the Department did not conduct detailed habitation survey since 2003. Shortage of manpower at various levels in the Department resulted in ineffective monitoring of the scheme activities. The Department also failed to utilise the allotted funds in achievement of targets under 'Water Quality' and 'Sustainability'. There was unfruitful expenditure of ₹ 133.39 crore due to non-completion of projects. Besides, failure to comply with the provision of Unified Schedule of Rates and agreement led to extra cost and undue aid to the contractors. The Department had not established State level and sub-divisional level laboratories for conducting quality test of water sources. The field testing kits/reagents expired due to non-distribution resulting in wasteful expenditure. There was excessive procurement of stores and physical verification was not being done regularly.

3.2.10 Recommendations

We recommend that the Department should:

- *prepare Annual Action Plan on the basis of Village Action Plan, District Water Security Plan and current habitation survey for effective implementation of various schemes.*
- *fill up all the vacant posts for smooth implementation of various schemes/programmes.*
- *ensure completion of the projects within the stipulated time to extend the intended benefits to the targeted beneficiaries.*
- *apart from regular monitoring of all water sources, establish State level and Sub-divisional laboratories to ensure availability of safe drinking water to the people of the State.*

Chapter 4

Audit of Transactions

- 4.1 Non-compliance with rules and regulations
- 4.2 Audit against propriety and cases of expenditure without adequate justification
- 4.3 Failure of oversight/governance
- 4.4 Persistent and pervasive irregularities

CHAPTER 4

AUDIT OF TRANSACTIONS

4.1 Non-compliance with rules and regulations

For sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders passed 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 hereunder.

PANCHAYAT AND RURAL DEVELOPMENT DEPARTMENT

4.1.1 Extra cost

Non-compliance of departmental instructions led to irregular execution of extra GSB work of ₹ 1.65 crore and extra expenditure of ₹ 3.28 crore.

The Pavement Thickness Design for construction of 54 road works executed under seven packages of *Pradhan Mantri Gram Sadak Yojna* (PMGSY), provided for 115 mm thickness of Granular Sub Base (GSB) as specified in the Detailed Project Report (DPR)/Bill of Quantities (BOQ) of these roads. Further, the departmental instructions (June 2007) of Panchayat and Rural Development Department provided that execution of any item upto five *per cent* of the quantity provided in the DPR/ BOQ required prior approval of the Superintendent Engineer (SE) and for upto 10 *per cent* in excess, the prior approval of the Chief Engineer (CE) was required. The order further provided that responsibility should be fixed and disciplinary action taken against the concerned Executive Engineer (EE) where the execution is carried out without prior approval of the competent authority.

Scrutiny of records (March 2011) relating to estimates, measurement books, running account bills/final bills of the Executive Engineer cum Member Secretary, (EE) Project Implementation Unit (PIU) No. 1, PMGSY, Raigarh revealed that seven work orders for execution of 54 roads under seven packages were awarded between April and June 2007. Further scrutiny revealed that the Department had allowed the execution of 200 mm to 210 mm thickness GSB against the provision of 115 mm thickness GSB in the agreement which works out to 73.91 *per cent* to 82.61 *per cent* above the estimate. However, prior approval of the competent authority was not taken before execution of the excess quantity of GSB. Thus, the excess execution of GSB was not only irregular but also resulted in avoidable extra cost of ₹ 1.65 crore as detailed in ***Appendix 4.1.***

Scrutiny of records further revealed that there was abnormal increase of 19.54

to 159.80 *per cent* in the quantity of work done in two other items of work[1]. These works were also executed without obtaining prior approval of the competent authority leading to unauthorised expenditure of ₹ 3.28 crore as detailed in ***Appendix 4.2***.

We also observed that the Superintendent Engineer (SE), PMGSY Circle, Raigarh issued (October 2009 and January 2011) instructions to recover the amount paid for the excess quantity executed beyond 10 *per cent* of the DPR/BOQ by booking it to Miscellaneous Public Works Advance (MPWA) against the concerned EE, Assistant Engineer (AE) and the consultant. The Chief Executive Officer (CEO), Chhattisgarh Rural Road Development Authority (CGRRDA) had also refused to consider (November 2009) the request of the EE to grant sanction of excess quantities executed and stated (November 2009) that payment made for excess execution without prior approval of competent authority appeared to be extension of undue benefit to the contractors, for which disciplinary action should be initiated against the concerned EE. Thus, the payment of ₹ 4.93 crore made by the EE was unauthorised.

After we pointed this out (March 2011) the EE stated that the quantity of GSB as provided in the estimates was made on the basis of survey conducted six months prior to grant of administrative approval. During actual execution of the work, the path was found damaged and it was not possible to execute GSB as per the estimates. Hence higher thickness of the GSB was executed to increase the life of the roads. The EE also stated (March 2011) that the excess quantities of other items were executed as per requirement of work and proposal for granting sanction had been submitted to the higher authorities.

Further, with reference to the audit observation, the EE endorsed (July 2012) a copy of the reply submitted by CEO, CGRRDA to Audit. On scrutiny of the reply and the records enclosed we observed that CEO, CGRRDA issued instructions (7 July 2012) to SE for examining the case with reference to the audit observation. However, SE approved (7 July 2012) the proposal of the revised pavement design for all the above 54 roads submitted by the EE on the same day of receipt of the communication from the CEO (i.e. on 7 July 2012) of the variation of cost incurred on excess execution of GSB and ordered to adjust the earlier debited MPWA against the concerned EE, AE and consultant (7 July 2012).

Once the higher authorities had already refused to sanction the excess executed quantity and instructed to debit the amount to MPWA against the concerned officials, inaction on these orders and subsequent approval for the above excess execution by the equivalent authority was irregular.

During discussion (March 2013) the Additional Chief Secretary (ACS), Panchayat and Rural and Development Department, while agreeing to procedural lapses on the part of the EE, stated that the DPR of these roads were prepared by consultants. Prior to start of these works, survey of initial levels and necessary testing of construction materials were carried out. Due to

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[1] *Item no.3.4*-Construction of Embankment with approved material obtained from borrow pits
Item no.6.4- Construction of Cement Concrete Pavement.

rapid industrialisation of Raigarh District by opening of sponge iron industries/rolling mills etc. the traffic on rural roads increased enormously. Considering the traffic data and CBR[2] value of the sub-grade, the required thickness of the crust were redesigned. It was further stated that during this period, several road works were executed by the Department despite severe shortage of staff and that all these roads are currently in good condition. However, on the basis of the suggestion of audit, he agreed to review the case and if any irregularity is found, appropriate action would be taken.

The statement of the ACS however, does not give reasons as to why the EE did not take prior approval for the excess execution over the quantities specified in the DPR/BOQ, which he considered necessary.

4.1.2 Doubtful expenditure

Execution of earthwork after completion of GSB, WBM, HS and BT works and payment thereof indicates doubtful expenditure of ₹ 1.06 crore.

Specification of rural roads approved by Ministry of Rural Development (MORD), GoI published by Indian Road Congress (IRC), August 2004 is adopted for construction of rural roads under *Pradhan Mantri Gram Sadak Yojna* (PMGSY). As per prescribed methodology for the construction of BT pavement, earthwork is first executed and only then Granular Sub-Base (GSB), Water Bound Macadam (WBM) Grade II and Grade III and Hard Shoulder (HS), Bitumen Tack (BT) or Cement Concrete (CC) pavement are executed.

Scrutiny (December 2010) of records of two Programme Implementation Units, PMGSY[3] revealed that work orders for construction of 11 BT roads under six packages[4] were issued to contractors. The earthwork for construction of Embankment aggregating 153790.09 cum was measured and payment of ₹ 1.36 crore was made. However, we observed that after execution of GSB, WBM, BT or CC pavement and hard shoulder, the earth work for embankment was re-measured and recorded in the measurement book (MBs). On the basis of the revised measurement, the total quantity of earth work executed by the contractors was calculated as 268353.60 cum valuing ₹ 2.42 crore. Thus, the payment of differential amount of ₹ 1.06 crore was made by recording the revised measurement for extra earth work for Embankment by taking the top width of the earthen embankment after executing GSB, WBM and BT work as shown in the ***Appendix 4.3***. Since the quantities of earthwork re-calculated after completion of the roads, the release of the payments for such extra earth work of ₹ 1.06 crore is doubtful.

After we pointed this out (December 2010) the Government stated

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2 California Bearing Ratio (CBR) is a penetration test for evaluation of the mechanical strength of road sub grades and base courses

3 Executive Engineer (EE), Programme Implementation Unit (PIU) No.1, PMGSY, Jagdalpur and EE, PIU No.1, PMGSY, Ambikapur

4 Two roads of two packages in Jagdalpur and nine roads of four packages in Ambikapur

(November 2012) that the earthwork in required width and profile with side slopes of 1:2 may only be executed if the required land width is made available. The top formation width of 7.5 m with pavement width of 3.75 m is generally constructed under PMGSY. The bottom width required for earthwork is generally 10.5 m to 11.5 m (depending on height of the formation). In some roads (especially in field portion) required land width in some portions may not be available due to crops in the field. In such cases, the earthwork in available width is executed to avoid delay in completion (as stipulated in the contract agreement). Meanwhile, in such portion, the work of GSB and WBM work is subsequently done. After availability of the land, earthwork in prescribed width with required side slopes and profile are carried out. The quantities of the earthwork computed after completion of BT work were up to date measurements of the earthwork, from which the quantity paid earlier has been deducted and the remaining quantities were paid. The Government further stated that after completion of the work the final levels have been taken and from the overall quantity of the formation, the quantity of the crust including quantity of hard and soft shoulders has been deducted to obtain up to date quantity of the earthwork.

The reply is not acceptable because the measurements were not recorded by taking the top width of the road i.e. 7.5 m. Instead the measurements were recorded by taking the height of embankment up to earthwork top level (with width ranging between 8.98 m to 9.22 m formation top level) which was not possible after execution of GSB, WBM, HS and BT or CC work. The fact mentioned by the Government regarding non-availability of required land width is also incorrect, as the execution of hard shoulder was done simultaneously with execution of GSB, WBM and BT or CC work. Instances of pending payments on the earthwork executed were also not evident as payments for the earthwork measured earlier had been made at the very instance. Thus, payment of ₹ 1.06 crore made to the contractors on account of extra earth work re-measured by showing excessive increased quantity of earthwork after completion of roads indicates doubtful payment and extension of undue benefit to the contractors.

4.2 Audit against propriety and cases of expenditure without adequate justification

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 detected instance of impropriety and extra expenditure.

HOME (POLICE) DEPARTMENT

4.2.1 Idle investment

Failure of the Government to sanction the set up of medical and other staff for Super Speciality Hospital for police personnel led to idle investment of ₹ 7.21 crore.

The Government of Chhattisgarh accorded (July 2006) Administrative Approval (AA) of ₹ 4.60 crore for construction of a 100 bedded Super Speciality Police Hospital at Raipur. The objective of the hospital was to provide better medical services to the injured police personnel of the Naxal-affected regions, police personnel and their dependents. The revised AA was accorded (August 2008) for ₹ 7.14 crore on account of change of site, increased cost of vitrified tiles, structural glazing and due to increase in quantity and rates etc. The work was completed (August 2009) by the Public Works Department with a total expenditure of ₹ 7.21 crore and the hospital building was handed over to the Police Department (September 2010).

Scrutiny (April 2011) of records of Director General of Police (DGP), Police Headquarters, Raipur revealed that the Super Speciality Hospital (SSH) at Raipur was not made operational (May 2011 and July 2012) even after its handing over (September 2010) to the Police Department, for want of sanction of medical staff and equipment. Though the request for sanctioning of medical and other staff was submitted to the Government in 2004-05, on the basis of in principle approval for establishment of the hospital, no action was taken at the Government level even after protracted correspondence[5] made by the Police Department during 2008-11. Further, due to non-sanction of the set up of medical staff by the Government, the DGP submitted (June 2011) a proposal to the Government to run the hospital through a private agency. However, no action either to sanction the staff set up or to make necessary arrangements for making the hospital functional as per the proposal of the DGP (June 2011) was taken by the Government. Thus, inordinate delay in taking the decision for operationalisation of the SSH not only resulted in unfruitful expenditure of ₹ 7.21 crore but also deprived the police personnel and their dependent family members from availing the benefits of the SSH.

After we pointed this out (April 2011), the DGP stated (July 2012), that due to non sanction of medical and other staff and non-procurement of machinery/equipment the hospital could not be made operational.

The reply confirms that the Government had not taken steps to get the medical and other staff sanctioned (as of July 2012) which had resulted in idle investment of ₹ 7.21 crore and non achievement of the intended objectives till date (March 2013).

The matter was brought to the notice of the Government (July 2012); their reply is awaited (March 2013).

[5] Correspondence dated 12-10-2004, 02-09-2008, 19-12-2008, 30-12-2008, 30-06-2009, 13-10-2010 and 11-08-2011.

SCHEDULED TRIBE, SCHEDULED CASTE AND OTHER BACKWARD CLASS DEVELOPMENT DEPARTMENT

4.2.2 Unfruitful expenditure

Failure of the Department to get the pilot training completed resulted in unfruitful expenditure of ₹ 2.34 crore.

With the aim of providing pilot training to State sponsored Scheduled Caste (SC), Scheduled Tribe (ST) and Other Backward Classes (OBC) students of below poverty line (BPL), the Department of Scheduled Tribe, Scheduled Castes and Other Backward Classes Development (Tribal Department), Government of Chhattisgarh (GoCG) entered into agreements (May 2008, September 2009 and September 2010) with M/s Sai Flytech Aviation Private Limited, Bilaspur (Agency). As per the agreements, the period of training for Commercial Pilot License (CPL) was 12 months for the first batch of nine students and 18 months each for the students in the second and third batch. The pilot training was to be provided as per the norms[6] of the Director General of Civil Aviation (DGCA) provided in Section J of the Schedule II of Aircraft Rules 1937.

The Agency was selected on the basis of permission granted (June 2007) by the State Civil Aviation Department for establishment of a Flying club at Chakrabhata, Bilaspur and use of the air strip, on the condition that the Agency would reserve nine seats for the students from SC, ST and OBC category in each batch[7]. The Tribal Department entered into an agreement with the agency for imparting training at the rate of ₹ 12.90 lakh[8] (₹ 10.40 lakh for flying and ₹ 2.50 lakh for all other expenses) per student for 200 hours of flying and providing necessary training. As per the agreement, the Agency was required to compulsorily submit monthly progress of every student and accordingly, the payment was to be released in four[9] phases to the Agency.

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6 As per the DGCA norms the commercial pilot license (CPL) aspirant should have not less than 200 hours of flying experience within a period of five years immediately preceding the date of application for CPL, which should include not less than 100 hours of flight time as pilot-in-command (PiC) of which not less than 15 hours should be within a period of six months preceding the date of application; not less than 20 hours of cross-country flight time as PiC including a cross-country flight of not less than 300 nautical miles with full stop landing at two different aerodromes; not less than 10 hours of instrument time of which not more than five hours may be on an approved simulator; and not less than five hours of flight time by night including a minimum of ten take-offs and ten landings as PiC within a period of six months immediately preceding the date of application for the license.

7 Three students from each category.

8 It included ₹ 13.00 lakh @ ₹ 6500 per hour and 20 *per cent* rebate on this

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40 *per cent* of flying cost and 100 *per cent* of all other expenses	At the time of issuing work order
30 *per cent* of flying cost	On completion of 50 hours of flying
20 *per cent* of flying cost	On completion of 150 hours of flying
10 *per cent* of flying cost	On completion of training

Scrutiny (April 2012) of records of the Commissioner, Tribal Department revealed that a total of 29 students (3 students each from SC, ST and OBC category each year and two students extra due to replacement of students) were admitted for the above training course during 2008-11 and payments aggregating ₹ 2.72 crore was made (for flying and other expenses) to the Agency for three years on the training. We however, observed that out of 29 SC,ST and OBC students in the three batches, only three students completed the training with 200 hours of flying and secured CPL. While 11 students completed 150 hours of training and nine students completed 50 hours of training, four students left the training midway. Thus, even after completion of the agreed period of training (upto June 2009 and April 2011) for the first two batches of 18 students, only three students could secure the license for flying from DGCA. However, we observed that progress reports of each student were not submitted by the Agency and the payments were made to the Agency on the basis of bills submitted along with the copy of log books of flying. Thus, failure of the Tribal Department to monitor the progress of training resulted in non-completion of 200 hours of flying and necessary training of 15 students of the first two batches within the agreed period.

We further observed that the training programme was closed mid-way with effect from 15 November 2011 by the Agency due to taking over of the air strip by the Indian Army (November 2011) as a result of which the training of all the 15 students of the first and second batch and also nine students of the third batch remained incomplete (March 2013). Though the Agency had sought the consent (November and December 2011 and January 2012) of the Tribal Department to transfer the GoCG-sponsored students to Banasthali Vidyapith Gliding and Flying Club, Newai, Rajasthan, the Tribal Department had not conveyed its decision (March 2013). Thus, failure of the Tribal Department to monitor and get the training completed within the agreed time of 12 months and 18 months respectively for the first and second batches and non-initiation of action for transfer of the students to another agency led to non-completion of the training of the 24 students. This not only deprived the students from securing CPL but the expenditure of ₹ 2.34 crore incurred on imparting training for securing CPL was also rendered unfruitful.

After we pointed this out (September 2012), the Government stated (November 2012) that the agency had closed the training due to unexpected acquisition of Chakarbhata air strip by the Army. It was further stated that the medium for pilot training course is in English and as all the trainees were belonging to below poverty line with Hindi medium education, the training could not be completed successfully in due time. The DGCA also made it compulsory (October 2010) for the candidates to qualify the English language proficiency level-4 for CPL. By the time the Tribal Department took action to provide training in English to the trainees, the institute was closed. However, it was stated that with the cooperation of the Civil Aviation Department, the completion of the remaining part of the training through another agency Vanasthali Vidyapeeth Gliding and Flying Club, Rajasthan is under process. It was further stated that there is a provision of ₹ 30 lakh in the budget for the year 2012-13 to fulfill the criteria for CPL. Hence, it was not justified to conclude at this stage that expenditure incurred on the training was unfruitful.

The reply of the Government is not acceptable as it failed to ensure

completion of training within the agreed time by regularly monitoring the progress of the students. The Department had also failed to take necessary action to get the training course completed despite lapse of 15 months from the closure of the air strip.

WATER RESOURCES DEPARTMENT

4.2.3 Extra cost

Extra cost of ₹ 1.48 crore was incurred due to inflated designing and execution of Cement Concrete lining beyond the specified height in free board.

According to the Technical Circular No-19 issued by the Irrigation Department, Government of Madhya Pradesh (GoMP) in 1989, as adopted by the Government of Chhattisgarh (GoCG), the height (free board[10]) of cement concrete lining of the canal bank may range from 20 cm to 60 cm above the Full Supply Level (FSL[11]) depending on the discharge of the canal, as shown in the table below:

Table 1: Free board for lining and canal bank

Discharge of canal (cumecs)	Free board (cm)	
	For lining	For canal bank
Less than 1	20	45
1 to 3	30	60
3 to 10	35	75
10 to 25	40	75
25 to 50	45	90
50 to 100	50	100
Above 100	60	120

To enhance the culturable command area of Tandula Main Canal from 68,219 ha to 1,03,705 ha, Cement Concrete lining (CC) was designed with 60 cm height of free board from existing FSL for the entire length of the canal by the Chief Engineer, Mahanadi Godavari Basin, Raipur.

Accordingly, a Notice Inviting Tender was floated (July 2003 and February 2005) for the work of remodeling and CC lining of TMC from 0 mile to 68.80 mile by paver machine including treatment of canal with Cohesive Non Swelling (CNS) soils, wherever necessary. The work was awarded (February 2004 and October 2005) in three different groups on lump-sum contract basis.

[10] Free board of canal is the vertical distance from the top of the canal bank (TBL) to the water surface (FSL) at the design condition.

[11] The water level in the channel when it is carrying its full supply discharge is termed as full supply level (FSL).

The Probable Amount of Contract (PAC) was ₹ 97.26 crore[12]. The final bills of all the three works amounting to ₹ 142.65 crore were paid between March 2007 and August 2009.

Scrutiny of the records (January 2012) of the Executive Engineer (EE), Tandula Water Resources Division, Durg revealed that discharge of canal ranged between 83.15 cumec to 15.56 cumec (from head to tail) and for which the CC lining was designed with 60 cm height of free board over the existing FSL by the Chief Engineer, Mahanadi Godavari Basin, Raipur. As per technical circular issued by the Water Resources Department, the height of free board should have been designed with 50 cm to 40 cm above the FSL for above discharge of 83.15 cumec to 15.56 cumec. The work of CC lining was accordingly executed with a constant height of 60 cm above the FSL, which was not in consonance with the above Technical circular. Thus, preparation of inflated design and subsequent execution of free board of CC lining over the specified height led to execution of extra quantity of 5060.77 cum cement concrete which resulted in extra expenditure of ₹ 1.01 crore ***(Appendix 4.4)*** on execution of CC lining. Apart from this, the CNS layer of moorum laid beyond the specified height behind the CC lining was also unwarranted and resulted in extra expenditure of ₹ 47 lakh.

Thus, due to preparation of inflated design and execution of quantity in excess of that required for CC lining and CNS resulted in extra expenditure of ₹ 1.48 crore.

On this being pointed out (January 2012), the Government stated (October 2012) that there are no universally accepted rules for determination of free board since wave section or water surface fluctuations in a canal may be created by many uncontrollable causes; the free board in canals will depend upon, amongst other factors, canal size, storm water inflow, water table fluctuations, curvature in alignment, operating road requirements etc. These factors ultimately led to increase in the width of free board to 0.60 m. It was also stated that the TMC system was built in the year 1912, when it was designed to cater to irrigation purposes only. Thereafter, from 1956 onwards, supply of water to Bhilai Steel Plant (BSP) was also started. Therefore, owing to fluctuations in water surface the free board had to be increased, which is in keeping with the provisions of the Technical Circular No. 19/DS as no corresponding increase in steepness of side-slopes of the top bund level (TBL) was allowed. It was further stated that the tank was designed for irrigation of 68,219 hectare. But the command area developed is 89,809 ha and there is still further land available to develop the irrigation upto 1,03,800 hectare for which

[12]

RD (in mile)	**PAC (₹ *in crore*)**	**Stipulated period (including rainy season)**	**Amount of contract (₹ *in crore*)**	**Agreement No.**	**Date of work order**	**Final payment (₹ *in crore*)**
0-23	*36.99*	*30 months*	*64.98*	*36 DL (03-04)*	*25.02.04*	*64.98*
23-46	*29.88*	*30 months*	*52.02*	*37 DL (03-04)*	*25.02.04*	*52.02*
46-68.8	*30.39*	*24 months*	*26.25*	*15 DL (05-06)*	*31.10.05*	*25.65*
Total	**97.26**		**143.25**			**142.65**

water is not being supplied due to the improper canal system. The same can be brought under the command of the Tandula Project. It was also stated that the audit observation was based upon specified discharge, which, in case of this canal, is only the average discharge. The additional discharge of water for BSP in addition to irrigation purposes necessitated the additional height and width of free board to cater to public interest.

The reply of the Government is not acceptable as in the project report of Tandula Main Canal, the existing Culturable Command Area was 68,219 ha and after lining the total area was to be enhanced to 1,03,705 ha for which CC lining in the canal was designed. The lining in free board with 60 cm height should only be provided where the discharge of water in the canal was above 100 cumec. As the probable hectare for designed irrigation potential and command area was already in the project report, the design of CC lining in free board over FSL should have been prepared on the basis of actual discharge of the water. Further, the contention of the department about increase of the water level due to storm water inflow, water table fluctuations, curvature in alignment etc., is not acceptable as the height of free board was fixed taking into account all these conditions.

4.2.4 Incorrect assessment

Award of work without detailed survey, proper assessment and preparation of unrealistic estimate resulted in extra cost of ₹ 1.34 crore.

Para 2.026 of the Works Department Manual provides that the survey work for a major project shall be initiated by the Superintending Engineer (SE) and results submitted to the Government through the Chief Engineer (CE). On receipt of administrative approval (AA), detailed survey and investigation will be taken up after the estimate is technically sanctioned by the competent authority. Further, Para 7.003 (a) provides that before starting the survey work, permanent benchmarks will be established at suitable places and the Sub-Engineers entrusted with the survey shall be fully responsible for the correctness of the survey.

Item rate tender for balance earthwork[13] of Bhatapara Branch Canal from km 20 to km 27 of Mahanadi Project was accepted by the Chief Engineer, Mahanadi Project Raipur (January 2007) in favour of Contractor 'A'. The probable amount of contract was ₹ 3.94 crore and the tendered amount was ₹ 2.36 crore at 40.07 *per cent* below the Schedule of Rates (SOR) (December 2003). The work order was issued (January 2007) with stipulated time period of eight months including rainy season, for completion of work. The final bill for ₹ 2.80 crore was paid to the contractor (December 2008).

Scrutiny of records (October 2011) relating to estimates, measurement of execution, payment documents etc. of the Executive Engineer (EE), Mahanadi Reservoir Project, Division, Tilda revealed that a tender for execution of five items was invited and six contractors had participated in the tender process. Out of five items of the G-Schedule, for item number 3- 'Excavation in hard

[13] Residual earthwork

rock in canal bed and side slopes in design profile with blasting etc.', contractor 'A' had quoted ₹ 10 per cum against the SOR of ₹ 197.05 per cum. As the cost of item number 3 constituted 67 *per cent* [14] of the total Probable Amount of Contract (PAC), this imbalanced rate along with the rates of other four items quoted by the contractor enabled him to become L-1 and his tender was accepted (January 2007).

On further scrutiny, we noticed that the estimated quantity of item number 3 as per agreement was 135407.57 cum whereas contractor 'A' executed only 26013.91 cum (19.21 *per cent*) of the estimated quantity. However, in case of item number 1 and 2, the contractor executed 152627.61 cum (197 *per cent*) and 87040.57 cum (132.94 *per cent*) as against the quantity of 77553.94 cum and 65474.09 cum respectively provided in the agreement. We recasted the offers on the basis of the actual executed quantity and observed that the L-1 contractor would have become L-5 while the second lowest bidder would become L-1. Thus, the total work which could have been executed by the L-2 contractor at a cost of ₹ 1.47 crore was executed by the L-1 contractor ('A') at a cost of ₹ 2.80 crore. This indicates that there was inadequate survey prior to preparation of estimates and issue of tender, leading to wide variation in the estimated and executed quantity of hard rock. Had proper assessment of the quantities of work to be executed at the stage of preparation of estimates been made, the work could have been completed at a lower cost. Thus, preparation of estimates without proper survey and investigation resulted in extra cost of ₹ 1.34 crore to the Government (***Appendix 4.5***).

After this was pointed out (May 2012), the Government stated (December 2012) that estimates were prepared on the basis of strata found on the top canal section. During excavation, hard rock was not found as such but it was in the shape of pieces of rocks and there was soft soil between the soft rock strata and hard rock strata. Hence there was variation in the quantity of soil and hard rock as compared to the estimates and the payment was made accordingly after obtaining approval from the higher authorities. As regards inadequate survey, the EE stated (December 2012) that the survey work was done on piece work basis and no detailed survey report was available.

The reply of the EE is an acceptance of the fact that detailed survey and investigation as prescribed in Works Department manual was not carried out prior to preparation of the estimates and invitation of tender. Further, the Government reply also did not specify about preparation of estimates without conducting detailed survey.

[14] ₹ 2.67 crore ÷ ₹ 3.94 crore × 100= 67 *per cent*

LABOUR DEPARTMENT

4.2.5 Unfruitful expenditure

Non-utilisation of ambulances for the intended purpose led to unfruitful expenditure of ₹ 94.93 lakh under Sanjeevani Ambulance Scheme.

To regulate employment and conditions of service and to provide safety, health and welfare measures for the building and other construction workers, the Government of India (GoI) enacted the 'Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996'. Accordingly, the Government of Chhattisgarh (GoCG) constituted the Building and Other Construction Workers Welfare Board (Welfare Board) in September 2008. The Welfare Board launched the 'Sanjeevani Ambulance Scheme' (April 2010) to provide free ambulance service to the registered members of the Welfare Board. A notification to this effect was also issued by the Labour Department (June 2011). The expenditure of the scheme was debitable to the Welfare Board Fund which includes receipts from labour welfare cess levied on the construction works and receipts realised from the registered members of the Welfare Board.

The Welfare Board procured 15 ambulances[15] (May 2010) at a total cost of ₹ 60.80 lakh under the scheme to provide free ambulance service to its registered members, whenever accidents take place at the construction sites. The ambulances were allotted (June 2010 and November 2010) to different Labour offices and Assistant Labour Offices of different districts of Chhattisgarh.

During scrutiny of records (March 2012) of the Welfare Board we noticed that the ambulances allotted (June 2010 and November 2010) to different district labour officers and Assistant Labour Officers in the State were not being utilised for providing free ambulance services as not even a single patient was transported by any of the ambulances. Further, test check of the log books[16] revealed that the ambulances were utilised for routine official work. An expenditure amounting to ₹ 20.68 lakh and ₹ 13.45 lakh was incurred by the Board (upto March 2012) on the salary of the drivers and on fuel charges respectively. Thus, procurement of ambulances and their subsequent non utilisation for transporting of patients resulted in unfruitful expenditure of ₹ 94.93 lakh[17] and non-achievement of the desired objective.

After we pointed this out (March 2012), the Government stated (September 2012) that 104 registration camps and 30 meetings were organised for creating awareness as a result of which 3.70 lakh labourers were registered throughout the State and 88 patients were benefitted from the scheme. It was further stated that information relating to the scheme has been displayed on the

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15 Seven ambulances in May 2010 for ₹ 28,37,477 and eight ambulances in August 2010 for ₹ 32,42,831

16 Bilaspur, Dhamtari, Durg, Jagdalpur, Korba, Raipur, Raigarh and Rajnandgaon

17 ₹ 60.80 lakh in procurement of ambulances, ₹ 20.68 lakh on account of salary of the drivers and ₹ 13.45 lakh on account of fuel charges.

ambulance. However, due to operation of '108 Sanjeevani ambulances' by the Health Department of the State Government, the registered labourers showed less inclination towards availing Sanjeevani ambulance scheme. In view of this, the name of the scheme 'Sanjeevani Ambulance' has been replaced (September 2012) with 'Mobile Registration Van' and these ambulances are now being utilised for registration of labourers and publicity purposes. Regarding expenditure incurred on fuel and salary of drivers, it was stated that the services of ambulances and staff were utilised for publicity and promotional activities and hence the same cannot be termed as unfruitful.

The reply furnished by the Government confirms that the requirement of the ambulance was not assessed prior to procurement. Further, the contention of the Government regarding use of the ambulances for transportation of 88 labour patients is also not acceptable as it failed to submit documents in support of this when the same was called for verification by audit. The very fact that the Department has changed (September 2012) the name of the scheme from 'Sanjeevani Ambulance' to 'Mobile Registration Van', and the same is now being used for registration of labourers, indicates that the objective of the scheme has been defeated and the expenditure incurred on purchase of ambulances and on their operation was also rendered unfruitful.

RURAL INDUSTRIES DEPARTMENT

4.2.6 Infructuous expenditure

Failure of the State Government to implement the scheme even after preparation of DPR resulted in infructuous expenditure of ₹ 83.14 lakh.

With a view to integrating within a geographical location a number of cluster of production units engaged in manufacturing services and non-farm activities and facilitating the expansion of production and employment in small and micro enterprises, the National Commission for Enterprises in the Unorganised Sector (NCEUS), Government of India (GoI) had proposed (September 2005) the formation of "Growth Poles" in different parts of the country.

Scrutiny of records (January 2012) of the Managing Director (MD), Khadi and Village Industries Board (KVIB), Raipur pertaining to Pilot Growth Pole project revealed that the GoCG had proposed (September 2005) to GoI to develop a cluster based Growth Pole at Kondagaon for development of the unorganised sector and desired to undertake technical studies to work out the full details of the identified Growth Pole project. Chhattisgarh Infrastructure Development Corporation Limited (CIDC) was assigned the work (May 2006) of preparation of the Detailed Project Report (DPR). CIDC engaged M/s Consulting Engineering Services (CES) (India) Private Limited as consultant for preparation of the DPR at a cost of ₹ 8.50 lakh. The DPR was prepared and submitted (August 2006) to GoI but the presentation of DPR made by the above firm before the NCEUS was rejected by GoI (August 2006) as it was not considered upto the mark and it was apprehended

that the agency may not achieve the expected objectives of the Growth Pole. Accordingly, the services of CES were terminated by CIDC on the recommendation of NCEUS (September 2006). CIDC had incurred an expenditure of ₹ 3.64 lakh on advertisement (₹ 1.26 lakh) and payment (₹ 2.37 lakh) to the consultant.

Consequently, an Expression of Interest was invited (September 2006) by the Rural Industries Department, GoCG for preparation of DPR, through National newspapers. M/s Infrastructure Leasing & Financial Services Limited (IL&FS), New Delhi, the only tenderer, was selected (December 2006) to prepare the feasibility report at a negotiated cost of ₹ 79.50 lakh. Accordingly NCEUS sanctioned ₹ 79.50 lakh (December 2006) for payment to MD, KVIB, Raipur (on behalf of GoCG) for preparation of DPR for the Growth Pole and also approved the engagement of IL&FS as the consultancy agency. The inception report prepared by IL&FS on Kondagaon Growth Pole Project (GPP) was submitted before NCEUS in February 2007. However, NCEUS observed that the Kondagaon area would not be feasible in achieving the objectives of the GPP and suggested to select another area. Accordingly Janjgir-Champa was selected. IL&FS prepared and submitted (December 2008) the DPR which was approved (January 2009) by the Planning Commission and payment of ₹ 79.50 lakh was also made to IL&FS (February 2007 and March 2009) as per the agreement.

Accordingly, GoI directed (February 2009) the GoCG to address the needs of the project so that a note for the Expenditure Finance Committee (EFC) could be submitted at the earliest for obtaining financial approval and budgetary allocation for the purpose. However, despite lapse of more than three years from the date of approval by the Planning Commission (January 2009), no action to implement the GPP was initiated by the State Government.

Thus, the expenditure of ₹ 79.50 lakh incurred on preparation of DPR could not be gainfully utilised for the intended purpose due to inaction on the part of the State Government as of December 2012. Further, expenditure of ₹ 3.64 lakh incurred by CIDC towards payment to the consultant for preparation of DPR and on advertisement was also rendered wasteful.

On this being pointed out (January 2012), the Government stated (September 2012) that the estimated cost to implement the project would be ₹ 127.20 crore. As per DPR, the cost of the project was to be shared by the GoI-NCEUS, State Government, banks and private sector. Unfortunately, the key implementing agency of GoI (NCEUS) was closed (April 2009) which was leading to delay in implementation of the project. It was further stated that a request has been made (September 2012) to GoI for making provision of funds of ₹ 40.70 crore (32 *per cent)* by GoI, ₹ 39.43 crore (31 *per cent)* by the Private sector and ₹ 47.06 crore (37 *per cent)* by the banks and the State Government. However, the Department of Khadi and Gramodyog and KVIB were looking forward to the implementation of the project with the support of the State Government and action for allotment of budget provisions through State Government is under process.

The reply confirms that the State Government had failed to initiate action for

submitting the proposal for budget allocation as per directions of GoI (February 2009) and action was initiated only in September 2012, after a delay of three years. Thus, inaction on the part of GoCG to implement the project defeated the purpose of preparation of the DPR and resulted in infructuous expenditure of ₹ 83.14 lakh (₹ 79.50 lakh + ₹ 3.64 lakh) as of March 2013. We also noticed that MD, KVIB had requested (March 2012) Principal Secretary, GoCG for revision of the DPR prepared three years ago (December 2008) in view of the increase in the project cost.

PANCHAYAT AND RURAL DEVELOPMENT DEPARTMENT

4.2.7 Excess payment

Excess payment of ₹ 35.25 lakh was made to the contractors due to incorrect determination of rates for WBM.

Executive Engineer (EE), *Pradhan Mantri Gram Sadak Yojna* (PMGSY) had invited tenders (September 2006) on item rate, on the basis of estimates prepared as per Schedule of Rates (SOR August 2005), for the construction and maintenance of rural roads under *Pradhan Mantri Gram Sadak Yojna* (PMGSY) in September 2006. The agreements were entered into with a contractor in April 2007 and the work orders for ₹ 6.34 crore and ₹ 5.98 crore were issued in April 2007 for completion within 12 months including rainy season.

Clause 36.1 of the agreement provided that "if rates for variation items are specified in the Bill of Quantities (BOQ), the contractor shall carry out such work at the same rate. This shall apply for variations only up to the limit prescribed in the contract data. If the variation exceeds this limit, the rate shall be derived under the provision of clause 36.3 for quantities (higher or lower) exceeding the deviation limit". Clause 36.2 (payment of variation) of these agreements provided that "if the rates for variation are not specified in the BOQ, the Engineer shall derive the rate from similar items in the BOQ/SOR applicable for PMGSY work".

During audit (June 2011) of the records of the Executive Engineer, Programme Implementation Unit, (PIU) PMGSY, Durg we observed that in two agreements[18], Wet Mix Macadam (WMM) was provided in the estimates as well as in the BOQ for ₹ 885 per cum (21.40 *per cent* above SOR for WMM) and ₹ 900 per cum (23.46 *per cent* above SOR for WMM) respectively. However, the contractor requested (August 2007) the EE for replacement of WMM with WBM on the grounds of less availability of crusher metal and costlier proposition to install WMM plant in the area. The

[18]

Sl No.	Agreement No./Date	Package no.	Contract amount	Date of final bill	Amount
1	Agt. No.02/PIU-2/PMGSY/ 06-07 dtd.19/04/2007	CG05-37	₹ 634.12 lakh	21-10-10	₹ 566.19 lakh
2	Agt. No.03/PIU-2/PMGSY/ 06-07 dtd.19/04/2007	CG05-39	₹ 597.69 lakh	21-10-10	₹ 580.91 lakh

Chief Engineer, Chhattisgarh Rural Road Development Authority (CGRRDA), Raipur (CE) permitted (December 2007) the execution of WBM GR-II and GR-III in place of WMM on the basis of the recommendation (August 2007) of the EE. As per the payment of variation clause mentioned in the agreements, the rate of WBM GR-II and GR-III should have been derived on the basis of the rate given in the SOR (August 2005) and also taking into account the rate approved for payment in BOQ for similar item i.e. WMM. Had the rate of WBM GR-II and GR-III been derived (as per clause 36.2 of agreement) on the basis of SOR 2005 and plus/minus percentage of rate of WMM, the admissible rate would have been ₹ 538 per cum and ₹ 605 per cum for WBM GR-II and GR-III respectively. Contrary to the above provisions, the EE analysed and allowed the rates of ₹ 854 per cum for WBM GR-II and ₹ 870 per cum for WBM GR-III respectively on the basis of prevailing market prices and allowed payment for 11089.87 cum of WBM GR-II and 10524.858 cum of WBM GR-III respectively.

Thus, the payments made to the contractor on the basis of the rates arrived at by the Department were in contravention to the provisions in the agreement for calculation of variation which resulted in excess payment of ₹ 35.25 lakh to the contractor as detailed in the ***Appendix 4.6***.

After we pointed this out (April 2012), the Government stated (October 2012) that a letter has been issued (September 2012) to the contractor for recovery of sum of ₹ 35.28 lakh. The final decision regarding recovery will be taken after receipt of reply/clarification from the contractor.

The reply is an acceptance of the audit contention. Further developments are awaited (February 2013).

4.3 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 services etc. However, audit noticed instances where 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 level. A few cases have been discussed below:

SCHOOL EDUCATION DEPARTMENT

4.3.1 Blocking of Government of India funds

Lack of coordination and deficient monitoring at the Government and district level had resulted in blocking of Central funds of ₹ 7.38 crore for 2008-09 in the bank account, non-deposit of ₹ 9.45 crore in the bank even after lapse of one year and non-release of GoI funds for the subsequent years under "Incentive to Girls for Secondary Education" Scheme.

The Government of India (GoI) launched (July 2008) "Incentive to Girls for Secondary Education," a Centrally Sponsored Scheme (CSS), for establishing an enabling environment to reduce school dropouts, promote the enrollment of girl children belonging to SC/ST communities and ensure their retention in schools till attaining the age of 18 years. As per the scheme, a sum of ₹ 3000 was to be deposited in a fixed deposit (FD) in a public sector bank or in a post office in the name of every eligible girl child. The girl child receiving the incentive would be entitled to draw the amount on her attainment of 18 years of age. No premature withdrawal was allowed. Every implementing school was required to complete the exercise of identification of eligible girl children and prepare the proposal for release of the amount within one month of commencement of the academic year. A consolidated report of eligible beneficiaries was to be sent by the State Government to GoI within three months of commencement of the academic year.

Scrutiny of records (January 2012) of the Director, Public Instruction (DPI), Government of Chhattisgarh (GoCG) revealed that on the basis of the proposal submitted by GoCG (December 2008), GoI sanctioned (March 2009) ₹ 7.38 crore[19] for 24,590 beneficiaries to GoCG for the year 2008-09 with the instruction to deposit the above amount with the State Bank of India (SBI), Main Branch, New Delhi along with the details of the beneficiaries like student's name, father's name, the name of the bank and its address, account number etc. to enable SBI to issue the FD certificates to the beneficiaries under the scheme. Accordingly, DPI deposited ₹ 7.38 crore in SBI, (October 2009) vide demand draft along with the list of beneficiaries and other related details in Hindi.

Subsequently, SBI, New Delhi intimated (July 2010) GoI about submission of incomplete data by GoCG and accordingly GoI requested (August 2010) the latter to send the correct data after removing the discrepancies[20] pointed out by SBI at the earliest to enable the bank to process the cases. Accordingly, DPI issued (August 2010) instructions[21] to all the District Education Officers

[19] 24,590 beneficiaries @ ₹ 3000 per beneficiary

[20] I) Data was in Hindi, ii) Home address was blank, iii) Maturity date was not stated, iv) State code and District code was not filled up.

[21] August 2010, January and June 2011. DPI issued instructions to DEOs regarding rectification of discrepancies in the data and to provide the data in English, to complete the date of birth column, home address etc.

(DEOs). As no information was collected by DPI, GoCG could not send the rectified data till the date of audit (January 2012).

Thus, even after receiving funds from GoI and depositing the same in the bank by GoCG, the fixed deposit certificates could not be provided to the eligible students as envisaged under the "Incentives to Girls for Secondary Education" scheme as of March 2013. This had also led to blocking of GoI funds amounting to ₹ 7.38 crore.

Scrutiny of records also revealed that DPI, Raipur had not sent the proposal for the years 2009-10 onwards even after issue of a reminder (October 2011) by GoI to send the proposal for the year 2009-10. Had the proposal for the years 2009-10 and 2010-11 been sent to GoI, the benefit could have been extended to the students enrolled during 2009-10 and 2010-11 also.

On this being pointed out (January 2012), the Commissioner, Public Instruction stated (December 2012) that the proposal for the years 2008-09, 2009-10 and 2010-11 had already been sent to GoI in March 2012. The Commissioner further intimated (March 2013) that FD certificates for 2008-09 have not been received by the beneficiary students so far. As regards funds of ₹ 9.45 crore for 2009-10, the same has been received in March 2012 from GoI and action for deposit of the same into the bank is being taken. The information in respect of 2010-11 has been sent (March 2012) to GoI and sanction from GoI is awaited.

The reply confirms that there was lack of coordination coupled with deficient monitoring at the district level and departmental level which resulted in delayed implementation of the GoI scheme as well as non provision of incentive amount to the beneficiaries. GoI funds of ₹ 7.38 crore was also blocked in the bank account since October 2009. Further, failure on the part of the DPI to forward the proposal within the due time for the succeeding years also led to delay in release of GoI funds for subsequent years.

During discussion (March 2013), while accepting the audit observation, the Government intimated that FD certificates for the year 2008-09 have not yet been received from the SBI, New Delhi. Funds for the academic year 2009-10 have been received (₹ 9.45 crore in March 2012) from GoI and the same will be deposited into Canara Bank, New Delhi. The proposal for 2010-11 for 35,600 beneficiaries has been sent in March 2012 to GoI and the process for submission of the same for the academic year 2011-12 is under process.

The fact remains that girl students of SC/ST communities were deprived of the benefits of the scheme and GoI funds of ₹ 7.38 crore remained blocked as of March 2013. Further, funds of ₹ 9.45 crore received in March 2012 for the academic year 2009-10 also remained blocked due to non deposit of the same in the bank even after lapse of one year (March 2013).

WATER RESOURCES DEPARTMENT

4.3.2 Loss to Government

Injudicious planning and issue of work orders prior to acquisition of land and subsequent arbitrary termination of contract resulted in avoidable payment of ₹ 8.15 crore towards decretal dues.

Para 2.104 of Works Department manual specifies that notification for the acquisition of land required for any particular work must be submitted before the work is put in hand. Further, Para 1.129 of the manual specifies that the Executive Engineer (EE) shall work out the requirement of land for work, and draw up the programme for land acquisition/ land transfer with a view to ensure transfer of required land before the target date set for starting of work.

The work of construction of Kharsia Branch Canal (KBC) from KM 17.31 to KM 20 pertaining to of Mini Mata Bango (MMB) Project was awarded to M/s Integral Construction Company of Vijayawada through three[22] agreements by the EE, MMB Canal Division No.05, Kharsia. Work orders were issued (February 2002) for completion within 15 months each (including rainy season) for the first two works and 10 months for the third work. The contractor had executed works valuing ₹ 69.52 lakh (December 2002) against the contract amount of ₹ 4.09 crore.

Scrutiny (March 2011) of records of EE, MMB Canal Division No.5, Kharsia revealed that the work orders for the above three works were issued prior to acquisition of land. Due to delay in acquisition of land, the EE could hand over (30 October 2002) the complete site for construction only after eight months from the date of issue of the work orders, whereas the stipulated period for completion of the work allowed to the contractor was only 10 months (one work) and 15 months (two works) from the date of issue of the work orders (including rainy season). The contractor intimated (December 2002) the EE that the time stipulated for completion of the work was a very important factor of the contract and the Department had already wasted 10 months in handing over the work site. Accordingly, the contractor expressed (December 2002) his inability to complete the work without time extension and demanded revision of rates for the extended period.

However, the department directed (December 2002) the contractor to start the execution of work as per agreement and at the quoted rates stating that the

22

Sl. No.	Name of the work	Agreement No and date	Probable amount of contract
1	from 17.31 KM to 18.00 KM	13DL/2001-02/ Dt. 7-2-2002	₹ 181.45 lakh (45.02 *per cent* below)
2	18.00 KM to 19.00 KM	14DL/2001-02/ Dt. 7-2-2002	₹ 150.16 lakh (44.81 *per cent* below)
3	KM 19.00 to 20.00	12 DL/2001-02/ Dt.7-2-2002	₹ 77.48 lakh (44.718 *per cent* below)

status of availability of the land was already intimated to him (November 2002). The contractor intimated (December 2002) that he had shifted his men and machinery from the work site on 15 October 2002 and left the work incomplete due to delay in handing over of the entire land by the EE and considering that the possibility of handing over of land in the near future was remote. On 16 December 2002, the EE rescinded the contract under Clause 4.3.3.3 of the contract agreement, as per which the extra cost, if any, incurred in completion of the balance work will be recovered from the original contractor and he will have no claim for compensation for any loss sustained. Being aggrieved with the above order of the EE, the contractor filed a petition (February 2004) in the High Court of Chhattisgarh for appointment of an arbitrator as per Section 11 of the Arbitration and Conciliation Act, 1996. The case was submitted before the arbitrator in September 2005. After considering the records of both the parties the arbitrator opined (February 2009) that the respondents had breached the contract and had consequently rendered themselves liable to compensate the claimant for the damages suffered due to illegal termination of the contract. The award was passed in February 2009 for payment of compensation of ₹ 8.12 crore to the contractor as detailed in the ***Appendix 4.7***. The Department had four months time to file an appeal against the decision of the arbitrator under section 34 of Arbitration and Concillation Act.1996. However, the Department released the compensation amount of ₹ eight crore in August 2009 against the award amount of ₹ 8.12 crore. As the Department failed to make the balance payment of ₹ 12.26 lakh, the contractor approached the court, which in turn directed the Department to pay ₹ 15.34 lakh along with interest by 14 October 2011, which was deposited by the Department in the District Court, Raigarh on 17 October 2011.

We observed that after two years of the judgment, the Chief Engineer, Mini Mata Hasdeo Bango Project, Bilaspur, Chhattisgarh sought (February 2011) legal opinion from the Advocate General, Chhattisgarh, regarding possibilities of filing appeal against the judgement. The Advocate General opined (February 2011) that no court is entitled to relax the period of three months plus one month as provided under section 34 of the Arbitration and Conciliation Act. 1996 and nothing further could be done from any court for setting aside the award as the case was already time barred.

Thus, delay in handing over of unencumbered work site to the contractor, arbitrary termination of the contract and non-filing of petition before the Court of Law within the time frame resulted in avoidable payment of ₹ 8.15 crore towards decretal dues.

After we pointed this out (March 2011) the EE, MMB Canal Division No.5, Kharsia stated (March 2011) that the process of land acquisition was completed (February 2002 and October 2002) during the stipulated period of the agreement. It was further stated that out of 27.418 hectares land, 14.422 hectares land was Government land but the contractor did not execute the work on Government land. However, as per the order passed by the tribunal and instruction of the Government, payments were made to the contractor.

The reply is not acceptable. As stated in the award, only 30 *per cent* of land

was in possession of the Government and the rest 70 *per cent* land was owned by private parties. Had the Department strictly adhered to complete the land acquisition process before issue of work order and taken judicious decision before termination of the contract, the above loss could have been avoided. Further, the Department did not take timely action to obtain legal opinion and file an appeal against the award within the prescribed time.

The matter was brought to the notice of the Government (May 2012); their reply is awaited (February 2013).

PUBLIC WORKS DEPARTMENT

4.3.3 Avoidable payment

Escalation charges of ₹ 61.77 lakh was paid without valid time extension and ₹ 1.30 crore was not recovered from the defaulting contractor.

Administrative Approval (AA) and Technical Sanction (TS) for strengthening and widening of Bhatapara-Lawan-Mahanadi Road in km 26 to km 47 (SH-9) was accorded (March 2005) by Government of Chhattisgarh for ₹ 5.92 crore. The work order was issued to M/s Bhullar Construction Company, Korba (September 2005) by the Executive Engineer (EE), Public Works Department (B/R) division, Balodabazar at five *per cent* above SOR (2002) with the contract amount of ₹ 5.75 crore. The stipulated time for completion of the work was 18 months including rainy season from the date of issue of the work order (September 2005). However, due to substandard work and slow progress of the work, the Engineer-in-Chief black listed the contractor and accordingly the EE rescinded the work (April 2006) under clause 3 (c) of the agreement. However, the Government directed (February 2007) the EE to revoke the agreement without assigning any reasons. Accordingly, the EE revoked the agreement (February 2007) and directed the contractor to complete the work by December 2007.

As per clause 11(c) of the agreement, adjustment in the tender price by way of payment(s) arising out of variation shall be payable till the last date of valid time extension granted by the SE in case the work is delayed by the Department.

Scrutiny of records (July 2011) of Executive Engineer, PWD (B/R) Division Balodabazar revealed that as per the work order, the stipulated date for completion of the work was March 2007. However, the Superintending Engineer (SE), PWD Circle, Raipur sanctioned (September 2007) provisional permission to continue the agreement upto 15 December 2007 while reserving the right to levy compensation with the Government. Due to non-completion of work by the stipulated time period, the contract was terminated (March 2008) under clause 3(c) of the agreement at the risk and cost of the contractor and incomplete final bill was passed (December 2008) for ₹ 4.43 crore including payment of escalation of ₹ 64.85 lakh. Out of ₹ 64.85 lakh escalation payment made to the contractor, ₹ 61.77 lakh was paid for the work executed after March 2007 which was not admissible. This resulted in

inadmissible excess payment of ₹ 61.77 lakh to the contractor.

After we pointed this out (May 2012), the Government stated (September 2012) that SE's order for continuance of the agreement was mis-interpreted and payment of escalation was released to the contractor inadvertently. It was further stated that a letter has been issued (October 2011) to the contractor to deposit the excess payment; reply of the contractor is awaited. Further, a letter has also been written (December 2010) to the Collector, Korba to issue Revenue Recovery Certificate (RRC) to the contractor and action taken by the Collector in this regard is awaited (September 2012).

The above confirms that the escalation payment was not admissible. Further, the Government reply regarding issue of letter to the Collector for initiating RRC is factually incorrect as the letter is relating to recovery of the extra expenditure incurred for completion of balance work.

Further scrutiny of the records revealed that as per the provisions of clause 3 (c) of the agreement, the extra cost amounting ₹ 1.30 crore incurred by the Department for completion of the balance work was recoverable. Though the Department had requested (December 2010) the Collector, Korba for issue of Revenue Recovery Certificate for realisation of the amount, the amount was not recovered from the contractor till date (March 2013) and no further persuasion in this regard was made by the Department with the Collector, Korba. Further, after being pointed out by audit, the EE, Balodabazar had also requested (June 2012) all the EEs of the State to recover the amount from the payments due to the contractor.

Further developments in the matter are awaited (March 2013).

SCHOOL EDUCATION DEPARTMENT

4.3.4 Undue advantage

Undue financial benefit of ₹ 36.97 lakh was extended to text book printers due to non-recovery of cost of excess paper supplied by CTBC.

Chhattisgarh Text Book Corporation (CTBC), Raipur gets the text books printed through private printers every year for free distribution to the eligible students in the State. For this purpose "Commercial Tenders for printing, binding and distribution (without paper) of text books" are floated on an all-India basis and agreements are executed for printing of text books for the succeeding academic session. CTBC provides paper to the printers for carrying out the printing work.

Clause 10 (vi) of the agreement for 2006-07 and 2007-08 provided that "if any excess paper beyond the permissible wastage or otherwise reaches the printer, the same shall have to be returned by him in good condition to CTBC immediately. In case of failure to do so, the successful tenderer shall be saddled with penalty at the rate of ₹ 45,000 per MT". The rate of penalty was revised to 1.5 times of the cost of paper for the agreements made from 2008-09 onwards.

Scrutiny of records (May 2012) of the General Manager (GM), CTBC, Raipur revealed that CTBC had issued 145.7136 MT of 60 GSM and 3850.82 MT of 70 GSM paper to a printer, M/s Printing World, Cuttack, during the period 2006-07 to 2010-11 of which 143.883 MT and 3827.768 MT paper respectively was utilised by the printer. As a result, at the end of the year 2010-11, 1.8306 MT of 60 GSM paper and 23.0515 MT of 70 GSM paper was lying with the printer. As per the terms of the agreement, CTBC was required to recover ₹ 11.20 lakh (including penalty) from the printer on account of the balance paper. As against this, no amount in the form of security deposit was available with CTBC to recover the above dues.

Similarly, 22.932 MT of 70 GSM Sheet paper and 890.68 MT of 70 GSM Reel paper was issued to M/s Keshari Enterprises, Cuttack (a sister concern of M/s The Printing World) during the period 2008-09 to 2011-12 of which 886.93 MT of 70 GSM Reel paper was utilised while the entire quantity of 70 GSM of Sheet paper was lying unutilised with the printer at the end of 2011-12. Thus, a total of 22.932 MT of 70 GSM Sheet paper and 3.7495 MT of 70 GSM Reel paper was lying with the printer at the end of 2011-12. As per the terms of the agreement ₹ 15.28 lakh (including penalty) was recoverable from the printer as per details given in the ***Appendix 4.8***. We also noticed that in the year 2011-12, a sum of ₹ 10.50 lakh was recoverable from M/s Keshari Enterprises, Cuttack on account of finalisation of the bill for printing of text books in 2011-12. Thus, a sum of ₹ 25.78 lakh was recoverable from the printer against which security deposit of ₹ 5 lakh only was available with CTBC for adjustment.

Despite non return of the balance papers by both the firms, CTBC did not take any action either to recover the amount or adjust the available amount. Thus, CTBC failed to recover the amount against the balance quantity of papers from the printers which led to extension of undue financial benefit of ₹ 36.97 lakh as shown below:

Table 2 : Details of balance papers available with the printers and amount due for recovery

Sl. No.	Name of the printer	Paper issued during the period	Type of paper	Balance quantity of paper (in MT)	Rate per MT (in ₹)	Rate of penalty (in ₹) per MT	Total recoverable amount (₹ in lakh)
1	M/s The Printing World, Cuttack	2006-07 to 2010-11	60 GSM	1.8306	-	45000	0.82
			70 GSM	23.0515	-	45000	10.37
	Sub Total (A)						**11.19**
2	M/s Keshari Enterprises, Cuttack	2008-09 to 2011-12	70 GSM Sheet	22.932	38160	57240	13.13
			70 GSM Reel	3.7485	38160	57240	2.15
						Total	**15.28**
			Amount recoverable on account of finalisation of printing of text book for the year 2011-12				10.50[23]
	Sub Total (B)						**25.78**
	Grand Total (A+B)						**36.97**

During discussion (March 2013), while accepting the audit observation, the

[23] Against ₹ 10,50,450 a sum of ₹ 5,00,000 is available as security deposit with CTBC which has not been forfeited (February 2013).

Government stated that action for recovery as per the terms and conditions of the agreement will be made from the firms and the fact will be intimated to audit at the earliest.

The reply confirms that the Government failed to initiate timely action to recover the sum of ₹ 36.97 lakh due from the printers which led to extension of undue financial benefit to the printers.

4.4 Persistent and pervasive irregularities

An irregularity is considered persistent if it occurs year after year. It is deemed pervasive when it is prevailing in the entire system. Recurrence of irregularities, despite being pointed out in earlier audits is indicative of slackness on the part of the executive and lack of effective monitoring. This in turn encourages willful deviations from observance of rules/regulations and results in weakening of administrative structure. The case reported in audit about persistent irregularities has been discussed below:

PANCHAYAT AND RURAL DEVELOPMENT DEPARTMENT

4.4.1 Non adjustment of dues and advances

Failure of the Department to initiate timely action to adjust/ recover the advances given to *Sarpanches* for various civil works resulted in blocking of ₹ 84.99 lakh and irregular retention of Government money by the *Sarpanches*.

Article 89 (1) of the *Chhattisgarh Panchayat Raj Act,* 1993 provides that each Panch, member or personnel holding any post, officer or employee of the *Panchayat* will be personally responsible for any loss, defalcation or misappropriation, caused due to his negligence towards his duty. The instituted/prescribed officer should recover the due amount from the defaulter. If the defaulter fails to pay the dues, the same will be recoverable as dues of land revenue from him. Further, Article 92 (1) and (2) of the *Chhattisgarh Panchayat Raj Act,* 1993 empowers the Proper Officer to order the defaulter to pay the dues to the Panchayat.

During test check (July 2011 and May 2012) of records of seven *Janpad Panchayat* Offices we observed that balance of advances aggregating to ₹ 1.01 crore[24] in 71 cases sanctioned during the period 2008-09 to 2010-11 (***Appendix 4.9***) for various civil works[25] under various schemes/heads[26] to *Sarpanches* of Gram Panchayats by the Chief Executive Officer, Janpad Panchayats (CEO, JP). Most of the civil works involved petty construction

[24] Abhanpur-₹ 5.17 lakh, Baloda Bazar-₹ 13.47 lakh, Chhuikhadan-₹ 42.48 lakh, Dhamda-₹ 1.00 lakh, Patan-₹ 10.27 lakh, Palari-₹ 14.30 lakh and Rajnandgaon-₹ 14.35 lakh.

[25] Construction of kitchen sheds, Mangal bhavans, Public Distribution System buildings, Concrete roads, *Aanganwadi* centres, Toilets, etc

[26] Gram Utkarsh Yojana, MPLAD fund, MLALAD fund, SC/ST Development Authority, 11th & 12th Finance Commission Fund etc.

works (cost ranging between ₹ 0.6 lakh to ₹ 5 lakh per unit) and a maximum period of two to 12 months was allowed for completion to the agencies. Agreements were entered into with the *Sarpanches* by the CEOs, JPs. As per the agreement, the receiver of the grant was required to submit a progress report regarding actual status of the construction and intimate the amount of available balance to the CEO, JP periodically to enable him to monitor the progress of the ongoing works and control over the expenditure. Unrecovered dues, if any, were to be adjusted against any other grants payable to them.

However, we observed that out of the advance of ₹ 1.01 crore due for recovery as on March 2012, only ₹ 16.06 lakh was adjusted and the remaining sum of ₹ 84.99 lakh was still lying unadjusted with the respective *Sarpanches* as of December 2012 due to non refund of balance amount, non commencement of the works, less valuation of works etc.

This indicates that the CEO, JPs failed to implement the provisions of agreement for timely recovery or adjustment of the dues, and consequently, the Department failed to safeguard the interest of the Government.

After we pointed this out (January 2012 and May 2012), CEOs stated (May 2012) that recovery notices have been served to the defaulters and cases for recovery under the Land Revenue Act have also been sent to the concerned Land Revenue Court for recovery. Recoveries were under progress.

The fact remains that effective and timely action were not initiated against the defaulting *Sarpanches* and Secretaries of the Gram Panchayats. Had timely action been initiated before the expiry of their tenure/handing-taking over of charges of the *Panchayat*, the recoveries/adjustment could have been effected.

During discussion (March 2013), while accepting the audit observation, the Government assured that recovery position will be intimated to audit.

Further developments are awaited (March 2013).

Raipur **(PURNA CHANDRA MAJHI)**
The **Accountant General (Audit), Chhattisgarh**

Countersigned

New Delhi **(VINOD RAI)**
The **Comptroller and Auditor General of India**

Appendices

Appendix 2.1.1

(Referred to in paragraph 2.1.11.1; page no 23)

Statement showing extra cost due to inclusion of anticipated tender *per cent* on the SOR

(Amount in ₹)

Agreement Number	Type	Estimated cost per unit as per SOR	Add anticipated tender percentage (60 *per cent*)	Add non CSR item	Total	PAC	Number of unit	Extra cost
1	2	3	4	5	6	7	8	9=4x8
60DL/05-06	12 Sr. HIG Duplex Deluxe (DD)	984132	590479	23167	1597778	448.74	12	7085748
	15 HIG DD	711702	427021	21207	1159930		15	6405315
	10 MIG DD	543144	325886	13649	882279		10	3258860
							Total (A)	**16749923**
93 DL/06-07 12 DL/08-09	14 MIG DD	543144	325886	13649	882679	586.39	14	4562404
	71 MIG Deluxe	402786	241672	7393	651851		71	17158712
							Total (B)	**21721116**
61 DL/05-06, 13 DL/08-09 12 DL/08-09	50 MIG Deluxe	402786	241672	7393	651851	325.93	50	12083600
							Total (C)	**12083600**
Grand Total (A+B+C)								**50554639**

Appendix 2.1.2

(Referred to in paragraph 2.1.11.5; page no 27)

Statement showing non-recovery of extra cost from the defaulting contractor

(₹ in lakh)

Sl. No.	Name of Work	PAC	Agreement amount	Tender *per cent*	Name of contractor	Agreement Number	Total payment	Extra cost
1	Construction of 14 MIG-Duplex Deluxe & 71 MIG-Deluxe (Saddu, Raipur)	586.39	559.24	(-) 4.63	M/s Swaraj Associate, Raipur	93 DL 2006-07	127.00	159.25 (718.49-559.24)
2	Balance work of Construction of 14 MIG-Duplex Deluxe & 71 MIG-Deluxe (Saddu, Raipur)	453.33	591.49	30.5	M/s Dubey Goel & Company, Raipur	12 DL 2008-09	591.49	
						Total	**718.49**	**159.25**

Appendix 2.1.3

(Referred to in paragraph 2.1.11.6 (ii); page no 28)

Statement showing irregular sanction of mobilisation advance of ₹ 22.30 crore to contractors and loss of interest ₹ 3.78 crore **(Amount in ₹)**

Sl. No.	Agreement No.	Name of work	Vr. No. /R.A. Bill No.	Date of sanction	Mobilisation advance paid	Admissible amount	Excess paid	Advance recovered	Balance amount	No. of days	Interest loss @14%
1	2	3	4	5	6	7	8=(6-7)	9	10	11	12 = (10x14 *per cent* x 11) / 365
1	75/2008-09	Composite Housing scheme Block B, Talpuri, Durg,	Mobl. Adv.	19-02-2009	97200000				97200000	0	0
			5th R.A. Bill	05-12-2009				12000000	85200000	289	10774553
			6th R.A. Bill	08-01-2010				10000000	75200000	34	1111101
			7th R. A. Bill	08-02-2010				2100000	73100000	31	894159
			8th R. A Bill	19-03-2010				73100000	0	39	1093496
			Total (A)		**97200000**	**1000000**	**96200000**	**97200000**			**13873310**
2	81/2008-09 Date 10.10.2008	Composite Housing scheme Block A, Talpuri, Durg,	Mobl. Adv.	01-01-2009	127798000			0	127798000		0
			5th R.A. Bill	05-12-2009				18000000	109798000	338	16568223
			6th R.A. Bill	08-01-2010				30000000	79798000	34	1431886
			7th R.A. Bill	15-02-2010				79798000	0	38	1163083
			Total (B)		**127798000**	**1000000**	**126798000**	**127798000**			**19163192**
					224998000	**2000000**	**222998000**		**0**	**0**	**33036502**
3	72./2008-09	Kharun Green Composite Housing Scheme	46	27-09-2008	7030000			0	7030000		0
			10	29-09-2008	10545000			0	17575000	2	6934
			34	25-01-2010	0			1000000	16575000	483	4186221
			16	23-03-2010	0			12525000	4050000	57	465916
			53	10-05-2010	0			4050000	0	48	95868
			Total (C)		**17575000**	**17575000**	**0**	**17575000**	0		**4754939**
Grand Total (A+B+C)					**242573000**	**19575000**	**222998000**		**0**	**0**	**37791441**

Appendix 2.1.4

(Referred to in paragraph 2.1.11.7; page no 29)

Statement showing imposition of penalty for delay in execution of work

(₹in lakh)

Sl.No	Name of work	PAC	Tender cost	Name of contractor	Agreement No	Work order No./date	Stipulated period	Status as on March 2012	Penalty imposed	Penalty to be imposed	Short levy of penalty	Delay (in weeks)	Delay (in month)
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Composite Housing scheme Block A, Talpuri,Durg	18000	19644.79	M/s Mackintosh Burn Ltd, Kolkata	81/ 2008-09	12819/ 03.10.2008	24 months i/c rainy season	incomplete	498.48	834.90	336.42	68	17
2	Composite Housing scheme Block B, Talpuri, Durg	20280	25559.64	M/s Mackintosh Burn Ltd, Kolkata	75/ 2008-09	13134/ 13.10.2008	24 months i/c rainy season	incomplete	521.62	1086.28	564.66	68	17
3	Const. of 14 MIG-Duplex Deluxe & 71 MIG-Deluxe (Saddu, Raipur)	586.39	559.24	Swaraj Associate, Raipur	93/ 2006-07	5471/ 12.10.2006	12 month i/c 11.10.2007	August 2010	3.35	33.55	30.20	136	34
4	Const. of 50 MIG-Deluxe (Saddu, Raipur) Retender	325.93	304.36	M/s Bajoria Const. co. ltd, Yabatmal	61/ 2005-06	1198/ 28.02.2006	12 month i/c 27.02.2007	August 2010	0	18.26	18.26	168	42
5	Balance work of Const. of 50 MIG- Deluxe (Saddu, Raipur) Retender	226.04	272.32	N.K. Const. Durg	13/ 2008-09	3724/ 19.02.2009	6 month i/c18.08.2009	incomplete	0	16.34	16.34	124	31

1	2	3	4	5	6	7	8	9	10	11	12	13	14
6	Balance work of construction of 14 MIG-Duplex Deluxe & 71 MIG-Deluxe & 50 MIG- Deluxe (Saddu, Raipur)	453.22	591.49	Dubey, Goel & co	12 /2008-09	3316/ 02.02.2009	9 month + 3 month i/c 01.11.2009	November 2009	0	0.00	0.00	0	0
7	Const. of 12 Sr.HIG Duplex Deluxe, 15 HIG DD & 10 MIG DD	453.95	448.74	Veecons, Vishakapatnam	60/2005-06	1141/ 25.02.2006	12 month i/c 24.02.2007	November 2009	2.4	26.92	24.52	132	33
8	Const of 72 Nos F2A, 72 Nos F2b, 108 Nos F2C, 36 Nos F3B and 36 No. F3C type multi-storeyed buildings, Naya Raipur	2915	4149.93	M/s Goel & Associates, Raipur	08/2008-09	115/ 19.01.2009	24 month i/c rainy season	incomplete	11.93	166.00	154.07	64	16
9	Const of 206 Nos P2A, 86 Nos P2B and 15 Nos P4A type Independent houses, Naya Raipur	2923	3800.8	M/s Essal Infrastructure Pvt. Ltd.	11/2008-09	84/ 24.01.2009	24 month i/c rainy season	incomplete	6	152.03	146.03	64	16
10	Const of 144 Nos F1A, 72 Nos F1B, 180 Nos F1C, 36 Nos F2C, 72 Nos F3 A and 72 Nos F3C type flats , Naya Raipur	3489	4639.39	M/s Essal Infrastructure Pvt. Ltd.	19/2008-09	3415/ 27.03.2009	24 month i/c rainy season	incomplete	5.51	162.38	156.87	56	14
11	Const of 96 Nos EWS I,48 Nos EWS II(G+3) & 108Nos F2A, 108 Nos F2B & 96 Nos F3B(G+6) Naya Raipur	2724	3652.14	M/s Essal Infrastructure Pvt. Ltd.	18/2008-09	3409/ 27.03.2009	24 month i/c rainy season	incomplete	1.25	127.82	126.57	56	14
12	Development of allied infrastructure of 150 acre land at Naya Raipur, sector27	2218	3038.93	M/s Essal Infrastructure Pvt. Ltd.	10/2008-09	151/ 23.01.2009	24 month i/c rainy season	incomplete	24.92	106.36	81.44	56	14

1	2	3	4	5	6	7	8	9	10	11	12	13	14
13	Const of 257 Nos P3A & 13 Nos. P3D at Naya Raipur	3003	3714.21	M/s S.R. Gupta	13/2008-09	NA	24 month i/c rainy season	incomplete	4.7	139.28	134.58	60	15
14	Construction of 96 Nos P3B, 94 Nos P3C & 34 Nos. P4B type independent house, Naya Raipur	3207	4477.17	M/s Goel & Associates	09/2008-09	142/ 22.01.2009	24 month i/c rainy season	incomplete	9.73	179.09	169.36	64	16
15	Const of 32Nos EWS-I, 144 Nos EWS-II(G+3) & 72 Nos F1B, 108 Nos F1C(stilt+6), New Raipur	1557	2130.65	M/s Essal Infrastructure Pvt. Ltd.	12/2008-09	16.02.2009	24 month i/c rainy season	incomplete	2.5	79.90	77.40	60	15
							Grand Total		**1092.39**	**3129.13**	**2036.74**		

Appendix 2.1.5

(Referred to in paragraph 2.1.11.8; page no 29)

Statement showing details of excess payment due to extra excavation and filling of foundation

(Amount in ₹)

Type of House	No of units	Excavation admissible (cum)	Actual excavation (cum)	Excess excavation (cum)	Rate of excavation (per cum)	Excess payment	Filing admissible (cum)	Actual filling (cum)	Excess filling (cum)	Rate of filling	Excess payment	Total excess payment
Dahalia	218	16866.66	31330.96	14464.30	115	1663394.5	16866.66	26125.12	9258.46	78	722159.9	2385554
Daisy	175	6861.75	12916.75	6055.00	115	696325	6861.75	21028	14166.25	78	1104968	1801293
Mogra	336	5318.88	26214.72	20895.84	115	2403021.6	5318.88	22921.92	17603.04	78	1373037	3776059
Juhi	4	1721.32	4076.20	2354.88	115	270811.2	1721.32	4043.28	2321.96	78	181112.9	451924
Parijat	41	5448.49	37287.04	31838.55	115	3661433.3	5448.49	35818.01	30369.52	78	2368823	6030256
Gulmohar	8	6014.08	20103.76	14089.68	140	1972555.2	6014.08	16572.4	10558.32	95	1003040	2975596
Total		**42231.18**	**131929.43**	**89698.25**		**10667541**	**42231.18**	**126509**	**84277.55**		**6753140**	**17420681**

Appendix 2.1.6

(Referred to in paragraph 2.1.11.10; page no 31)

Statement showing excess payment due to adoption of wrong formula for payment of escalation.

Agree-ment No	Month	Price of Cement	Quantity	Operative index	Base index (08/2008)	Vc=Pc x Qc x(Ci-Co)/Co-Admissible	Escalation paid	Excess payment (Cement)	Price of steel	Quantity	Operative index	Base index (08/2008)	Vs=Ps x Qs x(Si-So)/So Admissible	Escalation paid	Excess payment (Steel)	Total admissible	Total payment	Total Excess payment
12/ 2008-09	06-03-2009	4640	288.10	225.40	223.30	12572	313180	300608	45849	55.37	282.00	335.80	-406693	545762	952455	-394121	858942	1253063
	06-05-2009	4640	211.55	228.10	223.30	21100	375809	354709	45849	53.64	282.00	335.80	-394022	529191	923213	-372922	905000	1277922
	27-06-2009	4640	183.35	229.90	223.30	25145	325713	300568	45849	55.93	282.00	335.80	-410814	612404	1023218	-385669	938117	1323786
	11-09-2009	4640	101.45	227.50	223.30	8854	180221	171367	45849	26.60	302.20	335.80	-122049	270584	392633	-113196	450805	564001
	15-10-2009	4640	163.05	225.80	223.30	8470	285328	276858	45849	32.26	302.20	335.80	-147979	328070	476049	-139508	613398	752906
	30-11-2009	4640	158.55	225.80	223.30	8236	277453	269217	45849	37.59	302.20	335.80	-172435	382291	554726	-164199	659744	823943
	29-12-2009	4640	125.45	225.80	223.30	6517	192920	186403	45849	39.88	302.20	335.80	-182936	557928	740864	-176419	750848	927267
	10-02-2010	4640	222.10	212.00	223.30	-52150	323885	376035	45849	31.52	302.20	335.80	-144598	441000	585598	-196748	764885	961633
	28-03-2010	4640	193.20	222.00	223.30	-5219	281740	286959	45849	44.98	304.00	335.80	-195284	622303	817587	-200503	904043	1104546
						33525	**2556249**	**2522724**					**-2176810**	**4289533**	**6466343**	**-2143285**	**6845782**	**8989067**
13/ 2008-09	19-06-2009	4640	246.24	229.90	223.30	33770	473434	439664	45849	38.28	282.00	335.80	-281192	419252	700444	-247422	892686	1140108
	22-08-2009	4640	116.05	229.60	223.30	15192	223081	207889	45849	23.71	302.20	335.80	-108791	241553	350344	-93599	464634	558233
	16-10-2009	4640	117.58	225.80	223.30	6108	205758	199650	45849	24.87	302.20	335.80	-114071	252877	366948	-107963	458635	566598
	07-01-2010	4640	171.91	207.00	223.30	-58226	264368	322594	45849	32.49	302.20	335.80	-149052	454586	603638	-207278	718954	926232
	25-01-2010	4640	189.95	207.00	223.30	-64336	277001	341337	45849	36.44	302.20	335.80	-167150	509783	676933	-231487	786784	1018271
	19-03-2010	4640	246.90	222.00	223.30	-6670	360050	366720	45849	49.08	304.00	335.80	-213099	686707	899806	-219768	1046757	1266525
						-74162	**1803692**	**1877854**					**-1033356**	**2564758**	**3598114**	**-1107518**	**4368450**	**5475968**
			Grand Total			**-40637**	**4359941**	**4400578**					**-3210166**	**6854291**	**10064457**	**-3250803**	**11214232**	**14465035**

Appendix 2.1.7

(Referred to in paragraph 2.1.12.1; page no 32)

Statement showing details of engineers deployed by the contractor at various sites

Sl. No	Name of division	Name of Work	Agreement Number	Project cost	Engineers to be deployed	Engineers deployed
1	Division III Raipur	1206 (800) *Atal Awas* houses in Mungi and Dhansuli, Raipur	28/2007-08	11.85	6	6
2		484 *Atal Awas* Houses at Raipur	94/2010-11	6.24	6	6
3		Construction of 210 Sr. LIG house at Dondekhurd	29/2007-08	5.42	6	6
4	Division I Raipur	132 Deen Dayal *Awas*, kabir Nagar	43/ 2007-08	2.64	4	4
5		Construction of 43 HIG DD Ph II at Kabir nagar	195 /2009-10	8.783	6	0
6	Durg Division	Kharun Green Project	72/2008-09	35.15	12	6
7	Project Division Durg	Talpuri Project Block A	81/2008-09	196.44	24	0
8		Talpuri Project Block B	75/2008-09	255.6	36	0
9	Jagdalpur division	Composite Housing Scheme Hatkkachora	13/2008-09	12.84	12	0
10		Composite Housing scheme Aghanpur	12/2008-09	20.71	12	0
11	Capital project Division,-I Raipur	Const of 72 Nos F2A, 72 Nos F2b, 108 Nos F2C, 36 Nos F3B and 36 Nos F3C type multi-storeyed buildings, Naya Raipur	8/2008-09	41.5	12	0
12		Const of 206 Nos P2A, 86 Nos P2B and 15 Nos P4A type Independent houses, Naya Raipur	11/2008-09	38	12	0
13		Const of 144 Nos F1A, 72 Nos F1B, 180 Nos F1C, 36 Nos F2C, 72 Nos F3 A and 72 Nos F3C type flats , Naya Raipur	19/2008-09	46.4	12	0
14		Const of 96 Nos EWS I,48 Nos EWS II(G+3) & 108Nos F2A, 108 Nos F2B & 96 Nos F3B(G+6) Naya Raipur	18/2008-09	36.52	12	0
15		Development of allied infrastructure of 150 acre land at Naya Raipur, sector27	10/2008-09	30.39	12	0
16		Const of 257 Nos P3A & 13 Nos. P3D at Naya Raipur	13/2008-09	37.14	12	0
17		Construction of 96 Nos P3B, 94 Nos P3C & 34 Nos. P4B type independent house, Naya Raipur	09/2008-09	44.77	12	0
18		Const of 32Nos EWS-I, 144 Nos EWS-II(G+3) & 72 Nos F1B, 108 Nos F1C(stilt+6), New Raipur	12/2008-09	21.3	12	0
19	Division-II, Raipur	50 MIG Deluxe houses at Saddu,	61/2005-06	3.04	4	0
			Total		**224**	**28**

Appendix 2.1.8

(Referred to in paragraph 2.1.12.2; page no 33)

Statement showing details of shortfall in concrete test conducted

Sl. No.	Name of division	Agreement Number	Quantity of concrete executed (cum)	Test to be conducted	Test conducted	Shortfall (*per cent*)
1	Division III Raipur	28,29/2007-08 and 94/2010-11	6974.34	279	21	258 (8)
2	Naya Raipur	08,09,10,11,12,13,18,19/2008-09	98745	3950	3567	383 (90)
3	Division II Raipur	61/2005-06	1487.5	60	4	56 (7)
4	Durg Division	72/2008-09	9633.2	385	8	377 (2)
5	Jagdalpur Division	12,13/2008-09	4900	196	16	180 (8)
6	Division-1,Raipur	43/2007-08,195/2009-10, 200/2008-09	9567.43	383	8	375 (2)
7	Project Division, Durg	75 and 81/2008-09	71614.3	2865	20	2845 (1)
	Total	**20**	**202921.8**	**8118**	**3644 (45 *per cent*)**	**4474**

***Appendix** 2.2.1*
(Referred to in paragraph 2.2.5; page no 38)
Statement showing details of selected *Gram Panchayats*

Central Plains			Northen hills			Bastar plateu		
Block-1 Balod (Durg)	1	B. Jamgaon	Block-6 Kansabel (Jashpur)	51	Barjor	Block-10 Bakawand (Bastar)	91	Barda
	2	Bhoinapar		52	Chidora		92	Chindgaon
	3	Dewarbhat		53	Farsajunvani		93	Chiurgaon
	4	Jamarua		54	Katangkhar		94	Farsigaon
	5	Jhungera		55	Khutera		95	Kinjoli
	6	Latabod		56	Kusumtal		96	Magnar
	7	Londi		57	Patrapali		97	Matnar
	8	Newarikala		58	Pongro		98	Pandanar
	9	Parsoda		59	Sajapani		99	Satosa
	10	Tarod		60	Tangargaon		100	Tonkongera
Block-2 Durg (Durg)	11	Amati	Block-7 Pathalgaon (Jashpur)	61	Bagbahar	Block-11 Bastar (Bastar)	101	Bakel
	12	Bhendsar		62	Butrabahar		102	Bhond
	13	Bodegaon		63	Garjiyabathan		103	Dube Umargaon
	14	Chirpoti		64	Kadro		104	Karmari
	15	Ghughsidih		65	Kundel Khajiri		105	Kesharpal
	16	Katro		66	madhuvan		106	Kungarpal
	17	Kolihapuri		67	Palidih		107	Lamker
	18	Nagpura		68	Raja Ama		108	Mandlapal
	19	Rasmada		69	Rokbahar		109	Retawand
	20	Ravelidih		70	Tirsoth		110	Turpura
Block-3 Saja (Durg)	21	Bhatagaon	Block-8 Baikunthpur (Korea)	71	Aamapara	Block-12 Makdi (Bastar)	111	Badeghodsoda
	22	Daganiya		72	Badegaon		112	Bagdega
	23	Gaduwa		73	Barpara		113	Bhirgaon
	24	Kanhera		74	Budar		114	Dharli
	25	Maatra		75	Chilka		115	Jarandi
	26	Odia		76	Dakaipara		116	Kosaharduli
	27	Sahaspur		77	Gadbadi		117	Makdi
	28	Souri		78	Kadamnara		118	Pathari
	29	Tiriyabhat		79	Khond		119	Tamrawand
	30	Umrao nagar		80	Salba		120	Themgaon
Block-4 Basna (Mahasamund)	31	Badetemari	Block-9 Manendragarh (Korea)	81	Bandeli	Block-13 Charama (Kanker)	121	Aanwri
	32	Beltikari		82	Charwahi		122	Bhanpuri
	33	Bichiya P		83	Dugla		123	Dedkohara
	34	Birsinghpali		84	Harra		124	Gitapahar
	35	Chimarkel		85	Kachoud		125	Jepra
	36	Ganekera		86	Lalpur		126	Kilepar
	37	Khemada		87	Mahai		127	Lilejhar
	38	Lamber		88	Narayanpur		128	Pandaripani
	39	Palsapali		89	Parasgadi		129	Piprod
	40	Sarkanda		90	Rokda		130	Sadhunavagaon

Central Plains			Northen hills	Bastar plateu		
Block-5 Pithora (Mahasamund)	41	Badeloram		Block-14 Narharpur (Kanker)	131	Amoda
	42	Bheekhapali			132	Bhaismundi
	43	Bijemal			133	Chorbhatti
	44	Dhanora			134	Devinawagaon
	45	Gopalpur			135	Dhansera
	46	Jhandhora			136	Gotiyawahi
	47	Kodopali			137	Kurna
	48	Monhada			138	Marampani
	49	Pilvapali			139	Risewada
	50	Savitripur			140	Sarwandi

***Appendix** 2.2.2*
(Referred to in paragraph 2.2.8.3; page no 45)
Statement showing the position of delay in release of State share

(₹ in crore)

Sl. No.	Year	Centre share			State share		Delay (in days)
		District	Date	Amount	Date	Amount	
1	2007-08	Bastar	21.5.07	25.00	19.6.07	2.78	14
		Bastar	12-11-07	50.00	19-12-07	5.56	22
2	2008-09	Durg	1.4.2008	3.77	22.4.2008	0.42	7
		Mahasamund	17.4.2008	27.42	12.5.2008	3.05	11
		Bastar	24-04-08	8.73	25-06-08	0.70	47
		Bastar	30-05-08	8.15	03-07-08	1.18	19
		Bastar	23-09-08	10.00	15-10-08	1.11	7
		Durg	11.11.2008	15.84	24.12.2008	1.76	28
		Mahasamund	28.1.2009	40.25	28.2.2009	4.47	15
3	2009-10	Bastar	18-04-09	2.00	08-05-09	0.86	5
		Bastar	18-04-09	7.75	15-06-09	0.62	43
		Bastar	08-05-09	5.55	28-08-09	0.36	97
		Jashpur	30.6.2009	8.11	1.8.2009	0.09	17
		Durg	15.10.2009	35.60	7.11.2009	3.96	8
		Jashpur	11.2.2010	4.46	19.3.2010	0.49	21
		Mahasamund	12.5.2009	21.39	8.6.2009	2.44	11
		Bastar	28-08-09	3.26	20-11-09	1.94	69
		Bastar	14-10-09	17.47	17-03-10	0.51	139
4	2010-11	Durg	20.4.2010	31.57	25.5.2010	3.51	20
		Bastar	28-04-10	17.66	05-06-10	1.96	23
		Mahasamund	29.4.2010	34.53	8.6.2010	3.84	24
		Mahasamund	30.6.2010	54.12	30.7.2010	6.01	15
		Durg	1.7.2010	6.71	26.7.2010	0.75	10
		Jashpur	15.9.2010	40.00	1.12.2010	4.44	62
		Bastar	22-02-11	48.04	30-03-11	5.34	21
5	2011-12	Bastar	04-11-11	8.18	22-12-11	0.85	33
		Bastar	05-01-12	20.00	06-03-12	2.64	46
		Bastar	27-01-12	5.27	30-03-12	1.04	48
		Mahasamund	26.7.2011	14.99	26.8.11	1.57	15
		Mahasamund	22.9.2011	62.56	20.10.2011	6.53	12

Appendix 2.4.1

(Referred to in paragraph 2.4.4.4; page no 90)

Statement showing short levy premium and lease rent on allotment of Government land for industries

(₹ in lakh)

Sl. No.	Name of the Industrial Unit	Area in Ha	Date/ No. of Allotment	Charges levied by CSIDC			Charges to be levied by CSIDC			Short levied by CSIDC		
				Premium	Lease Rent	Total	Premium	Lease Rent	Total	Premium	Lease Rent	Total
1	M/s Lafarge India Pvt. Ltd., Raipur	3.403	12320/ 25.03.10	9.11	0.25	9.36	50.43	1.26	51.69	41.32	1.01	42.33
2	M/s Dhiru Power General Private Limited, Korba	50.988	2271/ 01.06.10	353.98	10.62	364.60	755.64	18.89	774.53	401.66	8.27	409.93
3	M/s Sona Power Private Limited, Janjgir	197.210	5383/ 13.08.10	2708.17	81.25	2789.42	2922.65	73.07	2995.72	214.48	-8.18	206.30
4	M/s Jindal Steel and Power Limited Raigarh	2.615	6030/ 31.08.10	37.60	1.13	38.73	38.75	0.97	39.72	1.15	-0.16	0.99
5	M/s Lanco Solar Private Limited, Rajnandgaon	101.282	12551/ 30.03.10	191.71	5.75	197.46	1501.00	37.52	1538.52	1309.29	31.77	1341.06
6	M/s Sri Sai Industries, Korba	0.186	12495/ 29.03.10	2.72	0.07	2.79	2.76	0.07	2.83	0.04	0.00	0.04
7	M/s Sri Krishna Industries, Korba	0.186	12496/ 29.03.10	2.72	0.07	2.79	2.76	0.07	2.83	0.04	0.00	0.04
8	M/s Wardha Power Company Limited, Janjgir Champa	173.770	479/ 19.04.10	997.33	29.92	1027.25	2575.27	64.38	2639.65	1577.94	34.46	1612.40
9	M/s Lanco Solar Private Limited, Mehrumkala	11.924	784/ 26.04.10	38.54	1.16	39.70	176.71	4.42	181.13	138.17	3.26	141.43
10	M/s Jai Balaji Industries, Gholeng, Jashpurnagar	0.906	3120/ 02.07.10	2.58	0.08	2.66	13.43	0.34	13.76	10.85	0.26	11.10
11	M/s Radha Madhav Industries Ltd, Raigarh	9.768	4456/ 22.07.10	45.52	1.37	46.89	144.76	3.62	148.38	99.24	2.25	101.49
12	M/s Tirupati Udyog, Atari	1.024	8625/ 28.10.10	6.14	0.31	6.45	15.18	0.38	15.56	9.04	0.07	9.11
13	M/s Lanco Solar Private Limited, Rajnandgaon	37.127	9948/ 04.12.10	113.41	3.40	116.81	550.22	13.76	563.98	436.81	10.36	447.17
14	M/s Bajrang Power & Ispat Limited, Janjgir	19.610	10600/ 21.12.10	127.25	3.82	131.07	290.62	7.27	297.89	163.37	3.45	166.82
15	M/s Godawari Energee Limited, Janjgir	38.562	10922/ 27.12.10	146.16	4.38	150.54	571.49	14.29	585.78	425.33	9.91	435.24
	Total	**648.561**		**4782.94**	**143.58**	**4926.52**	**9611.67**	**240.29**	**9851.97**	**4828.73**	**96.71**	**4925.45**

Appendix 2.4.2

(Referred to in paragraph 2.4.6.1; page no. 95)

Detailed calculation of short levy of compensation

1.A (Case no. 02/06-07, Tendubhata) Calculation of compensation paid and payable

(Amount in ₹)

	Area in acre	Logical rate per acre	Compensation	Standing crops	Total	Additional 12% U/S 23(1-A) for 12 months	Solatium 30% U/S 23(2)	Total amount of award
Paid	155.96	1,06,037	1,65,37,530	41,30,114	20667644	24,80,117	62,00,293	2,93,48,055
Payable	123.05(*Matasi*)	1,97,693	2,43,26,153	41,30,114	344,96,204	44,84,507 *(for 13 months)*	1,03,48,861	4,93,29,572
	32.91(*Tikra*)	1,83,529	60,39,937					
	Net less amount paid (Payable ₹ 4,93,29,572- Paid ₹ 2,93,48,055)							**1,99,81,517**

1. **B (Case no. 04/06-07, Madwa)** Calculation of compensation paid and payable

(Amount in ₹)

	Area in acre	Logical rate per acre	Compensation	Standing crops	Total	Additional 12% U/S 23(1-A) for 12 months	Solatium 30% U/S 23(2)	Total amount of award
Paid	151.79	1,06,037	1,60,95,356	1,11,416	1,62,06,772	19,44,813	48,62,032	2,30,13,617
Payable	143.20(*Matasi*)	1,98,300	2,83,96,601	1,11,416	3,01,76,653	39,22,965 *(for 13 months)*	90,52,996	4,31,52,614
	8.59(*Tikra*)	1,94,253	16,68,636					
	Net less amount paid (Payable ₹ 4,31,52,614- Paid ₹ 2,30,13,617)							**2,01,38,997**
	Total (A+B)							**4,01,20,514**

Appendix 2.4.3

(Referred to in paragraph 2.4.6.2; page no 95)

Statement showing non-payment of compensation

(₹ In lakh)

Sl. No.	Name of LAO/District	LA Case No.	Village	Name of RO and for whom land acquired	Area in Hectare	Date of award U/S 11	Amount of award	Amount distributed	Amount not distributed	Remaining land owners	Total land owners
1	Raipur/Raipur	08/07-08	Kachana	Housing Board	3.982	30.03.10	217.42	**26.59**	190.83	158	171
2	Raipur/Raipur	15/07-08	Bhatgaon	Nagar Nigam	0.36	12.03.10	14.49	0	14.49	2	2
3	Raipur/Raipur	24/06-07	Ninwa	WRD	2.039	08.04.10	9.1	6.1	3	4	16
4	Arang-Abhanpur/Raipur	09/08-09	Jhanjh	NRDA	0.3	13.06.11	3.19	0	3.19	1	1
5	Arang-Abhanpur/Raipur	09/07-08	Jhanki	NRDA	0.56	08.03.11	9.27	0	9.27	2	2
6	Arang-Abhanpur/Raipur	08/07-08	Khandwa	NRDA	1.76	08.03.11	15.45	0	15.45	1	1
7	Arang-Abhanpur/Raipur	10/07-08	Bhelwadih	NRDA	5.46	08.03.11	60.45	0.66	59.79	3	4
8	Arang-Abhanpur/Raipur	01/07-08	Nardaha	Housing Board	8.79	12.01.10	95.99	0	95.99	103	103
9	Arang-Abhanpur/Raipur	07/07-08	Khandwa	NRDA	19.3	19.01.10	189.34	0	189.34	47	47
10	Gharghoda/Raigarh	08/08-09	GahnaGhariya	NA	NA	25.07.11	21.08	0	21.08	11	11
11	Gharghoda/Raigarh	22/08-09	NA	NA	NA	10.08.11	8.93	0	8.93	19	19
12	Gharghoda/Raigarh	13/06-07	Salihabhata	DTIC	17.982	22.10.07	55.28	19.9	35.38	20	30
13	Janjgir-Champa	01/09-10	Amora	KSK Mahanadi 3600 MW	56.219	30.12.10	1431.1	1369.91	61.19	8	138

	Name of LAO/ District	LA Case No.	Village	Name of RO and for whom land acquired	Area in Hectare	Date of award U/S 11	Amount of award	Amount distributed	Amount not distributed	Remaining land owners	Total land owners
14	Janjgir-Champa	02/09-10	Amora	KSK Mahanadi 3600 MW	6.94	24.12.10	171.4	170.6	0.8	1	34
15	Janjgir-Champa	03/09-10	Latiya	KSK Mahanadi 3600 MW	30.315	30.12.10	760.08	712.96	47.12	6	103
16	Janjgir-Champa	08/09-10	Nariyara	KSK Mahanadi 3600 MW	45.13	30.12.10	1176.73	1119.47	57.26	17	180
17	Janjgir-Champa	05/09-10	Tarod	KSK Mahanadi 3600 MW	23.599	30.12.10	695.34	543.95	151.39	**14**	82
18	Janjgir-Champa	07/09-10	Pakariya	KSK Mahanadi 3600 MW	23.549	30.12.10	522.62	506.85	15.77	5	47
19	Janjgir-Champa	06/09-10	Rogda	KSK Mahanadi 3600 MW	52.247	30.12.10	1228.71	1170.28	58.43	5	90
20	Janjgir-Champa	22/08-09	Godhana	KPCL	215.64	30.10.10	5344.25	5240.94	103.31	28	808
21	Janjgir-Champa	23/08-09	Salkhan	KPCL	151.77	30.10.10	3802.71	3570.66	232.05	33	520
22	Janjgir-Champa	24/08-09	Kukda	KPCL	43.76	06.10.10	1086.34	868.19	218.15	34	163
23	Rajnandgaon	06/08-09	Paneka	PWD	8.599	20.12.10	45.78	39.11	6.67	5	23
24	Rajnandgaon	05/08-09	Nandai	PWD	21.518	30.06.11	1017.75	975.35	42.4	4	75
25	Rajnandgaon	08/08-09	Rewadih	PWD	10.976	25.05.11	586.43	542.08	44.35	5	60
26	Rajnandgaon	09/08-09	Lakholi	PWD	20.903	25.05.11	892.54	827.84	64.7	5	65
27	Rajnandgaon	05/04-05	Maldabri	WRD	1.097	17.04.07	0.67	0.64	0.03	4	NA
28	Rajnandgaon	04/07-08	Mahroomkala	WRD	4.057	20.08.09	8.93	7.55	1.38	1	NA

	Name of LAO/District	LA Case No.	Village	Name of RO and for whom land acquired	Area in Hectare	Date of award U/S 11	Amount of award	Amount distributed	Amount not distributed	Remaining land owners	Total land owners
29	Khairagarh/ Rajnandgaon	11/01-02	Mudpar	WRD	1.672	04.03.04	1.47	0.92	0.55	9	NA
30	Khairagarh /Rajnandgaon	27/01-02	Piplakachhar	WRD	2.13	04.03.04	2.5	1.03	1.47	4	NA
31	Khairagarh/ Rajnandgaon	26/01-02	Tekapar	WRD	0.429	15.09.03	3.7	2.38	1.32	4	NA
32	Khairagarh/ Rajnandgaon	18/02-03	Jharjharaghat	WRD	2.526	28.11.05	1.59	1.28	0.31	2	NA
33	Khairagarh/ Rajnandgaon	07/02-03	Barbaspur	WRD	1.255	11.07.05	1.18	1.05	0.13	3	NA
34	Khairagarh/ Rajnandgaon	06/04-05	Jiratola	WRD	15.899	06.03.06	13.15	12.51	0.64	6	NA
35	Khairagarh/ Rajnandgaon	12/03-04	Sarangpur	WRD	1.983	22.11.06	2.02	1.7	0.32	5	NA
36	Khairagarh/ Rajnandgaon	11/07-08	Kukurmuda	WRD	6.968	30.06.09	20.56	20.34	0.22	1	40
37	Khairagarh/ Rajnandgaon	12/08-09	Bhardagond	WRD	7.441	09.04.10	20.91	16.53	4.38	2	23
38	Khairagarh/ Rajnandgaon	01/08-09	Mahroomkala	Industries	54.656	01.07.10	813.97	0	813.97	NA	NA
39	Khairagarh/ Rajnandgaon	04/07-08	Gatapar	WRD	7.231	03.06.10	12.03	11.45	0.58	6	34
40	Khairagarh/ Rajnandgaon	17/07-08	Shergarh	PWD	0.194	06.09.10	4.59	4.52	0.07	3	12
41	Khairagarh/ Rajnandgaon	10/08-09	Jhuranadi	WRD	3.684	05.02.11	11.81	11.44	0.37	2	43
42	Khairagarh/ Rajnandgaon	13/08-09	Gabhara	WRD	2.368	18.10.10	9.58	9.3	0.28	1	21
43	Khairagarh/ Rajnandgaon	03/08-09	Dallikholi	WRD	1.789	11.03.11	4.31	0.91	3.4	2	4
44	Gharghoda/Raigarh	11/06-07	Salkhiya	WRD	13.863	24.08.09	26.61	0	26	38	38
45	Gharghoda/Raigarh	06/06-07	Khamhar	WRD	19.29	31.08.09	44.52	11.17	33.35	36	46

	Name of LAO/District	LA Case No.	Village	Name of RO and for whom land acquired	Area in Hectare	Date of award U/S 11	Amount of award	Amount distributed	Amount not distributed	Remaining land owners	Total land owners
46	Gharghoda/Raigarh	07/06-07	Amaghat	NA	NA	26.10.09	27.98	15.12	12.86	8	35
47	Gharghoda/Raigarh	23/06-07	Gorkhamada	Kello Project	14.196	23.11.09	49.7	47.18	2.52	1	19
48	Gharghoda/Raigarh	10/06-07	Kasdol	Kello Project	16.753	18.11.09	62.6	57.05	5.55	9	62
49	Gharghoda/Raigarh	01/07-08	Lohdapani	WRD	9.269	27.03.10	17.02	15.76	1.26	1	17
50	Gharghoda/Raigarh	18/08-09	NA	NA	NA	15.09.10	0.12	0	0.12	1	1
51	Gharghoda/Raigarh	07/07-08	Salkiiya	WRD	0.184	08.12.10	0.45	0	0.45	4	4
52	Gharghoda/Raigarh	08/07-08	Salkiiya	WRD	0.652	08.12.10	1.93	0	1.93	11	11
53	Gharghoda/Raigarh	09/07-08	Bhelwatoli	WRD	1.348	08.12.10	2.77	0	2.77	18	18
54	Gharghoda/Raigarh	10/07-08	Bhelwatoli	WRD	0.388	08.12.10	0.77	0	0.77	4	4
55	Gharghoda/Raigarh	11/07-08	Kupakani	WRD	9.583	21.12.10	29.64	5.45	24.19	10	12
56	Gharghoda/Raigarh	04/08-09	Kupakani	NA	NA	08.12.10	10.1	0	10.1	5	5
57	Gharghoda/Raigarh	05/08-09	Kupakani	NA	NA	08.12.10	2.81	0	2.81	9	9
58	Gharghoda/Raigarh	06/08-09	Kupakani	WRD	1.596	08.12.10	2.32	0	2.32	5	5
59	Gharghoda/Raigarh	25/08-09	Jharan	WRD	7.52	31.12.10	25.66	0.46	25.2	32	33
60	Gharghoda/Raigarh	15/08-09	Vaskole	NA	NA	30.10.10	0.11	0	0.11	1	1
61	Gharghoda/Raigarh	06/07-08	Khamhar	WRD	1.909	31.08.09	5.18	0	5.18	1	1
62	Gharghoda/Raigarh	20/08-09	NA	NA	NA	03.06.11	1.23	0	1.23	1	1
63	Gharghoda/Raigarh	19/08-09	Lamdarha	NA	NA	03.06.11	2.01	0	2.01	5	5
64	Gharghoda/Raigarh	09/08-09	NA	NA	NA	22.07.11	12.3	0	12.3	31	31
65	Gharghoda/Raigarh	21/08-09	NA	NA	NA	21.07.11	8.33	0	8.33	7	7
66	Raigarh/Raigarh	06/06-07	Khairpur	Kello Project	1.953	08.05.08	9.39	3.3	6.09	NA	NA
67	Raigarh/Raigarh	49/06-07	Kasamnara	Kello Project	3.586	05.09.09	40.86	21.99	18.87	NA	NA
68	Raigarh/Raigarh	05/06-07	Bhagwanpur	Kello Project	4.719	30.09.09	153.73	111.64	42.09	NA	NA
69	Raigarh/Raigarh	48/06-07	Sanghitarai	Kello Project	6.497	15.09.09	75.9	75.81	0.09	NA	NA
70	Raigarh/Raigarh	51/06-07	Chutipali	Kello Project	7.273	15.09.09	73.29	65.67	7.62	NA	NA
71	Raigarh/Raigarh	50/06-07	Kalmi	Kello Project	2.855	22.09.09	32.77	23.24	9.53	NA	NA
72	Raigarh/Raigarh	52/06-07	Jharmuda	Kello Project	7.837	06.10.09	37.2	36.64	0.56	NA	NA
73	Raigarh/Raigarh	20/06-07	Baralia	Kello Project	81.308	30.08.09	407.85	403.77	4.08	NA	NA
74	Raigarh/Raigarh	29/06-07	Kusmura	Kello Project	12.817	22.01.09	66.23	60.83	5.4	NA	NA

	Name of LAO/District	LA Case No.	Village	Name of RO and for whom land acquired	Area in Hectare	Date of award U/S 11	Amount of award	Amount distributed	Amount not distributed	Remaining land owners	Total land owners
75	Raigarh/Raigarh	30/06-07	Jorapali	Kello Project	4.337	08.09.08	36.05	21.69	14.36	NA	NA
76	Raigarh/Raigarh	31/06-07	Dhanagar	Kello Project	10.063	20.05.09	84.37	81.52	2.85	NA	NA
77	Raigarh/Raigarh	33/06-07	Khokhara	Kello Project	11.359	30.10.09	47.01	44.47	2.54	NA	NA
78	Raigarh/Raigarh	4/06-07	Barmuda	Kello Project	12.114	29.09.09	58.87	0	58.87	NA	NA
79	Tata Project/Bastar	12/06-07	Dhuragaon	Tata Steel Plant	276.45	29.10.07	1136.93	934.75	202.18	34	225
80	Tata Project/Bastar	09/06-07	Beliapal	Tata Steel Plant	141.68	29.10.07	532.69	498.79	33.9	6	185
81	Tata Project/Bastar	13/06-07	Kumhali	Tata Steel Plant	62.14	29.10.07	233.71	226.93	6.78	3	131
82	Tata Project/Bastar	10/06-07	Chhindgaon	Tata Steel Plant	52.68	29.10.07	198	191.35	6.65	2	71
83	Tata Project/Bastar	11/06-07	Dabpal	Tata Steel Plant	209.49	07.11.07	839.02	338.86	500.16	83	212
84	Tata Project/Bastar	06/06-07	Badanji	Tata Steel Plant	308.73	07.11.07	1192.76	590.39	602.37	120	262
85	Tata Project/Bastar	08/06-07	Belar	Tata Steel Plant	213.95	07.11.07	871.1	318.56	552.54	87	149
86	Tata Project/Bastar	14/06-07	Sirasguda	Tata Steel Plant	165.09	19.02.08	680.17	344.43	335.74	69	161
87	Tata Project/Bastar	15/06-07	Takraguda	Tata Steel Plant	185.34	19.02.08	706.24	209.33	496.91	138	189
88	Jagdalpur/Bastar	06/09-10	Nagarnar	NMDC	26.35	03.08.10	529.31	454.17	75.14	9	119
89	Jagdalpur/Bastar	04/09-10	Kasturi	NMDC	71.29	02.08.10	1435.79	1356.35	79.44	12	165
	Total				**2863.536**		**30208.14**	**24381.66**	**5825.87**	**1397**	**5206**

Appendix 3.1.1

(Referred to in paragraph 3.1.6.4 [b]; page no. 110)

Details showing infrastructure established in the model nurseries remaining idle as of April 2012

(Amount in ₹)

Sl. No.	District	Nursery	Name of infrastructure	Date of Estt/	Cost	Scheme	Period of idle (in months)	Remarks
1	Kanker	Kanhanpuri, Narharpur	Mist Chamber	19/03/2010	2499633	RKVY	25	Non-availability of electricity
2	- do -	--do--	Hardening Chamber	19/03/2010	1440113	--do--	25	--do--
3	- do -	Singarbhat, Kanker	Mist Chamber	23/07/2009	2499633	--do--	33	--do--
4	- do -	--do--	Hardening Chamber	26/07/2009	1440113	--do--	33	--do--
5	- do -	Bhandardih,, Durg kondal	Mist Chamber	04/08/2011	2499633	--do--	9	--do--
6	- do -	--do--	Hardening Chamber	04/08/2011	1440113	--do--	9	--do--
7	- do -	Singarbhat, Kanker	Low cost Cashew processing unit	03/02/2010	58094	--do--	26	--do--
8	- do -	--do--	High capacity Cashew processing unit	25/02/2010	1497175	--do--	26	--do--
9	- do -	Bhandardih, Durg kondal	High capacity Cashew processing unit	03/05/2011	1526654	--do--	12	--do--
10	- do -	Singarbhat, Kanker	Aloe vera Gel/Juice unit	25/10/2009	1398004	--do--	30	--do--
11	Raigarh	Nadigaon, Baramkela	Mist Chamber	10/11/2011	2499633	--do--	6	--do--
12	Kabirdham	Khutu	Distillation Unit & non evaporative boilers	15/03/2008	349577	NHM	49	Due to non-production of aromatic and medicinal plants
13	- do -	Mohotra	-do-	15/03/2008	349577	NHM	49	--do--
14	Rajnandgaon	Pendri	Hardening Chamber	15/03/2009	1440113	RKVY	37	Non availability of electric connection/
15	- do -	- do -	Mist Chamber	15/03/2009	2499633	RKVY	37	- do -
Total					**23437698**			

Appendix 3.1.2

(Referred to in paragraph 3.1.6.4[c]; page no. 111)

Statement showing pending disciplinary cases

Sl. No.	Name of the official (S/Shri)	Charge sheet issue on	Details of charge	Present status	Duration of the DE
1	Kripashankar Tripathi, Ex. Dy. Director, Horticulture	18-06-1999	Irregularities in purchase of plants and in construction works	Copy of report on departmental enquiry not received	13 years, two months
2	V.K.Chaturvedi, Asstt. Director, Horticulture	11-11-2008	Disproportionate assets, irregularities and indiscipline during his tenure as Asstt. Director, Horticulture, Durg,	-do-	Three years, 10 months
3	Krishna Sharma, RHEO	19-04-2007	Serious financial irregularities	-do-	Five years, four months
4	Vinayak Manapure, SHDO	03-02-2009	Irregularities in receipt and distribution of plants received from Beej Nigam for NHM schemes	-do-	Three years, six months
5	Sukh Ram Binjhwar, RHEO	29-08-2006	Unauthorised absence	-do-	six years
6	Gorakh Nath Sonwani, Peon	23-04-2011	Unauthorised absence	-do-	One year, four months

(Source: Information provided by Department and compiled by audit)

Note: Two DE cases disposed off during the period April –September 2012.

Appendix 3.1.3

(Referred to in paragraph 3.1.7.1[b]; page no. 113)

Statement showing irregular expenditure incurred on cultivation of spices and non-perennial fruits

District	Year	Area Expansion undertaken for which expenditure incurred under RKVY in NHM district	Area covered (ha)	Expenditure *(in lakh ₹)*
Korba	2010-11	Spices-Chilly	550	68.76
		Spices-Corriander	100	12.50
		Non-perennial fruits-Banana (TC)	100	41.60
Raigarh	2010-11	Spices-Chilly	500	62.50
		Spices-Corriander	200	25.00
Raipur	2010-11	Non-perennial fruits-Banana (TC)	200	83.20
		Non-perennial fruits-Papaya	50	20.80
		Spices-Chilly	400	50.00
Surguja	2010-11	Non-perennial fruits-Banana (TC)	500	208.00
		Spices-Chilly, Coriander and Turmeric	600	75.00
Total			**3200**	**647.36**

(Source: Information provided by Department and compiled by audit)

Appendix 3.1.4

(Referred to in paragraph- 3.1.7.1[d] page no. 115)

Details showing funds deposited in MH-8443 and MH-0401 by various DDOs of Horticulture department

(Amount in ₹)

Sl. No.	Name of District/Office	Deposited in MH-8443	Deposited in MH-0401 Crop husbandry
1	Ambikapur	3600000	0
2	Korea	1439375	1215650
3	Raipur	4686176	1227160
4	Rajnandgaon	175000	683835
5	Raigarh	649680	466932
6	Janjgir-Champa	1825773	0
7	Kanker	5877966	1110164
8	Kabirdham	1704700	0
9	Bastar	6148788	0
10	Bijapur	2021516	0
11	Dantewada	4336148	2829838
12	Jashpur	3909154	1207669
13	Pr. Garden Raipur	366453	0
14	Bana, Raipur	318559	0
15	Durg	0	353763
		37059288	**9095011**
Grand Total=37059288+9095011=46154299 or 4.62 crore			

(Source: Information provided by Department and compiled by audit)

Appendix 3.1.5

(Referred to in paragraph 3.1.7.1[e] page no. 116)

Details of year-wise outstanding temporary advances as on March 2012

(Amount in ₹)

Sl.No	Name of Office	Prior to 07-08	2007-08	2008-09	2009-10	2010-11	2011-12	Total
1	DDH, Bastar	310210	180632	6846	49602	243900	165110	956300
2	DDH, Bilaspur	62100	0	246797	3241451	1400630	3271522	8222500
3	ADH, Dhamtari	0	0	480000	7568504	0	101261	8149765
4	DDH, Durg	440578	0	536476	0	2011005	2644500	5632559
5	ADH, Jashpur	176491	92920	241106	30330	120992	190002	851841
6	ADH, Kabirdham	113000	511199	241587	38253	6500	75904	986443
7	ADH, Kanker	0	271832	136896	393191	372153	2351150	3525222
8	ADH, Korba	59634	18862	323516	171959	10200	345968	930139
9	ADH, Koriya	0	0	836973	1282367	222700	1447342	3789382
10	ADH, Pr. Garden Raipur	597250	76868	6000	0	0	40000	720118
11	ADH, Raigarh	0	0	0	0	20000	462379	482379
12	DDH, Raipur	976100	233000	203160	584486	961990	951434	3910170
13	ADH, Rajnandgaon	0	0	60000	0	66740	100000	226740
14	DDH, Sarguja	1244995	790621	4186287	10067410	11192545	22188817	49670675
15	ADH, SMF Bana, Raipur	0	0	0	0	3100000	4900584	8000584
	Total	**3980358**	**2175934**	**7505644**	**23427553**	**19729355**	**39235973**	**96054817**

(Source: Information provided by Department and compiled by audit)

Appendix 3.1.6

(Referred to in paragraph 3.1.7.1[f]); page no. 116)

Statement indicating amount drawn through SR bills

(Amount in ₹)

Sl. No.	Name of the district	Amount of Advance	Adjusted Amount	Unadjusted Amount
1.	Bastar	17343796	17193796	150000
2.	Bilaspur	415930	0	415930
3.	Dhamtari	4027500	4027500	0
4.	Durg	2060000	300000	1760000
5.	Kanker	13561534	10049663	3511871
6.	Koriya	9949972	6453404	3496568
7.	Raigarh	880044	880044	0
8.	Raipur	22481200	20381785	2099415
9.	Sarguja	57573539	0	57573539
	Grand Total	**128293515**	**59286192**	**69007323**

(Source: Information provided by Department and compiled by audit)

Appendix 3.1.7

(Referred to in paragraph 3.1.8.3; page no. 119)

Productivity of horticulture crops in Chhattisgarh as compared to yield potential

(in MT/ha)

Name of Crop	Average productivity per hectare of Chhattisgarh (2011-12)	Yield potential of State as recommended by State Agriculture University	Yield gap	National average productivity
Mango	04.79	8	3.21	06.30
Banana	**23.27**	40	-16.73	35.90
Papaya	**24.30**	50	-25.7	33.40
Guava	07.79	16	8.21	11.10
Lime	06.56	8	1.44	09.00
Cashew Nut	00.56	2	1.44	00.80
Litchi	**06.06**	**6**	**-0.06**	**06.00**
Cauliflower	17.45	20	2.55	18.10
Cabbage	18.15	25	6.85	22.20
Brinjal	**17.63**	**20**	2.37	**17.00**
Tomato	16.12	15	-1.12	17.90
Bhindi	09.79	10	0.21	10.30
Potato	14.06	25	10.94	19.90
Onion	**15.94**	**20**	4.06	**15.10**
Ginger	**10.54**	**20**	**9.46**	**03.50**
Coriander	**03.84**	**3**	**-0.84**	**00.60**
Chilly	**06.69**	**17.5**	**10.81**	**01.60**
Garlic	**05.30**	**7.5**	**2.2**	**04.80**
Turmeric	**08.56**	**25**	**16.44**	**04.60**

(Source: Data compiled by State Agriculture University and Department)

Appendix 3.1.8

(Referred to in paragraph 3.1.9.1[a]; page no.120)

Statement showing un-utilised funds of NHM scheme with the districts

(₹ in lakh)

Sl.No.	Name of the Component	Allotment	Expenditure	Balance	Short utilization (*per cent*)
1	Zero energy chamber(PHM)	8.6	0	8.6	100.00
2	Cashew 1 & 2nd year	65.71	0	65.71	100.00
3	Model Floriculture	140	0	140	100.00
4	Water harvesting	54	0	54	100.00
5	Low energy cool chamber (PHM)	280	0	280	100.00
6	Green shade net Protected cultivation	6	0	6	100.00
7	Low cost onion storage unit	5	0	5	100.00
8	Bee keeping	3.25	0	3.25	100.00
9	Protected cultivation (Tubular structure)	63.07	0	63.07	100.00
10	Protected cultivation (Naturally ventilated system)	116.98	0	116.98	100.00
11	Fruit Area expansion 2nd and 3rd year	213.403	0.25	213.153	99.88
12	Cashew nut	259.37	6.2	253.17	97.61
13	Community tank	330	18.79	311.21	94.31
14	Horticulture Mechanisation	375	63	312	83.20
15	PHM	1059	180.3	878.7	82.97
16	Turmeric	26.25	4.74	21.51	81.94
17	Seed production (Private sector)	44.25	11.87	32.38	73.18
18	*Talab khanan*	20	6.52	13.48	67.40
19	Seed production (Public sector)	43.75	15.68	28.07	64.16
20	Land preparation/fencing etc for M & A plants	230.296	94.57	135.726	58.94
21	Model Nursery	807.506	380.322	427.184	52.90
22	Rejuvenation of senile orchids	505.5	243.764	261.736	51.78
23	Land preparation/fencing etc for Model nurseries	2531.27	1284.82	1246.45	49.24
24	Mulching	285	178.78	106.22	37.27
25	Plant transportation	44	28.2	15.8	35.91
26	Banana Area expansion	574.5	414.107	160.393	27.92
27	Papaya Area expansion	45	33.099	11.901	26.45
28	Borewell	3230.79	2479.38	751.41	23.26
29	HRD	590.525	453.802	136.723	23.15
30	Vermi-compost	2280	1982.29	297.71	13.06
31	Mushroom training	105	97.42	7.58	7.22
32	Mission management	581.67	561.562	20.108	3.46
33	*Rajnigandha*	8.967	8.967	0	0.00
34	Gerbera	52.5	53	-0.5	-0.95
	Total	**14986.16**	**8601.44**	**6384.7**	**42.60**

(Source: Information furnished by Department and compiled by Audit)

Appendix 3.1.9

(Referred to in paragraph 3.1.9.1[c]; page no.121)

Details of expenditure incurred on Medicinal and Aromatic crops during 2007-12

(₹in lakh)

Expenditure details					
District	**2007-08**	**2008-09**	**2009-10**	**2010-11**	**2011-12**
Bastar	244.256	103.257	22	48.04	30.76
Bilaspur	148	0	56	25	0
Durg	181.071	172.95	0	6.912	0
Jashpur	20.47	10	0	0	0
Kabirdham	69.75	49.52	10.986	34.02	0
Korba	136.13	33.75	58.75	36.52	0
Koria	90	56.25	56.25	43.75	31.25
Raigarh	72	5.625	0	17.77	12.5
Raipur	82.61	122.7	10	18.74	6.25
Rajnandgaon	69.88	99.5	0	21.52	10
Surguja	73.13	45	6.25	25	6.25
	1187.3	**698.55**	**220.24**	**277.27**	**97.01**

Total expenditure = ₹ 2480.37 lakh or ₹ 24.80 crore

Appendix 3.1.10

(Referred to in paragraph 3.1.9.1[d]; page no.123)

Table showing details of crops, their mortality and wasteful expenditure

Sl. No.	Name of Cluster	Village	Name of crop	Year	Period of planting	Total area (ha)	Period of Inspection	Survival *per cent*	Expenditure incurred (₹)
1	2	3	4	5	6	7	8	9	10
Rajnandgaon District									
1	Lamra	Lamra	Mango,	2011-12	July-August'2011	13.70	15.02.12 to 29.02.12	50	7912
		Lamra	Guava			11.30		50	5792
		Manpur pahadi	Mango			15.90		50	9182
		Manpur pahadi	Guava			4.80		50	2328
		Teghri	Guava			12.20		50	5913
		Garra	Mango			5.60		60	8004
		Garra	Guava			4.90		60	1425
		Thakurtola	Mango			8.40		45	5821
		Thakurtola	Lime			4.20		45	2442
		Jiratola	Mango			1.80		40	1455
		Belgaon	Mango			3.60		50	2079
		Belgaon	Lime			1.00		50	485
		Pailibheta	Mango			1.00		50	577
		Pailibheta	Lime			5.10		50	2473
		Bhadera	Lime			6.50		50	3150
		Singarpur	Lime			3.10		55	1203
2	Rudgaon	Amlidih	Ginger	2011-12	July 2011	2.60	15.02.12 to 01.03.12	30	22773
		Barsantila	Ginger			3.00		30	26277
		Tumdibode	Ginger			0.80		30	7007
		Sankripar	Ginger			3.00		40	22523
		Aari	Ginger			1.80		40	13514
		Nathulwagaon	Ginger			6.65		40	49936
		Hardi	Ginger			7.50		30	65716

1	2	3	4	5	6	7	8	9	10
3	Tumdiboard	Nathu-Nawagaon	Chilly	2011-12		3.75	15.02.12 to 01.03.12	60	11138
		Pendarwani	Chilly			4.10		60	12177
		Kirgi	Chilly			5.05		60	14998
		Budanbhata	Chilly			1.60		50	5940
		Medha	Chilly			5.80		60	17226
		Amlidih	Chilly		October 2011	3.10		60	9207
		Sankaripara	Chilly			5.50		60	16335
		Kophidih	Chilly			3.70		50	13737
		Ghordha	Chilly			3.30		60	9801
		Aalikhura	Chilly			3.90		60	11583
		Barsatola	Chilly			1.80		60	5346
4	Dokrabhata	Dokrabhata	Ginger	2011-12		5.10	15.12.11 to 31.12.11	50	31925
		Bajguda	Ginger			2.30		50	14408
		Tekadih	Ginger		July 2011	3.30		50	20664
		Rahudh	Ginger			6.60		50	41292
		Panduka	Ginger			1.90		50	1191
5	Banhardehi	Jarwahi	Dhaniya	2011-12		1.75	15.02.12 to 31.12.11	70	2079
		Diwanbhedi	Dhaniya			2.00		70	2376
		Chuikhadhan	Dhaniya			2.75		70	3267
		Medha	Dhaniya		November 2011	1.00		70	1188
		Barsantola	Dhaniya			4.75		70	5643
		Sankaripara	Dhaniya			5.00		70	5940
		Rudgaon	Dhaniya			3.00		70	3564
6	Gopalpur	Gopalpur	Mango	2009-10	Aug-Sep. 2009	9.00	Mar-Apr.2010	70	1980
		Aurdha	Mango			20.20		30	39996
		Bhadera Nawagaon	Lemon			11.60		30	7229
		Chote Temari	Lemon			10.10		70	700
		Saloni	Lemon			4.00		70	277
		Charbhata	Lemon		September 2009	3.50		70	243
7	Parmalkasa	Parmalkasa	Mango	2009-10		10.00	Mar-Apr.2010	70	2200
		Somni	Mango			4.00		60	2640
		Somni	Lemon			4.70		60	977
		Sankara	Mango			3.00		30	5940

1	2	3	4	5	6	7	8	9	10
8		Netamtola	Mango	2009-10		2.00		20	4840
		Netamtola	Lemon			2.00		20	1524
		Bhagwantola	Mango			3.40		20	8228
		Bhagwantola	Lemon			5.40		20	4114
		Arajkund	Mango			8.60		20	20812
		Arajkund	Lemon			15.60		20	11883
		Pateli	Mango			6.00		20	14520
		Pateli	Lemon			6.80		20	5181
		Netamtola	Alovera			4.00		20	32000
		Bhagwantola	Rajnigandha			5.00		20	136000
		Arajkund	Rajnigandha		October 2009	15.00		20	408000
		Arajkund	Alovera			21.60		20	172800
		Pateli	Rajnigandha			5.00		20	136000
9		Bolapur	Mango	2009-10		7.60		50	8360
		Pandey tola	Mango			10.00		50	11000
		Shikari-Mehaka	Mango			20.00		50	22000
		Boirdih	Mango			5.00		50	5500
		Boirdih	Lemon			5.20		50	1731
		Rampur	Mango			10.00		50	11000
		Rampur	Lemon		Aug-Sept. 2009	4.80		50	1663
		Shikari-tola	Mango			5.00		50	5500
		Shikari-tola	Lemon			4.40		50	1524
		Lodhi-Bharri	Lemon			10.60		50	3670
		Nawagaon	Mango			10.00		50	11000
		Pinakwar	Mango			10.40		50	11440
10		Mathaldabari	Mango	2008-09		7.879		20	19067
		Rongakehara	Mango		August 2009	6.064		20	14674
		Darbandha	Mango			15.73		20	38067
		Bamhali bhata	Mango			13.30		20	32186
		Andam	Mango			6.87		20	16625
		Aasara	Mango		October 2009	20.58		20	49804
		Khamhera	Mango			4.57		20	11059
		Rongakehara	Citridora		August 2009	5.60		20	195000

1	2	3	4	5	6	7	8	9	10
11		Kektitola	Mango	2007-08		5.00		15	18700
		Bhadsena	Mango		July 2008	5.00		15	18700
		Mohad	Mango			5.00		15	18700
		Karamtara	Mango			5.00		15	18700
		Gopalichua	Mango		August 2008	5.00		15	18700
		Murethitola	Mango			5.00		15	18700
		Kektitola	Citridora			11.55		15	16892
		Bhadsena	Citridora		July 2008	4.44		15	36797
		Mohad	Citridora			6.00		15	49725
		Karamtara	Citridora			14.30		15	118511
		Gopalichua	Citridora		August 2008	4.90		15	40609
		Murethitola	Citridora			8.81		15	7301
		Kektitola	Chilly			11.55		15	60212
		Bhadsena	Chilly		July 2008	4.44		15	23147
		Mohad	Chilly			6.00		15	5519
		Karamtara	Chilly			14.30		15	74549
		Gopalichua	Chilly		August 2008	4.90		15	25545
		Murethitola	Chilly			8.81		15	45928
Bastar District									
12		Farsgaon	Mango	07-08	Aug-Sept 08	100	Not mentioned	40-43	879820
13		Farsgaon	Cashew	07-08	Aug-Sept 07	110	Not mentioned	50-60	609362
14		Farsgaon	Aonla	07-08	Aug-08	50	Not mentioned	30-33	296510
15		Chichadi	Mango	08-09	July-Nov 09	98	Not mentioned	40-44	1023424
16		Aalora	Cashew	09-10	Aug-10	83	Not mentioned	37-41	384920
17		Tenvsa	Mango	06-07	Aug-06	58	March-12	10	518382
18		Tenvsa	Cashew	06-07	Aug-06	80	March-12	50	440950
19		Tenvsa	Lemon	06-07	Sept-07	150	March-12	0	1276352
20		Lihangaon	Cashew	07-08	Sept-07	250	March-12	5	1369676
21		Lihangaon	Sitaphal	07-08	Sept-07	30	March-12	10	315306
22		Chichadi	Cashew	09-10	Sept-09	90	March-12	5	417380
23		Adenga	Mango	06-07	Aug-06	50	March-12	50	447034
24		Adenga	Cashew	06-07	Sept-06	70	March-12	5	385832
25		Gaurgaon	Cashew	07-08	Sept-07	100	March-12	20	545420
26		Gaurgaon	Lemongrass	07-08	Oct-07	100	Not mentioned	0	1122420
27		Jamgaon	Mango	09-10	Aug-09	50	Not mentioned	10	546055

1	2	3	4	5	6	7	8	9	10
28		Jamgaon-2	Cashew	09-10	Aug-09	148	Not mentioned	5	683710
29		Dahikonga	Mango	07-08	Aug-07	70	Not mentioned	40-45	757398
30		Dahikonga	Jamun	07-08	Aug-07	27	Not mentioned	25-30	143256
31		Dahikonga	Aloevera	07-08	Aug-07	100	Not mentioned	5-10	1098020
32		Dahikonga-2	Cashew	08-09	Aug-08	156	Not mentioned	25-30	870547
33		Bunagaon	Cashew	09-10	Aug-10	103.75	Not mentioned	40-45	481145
34		Bunagaon	Lemon	09-10	Sept-09	100	Not mentioned	20-25	661750
35		Taragaon	Mango	07-08	Sept-Oct-07	200	23.05.11	17	1984840
36		Taragaon	Cashew	07-08	Sept-Oct-07	300	25.05.11	19	1633260
37		Taragaon	Lemongrass	07-08	Sept-Oct-07	100	29.05.11	0	1122420
38		Taragaon	Pachauli	07-08	Sept-Oct-07	100	31.05.11	0	1122420
39		Parapur	Mango	08-09	Aug-08	22	09.06.11	26	229309
40		Parapur	Cashew	08-09	Sept-08	120	16.06.11	24	669077
41		Kilepal	Mango	06-07	Aug-06	107	June-12	15	956535
42		Kilepal	Lemongrass	06-07	Sept-06	107	June-12	0	1100200
43		Palnaar	Mango	07-08	Aug-08	60	June-12	15	643136
44		Palnaar	Cashew	07-08	Aug-08	120	June-12	14	496914
45		Palnaar	Pamarosa	07-08	Aug-08	100	June-12	0	1098020
46		Tirthum	Cashew	08-09	Aug-09	100	Not mentioned	16	557564
47		Paralmeta	Cashew	09-10	Aug-10	72	Not mentioned	15	331700
48		Kodenar	Mango	11-12	July-10	10	Not mentioned	25	53597
49		Sonarpal	Mango	06-07	Aug-06	50	June-12	07	447034
50		Sonarpal	Cashew	06-07	Sept-06	100	June-12	05	545300
51		Sonarpal	Khas	06-07	Oct-06	50	June-12	0	550100
52		Sonarpal	Pacholi	06-07	Nov-06	100	June-12	0	1100200
53		Sonarpal	Citridora	06-07	Oct-06	100	Not mentioned	0	1075200
54		Bhanpuri	Mango	08-09	Aug-08	100	June-12	5	1044310
55		Bhanpuri	Cashew	08-09	Aug-08	108	June-12	04	599420
56		Lamker	Mango	08-09	Aug-08	80	June-12	04	835448
57		Lamker	Cashew	08-09	Aug-08	180	June-12	06	961758
58		Tikraleha	Mango	10-11	Aug-10	40	June-12	03	394360
59		Tikraleha	Guvava	10-11	Aug-10	16	June-12	04	144738
60		Bopra	Mango	11-12	Aug-11	20	June-12	60	107192
61		Hatpadmar	Mango	06-07	Aug-06	85	June-12	04	759075
62		Hatpadmar	Cashew	06-07	Sept-06	150	June-12	14	510124
63		Hatpadmar	Pamaroza	06-07	Oct-06	60	June-12	0	660120
64		Hatpadmar	Jamaroza	06-07	Nov-06	100	June-12	0	1075000

1	2	3	4	5	6	7	8	9	10
65		Bilori	Cashew	07-08	Aug-07	250	June-12	05	1065710
66		Bilori	Mango	07-08	July-07	10	June-12	35	85982
67		Bilori	Citridora	07-08	Aug-07	27	June-12	0	282190
68		Bilori	Pamaroza	07-08	Nov-07	100	June-12	0	1075520
69		Markel	Aloevera	07-08	Aug-07	60	Aug-07	0	790160
70		Kulgaon	Cashew	09-10	Aug-10	10	May-12	05	78830
71		Kulgaon-2	Mango	10-11	Aug-10	40	June-12	03	394360
72		Kawalikala	Mango	11-12	July-11	10	June-12	08	53597
73		Barkai	Cashew	07-08	Aug-07	200	June-12	08	1067820
74		Barkai	Pamaroza	07-08	Aug-08	100	June-12	0	1098020
75		Sonbeda	Cashew	08-09	Aug-08	100	June-12	10	557564
76		Sonbeda	Lemon	08-09	Aug-08	100	June-12	08	922324
77		Ulera	Cashew	09-10	Aug-10	146.25	June-12	15	678245
78		Palwa	Cashew	06-07	Aug-Oct-06	100	June-12	10	545300
79		Palwa	Citridora	06-07	Sept-Oct-06	100	June-12	15	1050000
80		Palwa	Khas	06-07	Sept-Oct-06	50	June-12	0	537500
81		Palwa	Patchauli	06-07	Sept-Oct-06	100	June-12	0	1075000
82		Burungpal	Cashew	07-08	Jul-Sept-07	500	June-12	12	2742100
83		Kurenga	Mango	07-08	Aug-Sept-07	40	June-12	25	343928
84		Kurenga	Cashew	07-08	Aug-Sept-07	70	June-12	8	250194
85		Kurenga	Citridora	07-08	Aug-Sept-07	73	June-12	12	786555
86		Burungpal	Aloevera	07-08	Aug-Oct-07	479	June-12	0	1443600
87		Singhanpur	Mango	08-09	Aug-Sept-08	100	June-12	20	957330
88		Singhanpur	Cashew	08-09	Aug-Sept-08	390	June-12	7	2127398
89		Singhanpur	Lemongrass	08-09	Aug-Sept-09	200	June-12	0	2250000
90		Salepal	Mango	08-09	Aug-Sept-08	100	June-12	5	875820
91		Salepal	Cashew	08-09	Aug-Sept-08	250	June-12	10	1311602
92		Erakot	Citridora	08-09	Aug-Sept-08	500	June-12	12	5102625
93		Salepal	Aloevera	08-09	Aug-Sept-08	200	June-12	0	2000000
94		Keshlur	Mango	10-11	July-10	20	June-12	15	191180
95		Sonarpal	Lemongrass	10-11	July-Aug-10	200	June-12	0	2500000
96		Mawlibhata	Citridora	11-12	July-Aug-11	100	June-12	15	576000
97		Arandpal	Lemongrass	11-12	July-Sept-11	200	June-12	25	2500000
98		Kelaurr	E.Citridora	07-08	July-Sept-07	484		2	3178040
99		Gumadpal	Cashew	10-11	July-Aug-10	100		4	457230
100		Temrubhata	E.Citridora	10-11	July-Sept-10	100		0	1250000
101		Chindbahar	Cashew	11-12	July-Sept-11	50		15	424250
Total									**83343915**

Appendix 3.1.11

(Referred to in paragraph 3.1.9.1[e]; page no.123)

Statement showing expenditure incurred on onions

District	Area covered	Expenditure on				
		Planting materials		Input materials		
		Quantity	Amount	Item	Quantity	Amount
Durg	**112.5 ha**	1000 kgs	396000	Trycoderma	500 pkts	26,025
				Ejaderectin	500 nos	68,075
				Foret	2000 pkts	93,000
				Zinc sulphate	500 pkts	1,66,850
				other items		1,15,550
Rajnandgaon	**200 ha**	2000 kgs	792000	Endozhyme		64,000
				Ejaderectin	1000 nos	1,36,150
				Foret	4000 pkts	1,86,000
				Zinc sulphate	1000 pkts	3,33,700
Bastar	**100 ha**	1000 kgs	396000	Pathoate	500 nos	81,350
				Ejaderectin	500 nos	68,075
				Foret	2000 pkts	93,000
				Zinc sulphate	500 pkts	1,66,850
				Trichoderma	500 pkt	26,025
				Sudomonas	300 pkt	47,820
Kabirdham	**100 ha**	1000 kgs	396000	various items		6,54,000
Total			1980000			23,26,470
Total expenditure				**19,80,000+23,26,470=43,06,470**		

(Source: Information furnished by Department and compiled by audit)

Appendix 3.1.12

Referred to in paragraph 3.1.9.1[i]; page no 128)

Details showing infrastructure established in the model nurseries

(Amount in ₹)

Sl No.	Name of District	Name of the Nursery/Block	Year of establishment of Nursery	Year of establish-ment of Infra-structure	Details of infrastructure			Capacity of infra-structure	Per year production
					Name	Qty	Amount		
1	2	3	4	5	6	7	8	9	10
1	Jagdalpur	Kopabeda/Kondagaon	1988	2006-07	Green house	2	629460	5000 plants	2.00 lakh
					Shade Net-house	6	456702		
		Tevansa/Vishrampuri (Baderajapur)	1989	2007-08	Green house	1	314730	5000 plants	2.00 lakh
					Shade Net-house	4	304468		
		Adenga/Keshkal	1982	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Bademarenga/Tokapal	1980	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Farsagaon/Farsagaon	1989	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Badanji/Lohandiguda		2010-11	Insect proof Net house	2	383562	5000 plants	4.00 lakh
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		
		Sorgaon/Bastar		2010-11	Insect proof Net house	2	383562	5000 plants	4.00 lakh
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		

1	2	3	4	5	6	7	8	9	10
2	Durg	Ruabandha/Durg	1985-86	2006-07	Green house	2	629460	5000 plants	2.00 lakh
					Shade Net-house	6	456702		
		Atari/Pataan	1979-80	2007-08	Green house	1	314730	5000 plants	2.00 lakh
					Shade Net-house	4	304468		
		Padkidih/Bemetra	1979-80	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Arjunda/Gunderdehi	1979-80	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Acholi/Dondilohara	1979-80	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Armur Kasha/Dondi	1979-81	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Jhalmala/Balod	1979-82	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Mohara/Gurur		2010-11	Insect proof Net house	2	383562	5000 plants	4.00 lakh
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		
3	Korba	Pondilapha/Paali	1985-86	2006-07	Green house	2	629460	5000 plants	2.00 lakh
					Shade Net-house	6	456702		
		Patiyapali/Kartala	1982-83	2007-08	Green house	1	314730	5000 plants	2.00 lakh
					Shade Net-house	4	304468		
		Nagoi/Uproda	1987-88	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Pandripani/Katghora	2008-09	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Patadi/Korba		2010-11	Insect proof Net house	2	383562	5000 plants	4.00 lakh
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		

1	2	3	4	5	6	7	8	9	10
4	Sarguja	Ambikapur/Ambikapur	1981	2006-07	Shade Net-house	2	629460	5000 plants	2.00 lakh
					Shade Net-house	6	456702		
		Datima/Surajpur		2007-08	Shade Net-house	2	314730	5000 plants	2.00 lakh
					Shade Net-house	3	228351		
		Gurgrakala/Lakhanpur	1981	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Khorma/Pratppur	1981	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Shivpur/Ramnujnagar		2010-11	Insect proof Net house	2	383562	5000 plants	4.00 lakh
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		
		Obori/Balrampur		2011-12	Insect proof Net house	2	383562	5000 plants	
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		
5	Bilaspur	Sarkanda/Bilaspur	1964-65	2006-07	Green house	2	629460	5000 plants	2.00 lakh
					Shade Net-house	6	456702		
		Pathgaon/Pendra	1979-80	2007-08	Green house	1	314730	5000 plants	2.00 lakh
					Shade Net-house	4	304468		
		Vedparsada/Masturi	1982-83	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Sardha/Lormi	1981-82	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Bahtarai/Takhatpur	1988-89	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Kargikala/Kota	1981-82	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Bagha-munda/Mungeli	1981-82	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Sendari/Pathariya	1981-82	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Marwahi/Marwahi		2010-11	Insect proof Net house	2	383562	5000 plants	4.00 lakh
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		

1	2	3	4	5	6	7	8	9	10
		Lalpur/Gorella	1985-86	2011-12	Insect proof Net house	2	417932	5000 plants	
					Thermal screen house	3	674706		
					Agro-Net house	2	402586		
6	Kabirdham	Lalpur/ Bodla	1983	2006-07	Green house	2	629460	5000 plants	2.00 lakh
					Shade Net-house	6	456702		
		Mohtara/Pandariya	1993	2007-08	Green house	1	314730	5000 plants	2.00 lakh
					Shade Net-house	4	304468		
		Sahaslohara/ Sahaslohara	2008	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Khattu/Kabirdham	1984	2010-11	Insect proof Net house	2	383562	5000 plants	4.00 lakh
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		
7	Raigarh	Boirdadar/Raigarh	1960-61	2006-07	Green house	2	629460	5000 plants	2.00 lakh
					Shade Net-house	6	456702		
		Gharghoda/Gharghoda	1980-81	2007-08	Green house	1	314730	5000 plants	2.00 lakh
					Shade Net-house	4	304468		
		Bandhatola/Pusaur	1987-88	2008-09	Shade Net-house	8	585000	5000 plants	2.00 lakh
		Kunjara/Lailunga	1987-88	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Anjoripali/Kharsia	1980-81	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Nadigaon/Baramkela	1985-86	2009-10	Shade Net-house	7	644875	5000 plants	2.00 lakh
		Basanpali/Tamnar		2010-11	Insect proof Net house	2	383562	5000 plants	4.00 lakh
					Thermal screen house	1	207716		
					Agro-Net house	5	921250		
		Beltikri/Sarangarh		2011-12	Insect proof Net house	2	417932	5000 plants	
					Thermal screen house	3	674706		
					Agro-Net house	2	402586		

1	2	3	4	5	6	7	8	9	10
8	Raipur	Kharkhara/Chhura	1980-81	2007-08	Green House	1	314730	5000 plants	2.00 lakh
					Shade net House	4	304468		
		Kachlon/Simga	1980-81	2008-09	Shade net House	8	585000	5000 plants	2.00 lakh
		Madi/Tilda	1980-81	2009-10	Shade net House	7	644875	5000 plants	2.00 lakh
		Semaria/Palari	1980-81	2009-10	Shade net House	7	644875	5000 plants	2.00 lakh
		Kharribilari/Kasdol		2010-11	Insect proof net House	2	383562	5000 plants	4.00 lakh
					Thermal screen House	1	207716		
					Agro net House	5	921250		
		Paragaon/Aarang		2011-12	Insect proof net House	2	417932	5000 plants	4.00 lakh
					Thermal screen House	3	674706		
					Agro net House	2	402586		
		Hasda/Bhatapara		2011-12	Insect proof net House	2	417932	5000 plants	
					Thermal screen House	3	674706		
					Agro net House	2	402586		
9	Jashpur	Jashpur Nagar/Jashpur	1981-82	2007-08	Green House	1	314730	5000 plants	2.00 lakh
					Shade net House	3	228351		
		Duldula/Duldula	1976-77	2008-09	Shade net House	8	585000	5000 plants	2.00 lakh
		Kalmitikara/Pathalgaon	1979-80	2009-10	Shade net House	7	644875	5000 plants	2.00 lakh
		Budadad/Bagicha		2010-11	Insect proof net House	2	383562	5000 plants	4.00 lakh
					Thermal screen House	1	207716		
					Agro net House	5	921250		
		Pandripani/Farsabahar		2010-11	Insect proof net House	2	383562	5000 plants	4.00 lakh
					Thermal screen House	1	207716		
					Agro net House	5	921250		
		Tempo/Manora		2011-12	Insect proof net House	2	417932	5000 plants	
					Thermal screen House	3	674706		
					Agro net House	2	402586		

1	2	3	4	5	6	7	8	9	10
10	koriya	Sorga/Baikunthpur	1979	2007-08	Green House	1	314730	5000 plants	2.00 lakh
					Shade net House	3	228351		
		Janakpur/Bharatpur	1979	2008-09	Shade net House	8	585000	5000 plants	2.00 lakh
		Gughara/Sonhat	2007-08	2009-10	Shade net House	7	644875	5000 plants	2.00 lakh
		Sorga/Baikunthpur	1979	2010-11	Insect proof net House	2	383562	5000 plants	4.00 lakh
					Thermal screen House	1	207716		
					Agro net House	5	921250		
		Chirmi/Khadgaon		2011-12	Insect proof net House	2	417932	5000 plants	
					Thermal screen House	3	674706		
					Agro net House	2	402586		
11	Rajnandgaon	Pendri/Rajnandgaon	1981-82	2007-08	Green House	1	314730	5000 plants	2.00 lakh
					Shade net House	4	304468		
		Dorba/Manpur		2008-09	Shade net House	8	585000	5000 plants	2.00 lakh
		Achholi/Dongargarh	1995	2009-10	Shade net House	7	644875	5000 plants	2.00 lakh
				2010-11	Insect proof net House	2	383562	5000 plants	4.00 lakh
					Thermal screen House	1	207716		
					Agro net House	5	921250		
				Grand Total		**501**	**64130447**		

(Source: Information furnished by Department and compiled by Audit)

Appendix 3.1.13

Referred to in paragraph 3.1.9.1[j]; page no.130)

Statement showing unfruitful expenditure on bore-wells

Sl. No.	District	Successful Bore wells dug during 2007-12	Pumps installed	Bore wells not installed with pump	Assistance provided for bore wells where pumps were not installed (₹)	No of pumps electrified	No of pumps not electrified	Assistance provided for bore wells wherein pump were installed but have no electric connection. (₹)
1	Bilaspur	481	387	94	7102692	387	0	0
2	Durg	87	14	73	3467621	14	0	0
3	Jagdalpur	385	270	115	5569000	200	70	6088481
4	Jashpur	37	31	6	282443	31	0	0
5	Kabirdham	79	55	24	705419	55	0	0
6	Korba*	295	24	271	9836099	24	0	0
7	Raigarh	275	238	37	2226956	238	0	0
8	Raipur	51	16	35	1954939	16	0	0
9	Rajnandgaon	57	24	33	883083	24	0	0
Total		**1747**	**1059**	**688**	**32028252**	**989**	**70**	**6088481**

(Source: Information provided by Department and compiled by Audit)

* Amount of 28 cases not included as the amount was not provided by the department

Total expenditure=3,81,16,733

Appendix 3.1.14

(Referred to in paragraph 3.1.9.1[k][i]; page no.131)

Statement showing unfruitful expenditure on supply of HDPE vermi-beds and shade nets

District	2007-08				2008-09				2009-10				2010-11				Total unfruitful expenditure (₹)
	VB	cost (₹)	SN	cost (₹)	VB	cost (₹)	SN	cost (₹)	VB	cost (₹)	SN	cost (₹)	VB	cost (₹)	SN	cost (₹)	
Bastar	0	0	0	0	1992	6117432	0	0	0	0	0	0	0	0	0	0	6117432
Bilaspur	0	0	0	0	569	1747399	2561	105872	0	0	0	0	0	0	0	0	1853271
Dhamtari	0	0	0	0	0	0	0	0	0	0	0	0	1430	4391530	0	0	4391530
Durg	1135	3485585	0	0	1323	4062933	0	0	0	0	0	0	0	0	0	0	7548518
Jashpur	1600	4913600	0	0	1600	4913600	19800	673200	800	2456800	50000	1701000	0	0	0	0	14658200
Kabirdham	200	614200	0	0	2400	7370400	9900	409266	0	0	0	0	0	0	0	0	8393866
Kanker	0	0	0	0	2400	7370400	0	0	0	0	0	0	4000	12432000	0	0	19802400
Raigarh	0	0	0	0	3169	9731999	0	0	0	0	0	0	0	0	0	0	9731999
Rajnandgaon	480	1474080	0	0	2000	6142000	40800	1467072	0	0	0	0	0	0	0	0	9083152
Surguja	0	0	0	0	1104	3390384	0	0	0	0	0	0	0	0	0	0	3390384
Raipur	0	0	0	0	2641	8110511	0	0	0	0	0	0	0	0	0	0	8110511
Total	**3415**	**10487465**	**0**	**0**	**19198**	**58957058**	**73061**	**2655410**	**800**	**2456800**	**50000**	**1701000**	**5430**	**16823530**	**0**	**0**	**93081263**

(Source: Information provided by Department and compiled by Audit)

VB=Vermi Beds; SN= Shade Nets

Item distributed	Quantity	Cost (amount in ₹)
Vermi beds	28843	88724853
Shade-nets	123061 sqm	4356410
Total		**93081263**

Appendix 3.1.15

(Referred to in paragraph 3.1.9.1[k][ii]; page no. 132)

Statement showing details of procurement of 75 *per cent* shade nets

Detail of supply of Shadenet of 75 *per cent* density for production of vermicompost under organic farming component of NHM					
Sl.No.	**District**	**Year of procurement**	**Shadenet procured (Sq.mt.)**	**Unit rate (₹/Sq.mt)**	**Total cost (₹) inclusive of VAT 12.5 *per cent***
1	Rajnandgaon	2009-10	10000	34.02	340200
		2011-12	57500	30.95	1779625
2	Durg	2011-12	50000	30.95	1547500
3	Bilaspur	2009-10	15800	34.02	537516
		2011-12	50000	30.95	1547500
4	Sarguja	2011-12	175000	30.95	5416250
5	Jagdalpur	2011-12	17500	30.95	541625
6	Raipur	2011-12	87500	30.95	2708125
7	Kanker	2011-12	17500	30.95	541625
8	Raigarh	2011-12	175000	30.95	5416250
9	Jashpur	2009-10	50000	30.24	1701000
		2011-12	25000	29.48	773850
10	Korba	2011-12	122925	30.95	3804529
11	Kabirdham	2011-12	25000	30.95	773750
12	Koriya	2011-12	75000	30.95	2321250
		Total	**953725**		**29750595**

(Source: Information provided by Department and compiled by Audit)

Appendix 3.1.16

(Referred to in paragraph 3.1.9.1[m]; page no.134)

Statement indicating physical progress in respect of components under Integrated Post Harvest Management

Component	2007-08		2008-09		2009-10		2010-11		2011-12		Total		*Per cent* achievement
	T	A	T	A	T	A	T	A	T	A	T	A	
Pack House	0	0	0	0	60	60	250	250	431	431	**741**	**741**	100
Pre-cooling units	0	0	0	0	0	0	0	0	6	1	**6**	**1**	16.67
Mobile pre-cooling units	0	0	0	0	0	0	0	0	0	0	**0**	**0**	0
Cold storage units	0	0	0	0	14	0	6	3	0	0	**20**	**3**	15
Processing units	0	0	0	0	0	0	0	0	6	0	**6**	**0**	0
Refer vans/containers-General areas					0	0	0	0	0	0	**0**	**0**	0
Evaporative low energy cool chamber	0	0	0	0	0	0	0	0	140	140	**140**	**140**	100
Ripening chamber	0	0	0	0	0	0	0	0	1	0	**1**	**0**	0
Low cost onion storage structure	0	0	0	0	0	0	0	0	10	10	**10**	**10**	100
Pusa Zero energy cool chamber	0	0	0	0	0	0	0	0	0	0	**0**	**0**	0

T=Target; A=Achievement

Statement indicating financial progress in respect of components under Integrated Post Harvest Management ***(₹in lakh)***

Component	2007-08		2008-09		2009-10		2010-11		2011-12		Total		Unutilised
	T	A	T	A	T	A	T	A	T	A	T	A	
Pack House	0	0	0	0	37.5	37.5	375	375	646.5	646.5	**1059**	**1059**	0
Pre-cooling units	0	0	0	0	0	0	0	0	720	52.92	**720**	**52.92**	667.08
Mobile pre-cooling units	0	0	0	0	0	0	0	0	0	0	**0**	**0**	0
Cold storage units	0	0	0	0	700	0	405.33	266.5	0	0	**1105.33**	**266.5**	838.83
Processing units	0	0	0	0	0	0	0	0	36	0	**36**	**0**	36
Refer vans/containers-General areas	0	0	0	0	0	0	0	0	0	0	**0**	**0**	0
Evaporative low energy cool chamber	0	0	0	0	0	0	0	0	280	280	**280**	**280**	0
Ripening chamber	0	0	0	0	0	0	0	0	120	0	**120**	**0**	120
Low cost onion storage structure	0	0	0	0	0	0	0	0	5	5	**5**	**5**	0
Pusa Zero energy cool chamber	0	0	0	0	0	0	0	0	0	0	**0**	**0**	0
											3325.33	**1663.42**	**1661.91**

(Source: Information provided by Department and compiled by Audit)

T=Target; A=Achievement

Appendix 3.1.17

Referred to in paragraph 3.1.9.1[m]; page no.134)

Statement indicating Physical progress in respect of components under Creation of Market Infrastructure

Component	2007-08		2008-09		2009-10		2010-11		2011-12		Total		*Per cent* achievement
	T	A	T	A	T	A	T	A	T	A	T	A	
Rural markets	0	0	0	0	17	0	0	0	11	0	**28**	**0**	0
Retail markets	0	0	0	0	0	0	0	0	2	0	**2**	**0**	0
Functional Infrastructure for collection, grading etc.	0	0	0	0	0	0	0	0	0	0	**0**	**0**	0
Market extension, quality awareness & market led extension activities for fresh products	0	0	0	0	0	0	0	0	2	0	**2**	**0**	0

T=Target; A=Achievement

Statement indicating financial progress in respect of components under Creation of Market Infrastructure

(₹in lakh)

Component	2007-08		2008-09		2009-10		2010-11		2011-12		Total		
	T	A	T	A	T	A	T	A	T	A	T	A	Unutilised
Rural markets	0	0	0	0	799.75	0	1245.75	1245.75	0	0	**2045.5**	**1245.75**	**799.75**
Retail markets	0	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
Functional Infrastructure for collection, grading etc.	0	0	0	0	63.75	0	0	0	94	0	**157.75**	**0**	**157.75**
Market extension, quality awareness & market led extension activities for fresh products	0	0	0	0	0	0	0	0	11	0	**11**	**0**	**11**
Total											**2214.25**	**1245.75**	**968.5**

(Source: Information provided by Department and compiled by Audit)

T=Target; A=Achievement

Appendix 3.1.18

(Referred to in paragraph 3.1.9.2[a]; page no.136)

Details of seedling produced and distributed from the plug type seedling production unit

District	Date of distribution	Brinjal	Tomato	Lauki	Karela		Total
Raipur	25.10.2011	150000	150000	00	00		
	10.11.2011	50000	30000	00	00		
	25.11.2011	35000	30000	00	00		
	10.12.2011	25000	25000	00	00		
	25.12.2011	20000	45000	00	00		
	10-1-2012	20000	20000	00	00		
	25-1-2012	00	00	102500	40000		
	10-2-2012	00	00	97500	40000		
	25-2-2012	00	00	60000	40000		
	10-3-2012	00	00	40000	30000		
Durg	10.11.2011	50000	50000	00	00		
	25.11.2011	50000	50000	00	00		
	10.12.2011	75000	75000	00	00		
	25.12.2011	50000	50000	00	00		
	10-1-2012	50000	50000	00	00		
	25-1-2012	00	00	54000	45000		
	10-2-2012	00	00	00	9000		
Dhamtari	10-11-2011	50000	50000	00	00		
	25.11.2011	80000	75000	00	00		
	10-12-2011	50000	50000	00	00		
	25-12-2011	70000	65000	00	00		
	10-1-2012	80000	80000	00	00		
	Total (A)	**905000**	**895000**	**354000**	**204000**	**0**	**2358000**
Seedlings produced by NERAMAC during the period of Operation and Maintenance							
	Date of distribution	**Brinjal**	**Tomato**	**Pappaya**	**Mirch**	**Cauliflower**	**Total**
	17.02.2010	296208	0	0	0	0	
	05.01.2011	0	297990	0	0	0	
	25.01.2011	237600	0	0	0	0	
	20.02.2011	290070	0	0	0	0	
	08.03.2011	0	303336	0	0	0	
	28.04.2011	0	0	0	165000	0	
	07.05.2011	0	0	0	135000	0	
	15.05.2011	0	0	0	64200	0	
	26.05.2011	0	0	0	195624	0	
	10.06.2011	0	0	0	34056	0	
	04.07.2011	0	0	0	17200	0	
	06.07.2011	19800	0	0	0	0	
	16.07.2011	0	45540	0	0	0	
	18.07.2011	0	0	0	89100	0	
	03.08.2011	0	49500	0	0	0	
	10.08.2011	0	0	0	0	7326	
	18.08.2011	0	53263	0	0	0	
	25.08.2011	0	63558	0	0	0	
	28.08.2011	0	49500	0	0	0	
	29.02.2012	0	0	190	0	0	
	03.03.2012	0	0	0	8910	0	
	04.03.2012	0	0	0	59400	0	
	13.03.2012	0	0	0	1188	0	
	02.05.2012	0	0	0	11484	0	
	04.05.2012	0	0	0	37422	0	
	08.05.2012	32670	0	0	0	0	
	Total (B)	**876348**	**862687**	**190**	**818584**	**7326**	**2565135**
Grant Total (A+B)							**49,23,135**

(Source: Information provided by Department and compiled by audit)

Appendix 3.1.19

(Referred to in paragraph 3.1.9.4[a]; page no.140)

Statement indicating the pattern of assistance provided for mango plantation

District	Year	1st Installment			2nd Installment		3rd Installment		4th Installment		5th Installment	
		Area in ha	No. of farmers	Amount	No. of farmers	Amount	No. of farmers	Amount	No. of farmers	Amount	No. of farmers	Amount
Bastar	2008-09	200	122	335254	04	3489	0	0	0	0	0	0
	2009-10	79	116	253909	47	33840	0	0	0	0	0	0
	2010-11	349	77	253937	0	0	0	0	0	0	0	0
Bilaspur	2007-08	55	127	299895	0	0	0	0	0	0	0	0
	2008-09	211	204	1148585	0	0	0	0	0	0	0	0
	2009-10	118	650	643420	0	0	0	0	0	0	0	0
	2010-11	208	563	1130308	0	0	0	0	0	0	0	0
Raipur	2008-09	84	95	333230	33	28633	0	0	0	0	0	0
	2009-10	70	83	278519	11	12276	0	0	0	0	0	0
	2010-11	173	232	687627	11	11997	0	0	0	0	0	0
Total		**1547**		**5364684**		**90235**		**0**				

(Source: Information furnished by Department and compiled by audit.)

Appendix 3.2.1

(Referred to in paragraph 3.2.7.1 [a][i]; page no.151)

Scheme-wise Budget Allotment and Expenditure (State)

(₹in lakh)

Sl. No.	Scheme/ Year	2007-08			2008-09			2009-10			2010-11			2011-12		
		Allotment	Expenditure	Saving	Allotment	Expenditure	Saving	Allotment	Expend-iture	Saving	Allotment	Expenditure	Saving	Allotment	Expenditure	Saving
1	Drilling of Tubewell	8665.00	6942.87	1722.13	6010.00	5982.01	27.99	1650.00	1667.41	-17.41	650.00	633.66	16.34	750.00	557.60	192.40
2	Sthal Jal Pradaya Yojna	0.00	0.00	0.00	900.00	876.00	24.00	920.00	871.33	48.67	255.00	221.56	33.44	2282.00	2139.67	142.33
3	Drinking water facility in school	200.00	134.22	65.78	1232.50	1226.78	5.72	1000.00	844.57	155.43	1000.00	761.10	238.90	400.00	334.96	65.04
4	Ground water conservation	360.00	0.00	360.00	265.00	73.11	191.89	187.00	0.00	187.00	60.00	4.99	55.01	90.00	24.84	65.16
5	Pipe water supply scheme	5835.00	5101.13	733.87	6820.00	6647.76	172.24	3030.00	2923.63	106.37	2630.00	1818.78	811.22	3191.00	1843.74	1347.26
6	Water quality	442.00	0.00	442.00	1115.00	1054.70	60.30	1550.00	789.52	760.48	0.00	0.00	0.00	30.00	0.00	30.00
7	National Rural Drinking Water Supply Scheme	0.00	0.00	0.00	0.00	0.00	0.00	3500.00	3443.35	56.65	11100.00	9342.93	1757.07	0.00	0.00	0.00
8	TSC	2690.00	2068.01	621.99	3037.50	2724.47	313.03	2894.50	2786.00	108.50	2659.00	2401.50	257.50	0.00	0.00	0.00
9	Drainage	100.00	0.00	100.00	200.00	200.00	0.00	192.00	0.00	192.00	100.00	0.00	100.00	0.00	0.00	0.00
10	Operation and Maintenance	286.00	183.54	102.46	470.00	410.55	59.45	600.00	587.71	12.29	630.00	570.89	59.11	5729.00	5401.01	327.99
11	Tool& Plants	1058.00	1047.03	10.97	310.00	245.04	64.96	185.00	42.98	142.02	175.00	150.20	24.80	655.00	86.00	569.00
12	Urban water supply scheme	13260.20	11385.66	1874.54	16172.60	12131.54	4041.06	10622.73	8898.60	1724.13	8337.50	7200.35	1137.15	4810.80	1203.23	3607.57
13	Others	352.00	209.90	142.10	570.16	461.29	108.87	170.00	140.26	29.74	115.00	118.51	-3.51	6506.41	5945.11	561.30
14	Operation and Maintenance (Non plan)	955.00	911.96	43.04	955.00	942.41	12.59	1050.00	1011.00	39.00	700.00	646.57	53.43	0.00	0.00	0.00
		34203.20	**27984.32**	**6218.88**	**38057.76**	**32975.66**	**5082.10**	**27551.23**	**24006.36**	**3544.87**	**28411.50**	**23871.04**	**4540.46**	**24444.21**	**17536.16**	**6908.05**

Appendix 3.2.2

(Referred to in paragraph 3.2.7.1 [a][i]; page no.151)

Scheme-wise Budget Allotment & Expenditure (Central)

(₹in lakh)

Sl. No	Scheme/ Year	2007-08			2008-09			2009-10			2010-11			2011-12		
		Allotment	Expenditure	Saving	Allotment	Expenditure	Saving	Allotment	Expenditure	Saving	Allotment	Expenditure	Saving	Allotment	Expenditure	Saving
1	Drilling of Tubewell	5830.00	5604.05	225.95	6442.50	5729.84	712.66	4440.00	4004.86	435.14	0.00	0.00	0.00	0.00	0.00	0.00
2	Pipe water supply scheme	4666.00	4590.16	75.84	5550.00	5512.37	37.63	5310.00	3214.97	2095.03	0.00	0.00	0.00	0.00	0.00	0.00
3	Water quality	0.00	0.00	0.00	2675.00	1075.57	1599.43	4050.00	67.10	3982.90	0.00	0.00	0.00	0.00	0.00	0.00
4	National rural drinking water supply scheme	0.00	0.00	0.00	0.00	0.00	0.00	8448.21	3186.65	5261.56	12526.88	9939.98	2586.90	10600.00	10024.65	575.35
5	Others	674.62	535.23	139.39	190.00	0.00	190.00	150.00	0.00	150.00	342.74	105.45	237.29	2423.00	2373.78	49.22
	Total	**11170.62**	**10729.44**	**441.18**	**14857.50**	**12317.78**	**2539.72**	**22398.21**	**10473.58**	**11924.63**	**12869.62**	**10045.43**	**2824.19**	**13023.00**	**12398.43**	**624.57**

Appendix 3.2.3

(Referred to in paragraph 3.2.7.1 [c]; page no.153)

Status of Reconciliation of Cash Remittances and Cheques

(Amount in ₹)

District	Reconciliation completed upto	Cash Remittances Differences	Cheques differences	No of pending months (up to March 2012)
Ambikapur	March 2008	4,88,04,820	4,35,627	48
Bilaspur	January 2012	96,11,677	22,31,961	2
Dantewada	June 2012	68,81,720	57,68,593	-
Dhamtari	February 2011	5,93,914	18,25,186	13
Janjgir-Champa	January 2012	86,19,277	32,35,201	2
Kawardha	March 2007	38,10,262	52,78,604	60
Korea	October 2011	12,84,46,252	1,37,12,971	5
Mahasamund	December 2011	5,38,43,503	54,79,782	3
Raipur	August 2011	7,15,72,170	3,52,64,128	7
Rajnandgaon	July 2010	6,91,48,059	10,11,007	17
Jagdalpur	January 2012	25,25,973	29,05,981	2
Kanker	March 2010	1,64,10,573	43,80,530	24
Raigarh	September 2010	4,98,94,368	13,34,354	18
Jashpur	August 2007	63,34,475	11,02,625	55
Durg	March 2010	10,91,05,331	13,53,378	24
Korba	December 2011	38,00,538	1,64,97,082	3
Total		**58,94,02,912**	**10,18,17,010**	

Appendix 3.2.4

(Referred to in paragraph 3.2.7.1 [d]; page no.153)

Details of Outstanding Miscellaneous Public Works advances

(Amount in ₹)

Name of the district	No. of cases	Amount outstanding
Bilaspur	221	2,35,00,436
Dantewada	161	93,79,108
Dhamtari	30	3,62,20,861
Janjgir-champa	2	1,97,73,000
Kawardha	22	11,97,999
Korea	1	6,16,520
Mahasamund	10	8,08,404
Raipur	128	7,72,67,743
Rajnandgaon	23	3,40,24,891
Jagdalpur	124	8,42,63,293
Kanker	252	1,30,04,085
Raigarh	151	1,05,55,773
Jashpur	NA	6,71,500
Durg	NA	97,21,000
Korba	17	1,83,00,432
Total	**1142**	**33,93,05,045**

Appendix 3.2.5

(Referred to in paragraph 3.2.8.2[a]; page no.157)

Statement showing progress of works under Urban Water Supply Schemes

(₹ in lakh)

Sl. No.	Name of work	Agreement No. & Work order no./date	Name of contractor	PAC	Contract Amount	LS/ + /- *per cent*	Stipulated date of completion	Amount of uptodate payment	RA Bill No./ Vr. No.	Current status	Expenditure per cent
1	2	3	4	5	6	7	8	9	10	11	12
Ambikapur: Ambikapur WSS											
1	Gravity Main 6000 m and Collecting well	15DL/2011-12, 2408/ 31.05.2011	M/s Balram Das, Ambikapur	268.50	392.01	LS	12 months e/x rainy season	200.34	4th RA Bill, 114/ 30.06.12	Incomplete	51
2	WTP 5.50 MLD & Collecting well	124 DL/ 2008-09, 6444/ 31.12.2008	M/s Sarba Purta , Kolkata	71.25	129.98	LS	9 months e/x rainy season i.e. 15.02.2010	129.98	9th & Final, 230/ 30.03.12	Complete	100
3	Raw water pumps-2 & Clear water pumps-5	45 DL/2010-11, 292/ 19.01.2011	M/s Mana Electric & Engineering services	35.19	33.50	LS	6 months i/c rainy season i.e. 18.07.2011	33.50	3rd & Final, 131/ 29.03.12	Complete	100
4	OHT 540 KL	23 DL/ 2008-09, 2871/ 22.04.2008	M/s Sarba Purta , Kolkata	32.40	37.50	LS	6 months e/x rainy season i.e. 22.02.2009	37.50	6th & Final, 133/29.03.12	Complete	100
5	OHT 510 KL & 80 KL Sumpwell	04 DL/ 2008-09, 2764/ 16.04.2008	Sh. Ashok Singh, Ambikapur	33.00	39.10	LS	6 months e/x rainy season i.e. 15.02.2009	39.10	3rd & Final, 210/ 29.03.12	Complete	100
6	OHT 400 KL	02 DL/ 2008-09, 2756/ 16.04.2008	M/s Dinesh Kumar Singh	26.00	32.10	LS	6 months e/x rainy season 15.02.2009	32.10	9th RA Bill, 169/ 15.03.10	Incomplete	100
7	OHT 350 KL	95 DL/ 2008-09, 5702/ 10.10.2008	M/s Manju Singh, Ambikapur	24.50	28.10	LS	6 months e/x rainy season i.e. 15.04.2009	28.10	4th& Final, 54/ 24.12.10	Complete	100
8	OHT 300 KL	126 DL/ 2008-09, 232/ 21.01.2009	M/s Dinesh Kumar Singh	21.00	24.15	LS	6 months e/x rainy season i.e. 21.11.2009	24.15	6th RA Final Bill, 35/ 15.12.10	Incomplete	100
9	Distribution Zone 1to 5	32 DL/ 2009-10, 2203/ 11.06.2009	M/s Balram Das, Ambikapur	153.27	320.15	(+)108.88	12 months e/x rainy season i.e. 11.02.2010	345.96	9th & Final, 02/ 06.06.11	Complete	100
10	Distribution Zone 6 (A)	29/Dl, 2009-10, 2186/ 11.06.2009	M/s Sarba Purta , Kolkata	82.57	178.35	(+) 116	12 months e/x rainy season i.e. 11.02.2010	177.10	6th & Final, 57/ 18.10.11	Complete	100

1	2	3	4	5	6	7	8	9	10	11	12
11	Distribution Zone 6 (B)	33 DL/ 2009-10, 2205/ 11.06.2009	M/s Rajendra Kumar Poddar	140.19	303.67	(+) 116.40	12 months e/x rainy season i.e. 11.02.2010	299.47	6th & Final, 256/ 31.03.12	Complete	100
12	Distribution & Rising main Zone 7	13 DL/ 2008-09, 2794/ 16.04.2008	M/s Sarba Purta , Kolkata	207.25	360.62	(+) 74.00	9 months e/x rainy season i.e. 15.05.2009	296.08	8th & Final, 80/ 24.11.10	Complete	100
13	Distribution Zone 8	14 DL/ 2008-09, 2796/ 16.04.2008	M/s Rajendra Kumar Poddar	125.46	219.30	(+) 74.80	9 months e/x rainy season i.e. 15.04.2009	165.88	5th & Final, 26/ 26.05.11	Complete	100
14	Distribution Zone 9	15 DL/ 2008-09, 2798/ 16.04.2009	M/s Sarba Purta , Kolkata	131.77	229.54	(+) 74.20	9 months e/x rainy season i.e. 15.05.2009	181.07	8th & Final, 67/30.03.11	Complete	100
15	Distribution 200 – 100 mm 14150 mm	65DL/ 2010-11, 450/ 27.01.2011	M/s Techno Drillers, Raipur	132.51	176.64	(+) 33.30	4 months i/c rainy season i.e. 26.05.2011	176.05	5th & Final, 50/ 26.06.12	Complete	100
	Total			**1484.86**				**2166.38**			
Ambikapur : Sitapur WSS											
1	Intake well & Jack well, Pump House, WTP 1.40 MLD & Pumps	30 DL/ 2009-10, 2189/ 11.06.2009	M/s Sarba Purta, Kolkata	188.50	224.00	LS	12 months e/x rainy season i.e. 11.02.2011	119.74	8th RA Bill, 229/ 30.03.12	Incomplete	53
2	Raw Water & Clear water	34 DL/ 2009-10, 2591/ 04.07.2009	Smt. Urmila Dixit, Ambikapur	66.04	134.72	(+) 103.8	12 months e/x rainy season i.e. 15.02.2011	130.63	7th RA Bill, 55/ 30.03.11	Incomplete	97
3	OHT 280 KL	21 DL/ 2009-10, 2041/ 04.06.2009	M/s Nirman Engineering, Chhindwada	19.80	26.50	LS	6 months e/x rainy season i.e. 15.04.2010	23.85	7th RA Bill, 19/ 12.08.11	Incomplete	90
4	OHT 120 KL	06 DL/ 2010-11, 1267/ 23.04.2010	M/s Bijendra Kumar Prasad	12.00	13.64	LS	6 months e/x rainy season i.e. 23.02.2011	13.64	6th & Final, 218/ 29.03.12	Complete	100
5	OHT 80 KL	13 DL/ 2009-10, 1898/ 27.05.2009	M/s Prakash Kumar Agarwal	6.40	10.85	LS	6 months e/x rainy season	10.80	3rd RA Bill, 103/ 30.03.11	Complete	100
6	Distribution Zone1	163 DL/ 2009-10, 961/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	19.59	26.20	(+) 33.75	4 months e/x rainy season i.e. 26.10.2009	16.61	5th & Final, 49/30.03.11	Complete	100

1	2	3	4	5	6	7	8	9	10	11	12
7	Distribution Zone 2	164 DL/ 2009-10, 963/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	19.04	25.49	(+) 33.89	4 months e/x rainy season i.e. 26.10.2009	17.00	5th & Final, 50/ 30.03.11	Complete	100
8	Distribution Zone 3	165 DL/ 2009-10, 965/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	15.27	20.31	(+) 32.98	4 months e/x rainy season i.e. 26.10.2009	13.93	5th & Final, 51/ 30.03.11	Complete	100
9	Distribution Zone 4	166 DL/ 2009-10, 967/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	13.47	18.32	(+) 35.98	4 months e/x rainy season i.e. 26.10.2009	12.93	5th & Final, 52/ 30.03.11	Complete	100
	Total			**360.11**				**359.13**			
Bilaspur: Mungeli Augmentation WSS											
1	Drilling 150 mm dia TW	-	-	3.00	-	-	-	-	-	Not tendered	
2	Submersible pumps	-	-	3.48	-	-	-	-	-	Not tendered	
3	Pump House	-	-	4.41	-	-	-	-	-	Not tendered	
4	Chlorinator	-	-	6.00	-	-	-	-	-	Not tendered	
5	Sumpwell	-	-	11.41	-	-	-	-	-	Not tendered	
6	Clear water pump & pumping Main	-	-	9.10	-	-	-	-	-	Not tendered	
7	Pumping Main & Distribution Main- Zone I	45 DL/2009-10, 1653/ 19.05.2009	M/s Sunil Kumar Jajodiya, Bilaspur	42.61	91.61	(+) 115	06 months i/c rainy season, 18.11.2009	98.12	5th & Final, 72 DL/ 29.02.2012	Complete	100
8	Pumping Main & Distribution Main- Zone II	27 DL/ 2010-11, 2326/ 08.10.2010	M/s Nagendra Kumar Pandey, Bilaspur	122.77	210.55	(+) 71.50	11 months i/c rainy season i.e. 07.09.2010	101.67	3rd RA Bill, 50/ 23.11.2011	Incomplete	48
9	Pumping Main & Distribution Main- Zone III	47 DL/ 2009-10, 1657/ 19.05.2009	M/s Nagendra Kumar Pandey, Bilaspur	59.86	128.40	(+) 115	07 months i/c rainy season, 18.12.2009	140.12	3rd RA Bill, 202/ 26.11.2010	Incomplete	100
10	OHT- 990 KL	10 DL/ 2009-10, 15.05.2009	M/s Soul Engg. Durg	79.20	65.00	LS	07 months i/c rainy season, 14.12.2009	65.00	6th & Final bill	Completed	100
11	OHT- 385 KL	48 DL/ 2009-10, 19.05.2009	M/s Kadambari Tubewells, Bilaspur	30.80	28.99	LS	08 months i/c rainy season, 18.01.2010	0.00	-	Incomplete	0
	Total			**335.24**				**404.91**			

Dantewada: Dantewada WSS											
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
1	Raw water pumping Main	43 DL/ 2008-09 , 70/ 13.01.2009	M/s B. R. Singh Bhadouriya	6.36	17.17	(+) 170	6 months i/c rainy season i.e. 12.07.2009	18.99	3rd & Final, 44/ 31.07.10	Complete	100
2	Intake well cum pump house, 1.04 MLD WTP, OHT 250 KL & Raw water & clear water pumps	74 DL/ 2007-08 , 4034/ 04.12.2007	M/s B. R. Singh Bhadouriya	106.90	175.30	LS	12 months e/x rainy season i.e 03.04.2009	166.69	18th RA Bill, 21/ 14.07.10	Incomplete	95
3	Clear water pumping main	42 DL/ 2008-09, 68/ 13.01.2009	M/s B. R. Singh Bhadouriya	15.39	41.55	(+) 170	6 months i/c rainy season i.e 12.07.2009	46.82	5th & Final, 43/ 31.07.10	Complete	100
5	Distribution	38 DL/ 2010-11, 01/ 01.01.2011	Sh. Rupesh Kumar Jha	99.14	137.14	(+) 38.33	6 months i/c rainy season i.e. 30.06.2011	127.59	4th RA Bill, 27/ 30.12.2011	Incomplete	93
	Total			**227.79**				**360.09**			
Dantewada: Bade Bacheli WSS											
1	Collecting Chamber	-	-	1.28	-	-	-	-	-	Not tendered	-
2	Gravity Main	-	-	122.75	-	-	-	-	-	Tender not finalised	-
3	Pressure Filters - 3 of 0.5 MLD each	-	-	36.50	-	-	-	-	-	Not tendered	-
4	OHT 200 KL	26 DL/ 2010-11, 1748/ 25.09.2010	Sh. R.K. Kapoor, Jagdalpur	20.00	16.50	LS	6 months i/c rainy season, i.e. 24.03.2011	16.50	3rd & Final, 21/ 31.01.2012	Complete	100
5	OHT 200 KL	18 DL/2009-10, 1911/ 29.10.2009	Rupesh Kumar Jha	20.00	16.99	LS	6 months i/c rainy season i.e. 28.04.2010	16.99	5th & Final, 09 /05.08.10	Complete	100
6	Clear Main/ Feeder Main	-	-	3.40	-	-	-	-	-	Not tendered	-
7	Distribution	51 DL/ 2009-10, 331/ 18.02.2010	M/s Techno Drillers, Raipur	76.27	141.09	(+) 85	6 months i/c rainy season i.e. 17.08.2010	185.57	5th RA Bill, 39/ 28.02.2012	Incomplete	100
	Total			**116.27**				**219.06**			

Dhamtari: Dhamtari WSS											
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
1	Water Treatment Plant	47 DL/2007-08, 2999/ 27.12.2007	M/s Laxmi Civil Engineering	162.30	230.00	LS	16 months i/c rainy season i.e. 27.04.2009	193.66	6th RA Bill, 17/Dl, 27.12.2011	Incomplete	84
2	RCC Sumpwell & Pump House	53 DL/ 2010-11, 583/ 11.03.2011	M/s Sunil Kumar Gupta	35.55	30.11	(-) 15.30	12 months i/c rainy season i.e. 10.03.12	22.87	1st RA Bill, 18/ 31.12.2011	Incomplete	76
3	Raw Water and Clear Water main	44 DL/ 2007-08, 2551/3.11.2007	M/s Gokul Krishna Const. Co.	319.16	405.35	(+) 27	12 months i/c rainy season i.e. 03.11.2008	373.18	14th RA Bill, 7/Dl, 16.9.2009	Incomplete	92
4	Raw Water & Clear Water Pump and substation	107 DL/ 2011-12, 334/13.02.2012	M/s Gimex India Projects & Engg. Pvt. Ltd.	54.80	129.85	LS	12-01-2013	-	-	-	0
5	OHT at Mahima Sagar	46 D/ 2007-08, 2781/3.12.2007	M/s SOL Engineering	49.50	49.98	LS	16 months i/c rainy season i.e. 03.04.2009	49.98	6th RA Bill, 127/ 20.10.2009	Completed	100
6	OHT at Itwari Bazar	49 DL/ 2007-08, 205/4.1.2008	Shri N. K. Pandey	52.25	54.90	LS	16 months i/c rainy season i.e. 04.05.2010	37.72	-	Incomplete	69
7	OHT at Badhena Ward	222 DL/ 2008-09, 643/ 20.2.2009	M/s Soul Engineering	45.00	44.08	LS	16 months e/x rainy season i.e. 20.06.2010	44.08	6th & Final, 15/ 23.12.2011	Complete	100
8	OHT at Gayatri Mandir	62 DL/ 2007-08, 696/11.2.2008	Shri Sunil Jajodiya	55.00	56.95	LS	16 months i/c rainy season i.e. 11.06.2009	19.43	6/Dl, 12.8.2009	Incomplete	34
9	Distribution network at Zonel/II	14 DL/ 2009-10, 1675/5.6.2009	Shri Bansal Borewells	61.87	131.01	(+) 111.75	12 months i/c rainy season i.e. 05.06.2010	93.76	4th RA Bill, 32/Dl, 15.11.2010	Incomplete	72
10	Distribution network at Zone-III	230 DL/ 2008-09, 784/24.2.2009	M/s Laxmi Civil Engineering	127.84	273.45	(+) 114.5	12 months i/c rainy season i.e. 24.02.2010	243.68	3rd RA Bill, 23/Dl, 11.2.2010	Incomplete	89
11	Distribution network at Zone IV	231 DL/ 2008-09, 786/25.2.2009	M/s Laxmi Civil Engineering	98.61	209.55	(+) 112.5	--do--	156.90	3rd RA Bill, 36/Dl, 15.11.2010	Incomplete	75
12	Distribution network at Zone V	229 DL/ 2008-09, 781/24.2.2009	M/s Laxmi Civil Engineering	77.49	155.50	(+) 114.5	--do--	97.36	4th RA Bill, 35DL/ 15.11.10	Incomplete	63

1	2	3	4	5	6	7	8	9	10	11	12
13	Distribution network at Zone VI	233 D/ 2008-09, 789/25.2.2009	M/s Laxmi Civil Engineering	127.81	272.87	(+)113.5	--do--	266.92	4th RA Bill, 85 DL/ 31.03.2011	Incomplete	98
14	Distribution network at Zone VII	232 DL/ 2008-09, 787/25.2.2009	M/s Laxmi Civil Engineering	100.01	214.02	(+) 114	--do--	189.16	4th RA Bill, 37/Dl, 15.11.2010	Incomplete	88
	Total			**1367.19**				**1765.83**			
Janjgir Champa: Champa WSS											
1	Intake well and WTP	13 DL/2009-10, 2281/ 26.05.2009	M/s Environ Engineers, New Delhi	131.00	240.00	LS	12 months i/c rainy season i.e. 25.05.2010	177.86	45/EJ, 31.03.2012	Incomplete	74
2	Raw and Clear water pumping main	31 DL/ 2009-10, 2758/ 18.06.2009	M/s Environ Engineers, New Delhi	105.82	217.99	(+) 106	11 months i/c rainy season i.e. 17.05.2010	142.94	05/DL, 29.02.2012	Incomplete	66
3	Raw water Pumps	-	-	7.85	-	-	-	-		Not tendered	
4	Clear Water Pumps	-	-	23.90	-	-	-	-		Not tendered	
5	OHT 650 Kl	-	-	39.98	-	-	-	-		Not tendered	
6	OHT 200 Kl	308 DL/ 2008-09, 909/ 12.02.2009	M/s Santosh Agarwal, Raipur	20.00	23.75	LS	6 months i/c rainy season i.e. 11.02.2010	25.17	71/EJ/ 28.02.2011	Complete	100
7	OHT 100 Kl	-	-	10.50	-	-	-	-		NIT issued	
8	Distribution	-	-	407.00	-	-	-	-		NIT issued, bids received	
	Total			**256.82**				**345.97**			
Kawardha: Kawardha WSS											
1	Canal Intake, WTP, Raw & Clear Water Gravity Main	28 DL/2007-08, 2620/ 14.09.2007	M/s Maneesh pipes Ltd., Raipur	690.00	769.00	LS	12 months e/x rainy season i.e. 13.02.2009	749.56	11th RA Bill, 02/Dl, 7.12.2009	Incomplete	97
2	RCC OHT and Distribution network	29 DL/ 2007-08, 2653/ 21.09.2007	M/s Laxmi Civil Engineering Pvt. Ltd., Nagpur	529.00	694.00	LS	12 months e/x rainy season i.e. 20.02.2009	693.46	8th & Final, 02/Dl, 4.11.2009	Complete	100
	Total			**1219.00**				**1443.02**			

Kawardha: Sullage Conveyance, Treatment & Disposal scheme for prevention of Pollution of Sakri River											
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
1	Sullage Conveyance, Treatment & Disposal scheme	03 DL/ 2009-10, 1830/ 22.05.2009	M/s Laxmi Engg. Pvt. Ltd., Nagpur	346.50	532.00	LS	12 months e/x rainy season i.e. 21.01.2011	173.37	2nd RA Bill, 08/Dl, 22.03.2012	Incomplete	33
	Total			**346.50**				**173.37**			
Koriya: Manendragarh WSS											
1	Anicut 90 m	-	-	121.50	-		-	-	-	Not tendered	-
2	Intake well and Raw water VT pumps	-	-	72.35	-		-	-	-	E tendering sent for sanction	-
3	Electrical sub station	-	-	20.40	-		-	-	-	Not tendered	-
4	Raw Water pumping main	07 DL/2008-09, 1666/ 08.04.2008	M/s Mahamaya Const., Raipur	24.43	40.79	(+) 66.95	6 months e/x rainy season	32.50	NA	Incomplete, Contract rescinded	-
	Raw Water pumping main-balance work	29 DL/2011-12, 1184/ 10.05.2011	M/s Bhartesh Parmar, Raipur	11.20	16.69	49.99	3 months i/c rainy season i.e. 09.08.2011	33.50	2nd RA Bill, 55/ 28.02.12	Incomplete	100
5	WTP and clear water pumps	43 DL/2008-09, 4499/ 31.12.2008	M/s Sarba Purta Const. , Kolkata	84.70	130.00	LS	12 months e/x rainy season i.e. 30.04.2010	107.77	12nd RA Bill, 21/ 23.02.12	Incomplete	83
6	OHT 770 Kl	42 DL/2008-09, 4497/ 31.12.2008	M/s Sarba Purta Const. , Kolkata	42.35	41.60	LS	8 months e/x rainy season i.e. 30.12.2009	37.44	5th RA Bill, 33/ 28.02.11	Incomplete	90
7	OHT 650 Kl	-	-	39.00	-	-	-	-	-	Agreement under progress	-
8	Clear Water Pumping Main	06 DL/2008-09, 1656/ 07.04.2008	M/s Smt. Urmila Dixit, Ambikapur	52.58	87.81	(+) 66.99	6 months e/x rainy season i.e. 06.02.2009	100.07	6th RA Bill, 139/ 31.03.12	Incomplete	100
9	Distribution I	-	-	-	-	-	-	-	-	Tender under progress	-

1	2	3	4	5	6	7	8	9	10	11	12
10	Distribution Zone II A	09 DL/2008-09, 1671 dated 08.04.2008	M/s M.P. Gupta, Baikunthpur	83.33	72.54	(+) 74.10	8 months e/x rainy season i.e. 07.06.2009	28.48	3rd RA Bill, 17/ 16.08.10	Incomplete Delay	39
11	Distribution Zone II B	05 DL/2008-09, 1654/ 07.04.2008	M/s Rajendra Kumar Poddar		72.53	(+) 74.10	8 months e/x rainy season i.e. 06.06.2009	71.81	2nd RA Bill, 132/ 26.09.09	Incomplete	99
12	Distribution Zone III	08 DL/2008-09, 1669/ 08.04.2008	M/s Rajendra Kumar Poddar	99.54	173.95	(+) 74.74	8 months e/x rainy season i.e. 07.06.2009	139.01	3rd RA Bill/ 132/ 26.09.09	Incomplete	80
	Total			**398.13**				**550.58**			
Mahasamund: Mahasamund WSS											
1	Intake well, Jack well and Water Treatment plant	34 DL/ 2007-08, 2581/23.11.2007	M/s Maneesh Pipes	210.00	269.00	LS	16 months i/c rainy season, 23.03.2009	244.73	9th RA Bill, 155/ 31.03.2012	Delayed	91
2	Raw water and Clear water pumps and sub-station	01 DL/ 2008-09, 793/17.04.2008	M/s Asiatic Traders	87.25	99.89	LS	12 months i/c rainy season, 17.04.2009	78.62	5th RA Bill, 156/ 31.3.2012	Delayed	79
3	Raw water and Clear water pumping main	18 DL/ 2007-08, 1555/11.07.2007	M/s Bansal Borewells, Raipur	487.00	662.07	(+) 35.95	12 months i/c rainy season,11.07.2008, 10.10.2008 (Revised)	532.14	10th RA Bill, 42/ 27.08.2011	Delayed	80
4	OHT at Pitiyajhar	19 DL/ 2007-08, 1689/3.8.2007	M/s Kewal Jadwani	27.50	30.40	LS	12 months i/c rainy season, 02.08.2008	30.40	3rd & Final, 28.05 2008	Work completed	100
5	OHT at Moharibhata	22 DL/ 2007-08, 1884/27.08.2007	Atul Shrivastava	26.50	29.50	LS	12 months i/c rainy season, 26.08.2008	29.50	6th & Final, 61/ 07.12.2009	Completed	100
6	Distribution network at Zone-1	17 DL/ 2009-10, 2722/3.9.2009	M/s Laxmi Civil Engs.	35.69	67.20	(+) 88.30	8 months i/c rainy season, 03.05.2010	56.56	2nd RA Bill, 5/ 02.11.10	Incomplete	84
7	Distribution network at Zone 2	75 DL/ 2008-09, 911/2.3.2009	M/s Laxmi Civil Engs.	130.11	268.42	(+) 106.30	11 months i/c rainy season, 02.02.2010	154.37	4th RA Bill, 06/ 02.11.2010	Incomplete	58

1	2	3	4	5	6	7	8	9	10	11	12
8	Distribution network at Zone 3	76 DL/ 2008-09 915/2.3.2009	M/s Laxmi Civil Engs.	122.76	253.25	(+) 106.30	11 months i/c rainy season, 02.02.2010	269.18	4th RA Bill, 4/ 03.11.2010	Incomplete	100
9	Distribution network at Zone 4	77 DL/ 2008-09, 918/2.3.2009	M/s Laxmi Civil Engs.	137.32	283.08	(+) 106.30	11 months i/c rainy season, 02.02.2010	232.16	4th RA Bill	Incomplete	82
		Total		**1264.13**				**1627.66**			
Raipur: Birgaon WSS											
1	Intake well and Water Treatment Plant	140 DL/ 2007-08, 5470/7.12.2007	M/s SK Banerjee, Nagpur	262.49	370.00	LS	12 months i/c rainy season i.e. 23.03.2009	348.81	10th RA Bill, 59/ 16.06.11	Incomplete	94
2	Raw water and Clear water pumps	23 DL/2009-10, 2844/08.07.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	93.41	155.00	LS	12 months i/c rainy season i.e. 07.07.2010	132.53	2nd RA Bill, 219/ 31.3.2011	Incomplete	86
3	OHT at Birgaon	153 DL, 2007-08, 5685/27.12.2007	M/s Dubey Goyal & Co., Raipur	75.00	91.49	LS	10 months e/x rainy season i.e. 27.10.2008	82.34	3rd RA Bill, 214/ 24.10.2011	Incomplete	90
4	OHT at Urla	145 DL/ 2007-08, 5578/17.12.2007	M/s SK Construction, Jabalpur	42.50	46.58	LS	08 months e/x rainy season i.e. 16.08.2008	46.58	4nd Final Bill, 75/ 10.8.2011	Complete	100
5	OHT at Urukura	149 DL/ 2007-08, 5621/20.12.2007	M/s Maheshwar Builders	27.00	29.10	LS	08 months e/x rainy season i.e. 19.08.2008	29.10	3rd Final Bill, 94/ 31.7.2009	Complete	100
6	OHT at Acholi	137 DL/2007-08, 5393/3.12.2007	M/s Puja Constructions	30.00	31.80	LS	08 months e/x rainy season i.e. 02.08.2008	28.62	5th RA Bill, 93/ 18.05.2009	Incomplete	90
7	OHT at Rawanbhata	150 DL/ 2007-08	M/s DD Singhal, Bhilai	33.00		LS	08 months e/x rainy season i.e. 24.12.2008	35.11	4th Final Bill, 236/ 31.7.2009	Complete	100
8	Raw Water and Clear Water Mains	113 DL/2007-08, 4889/ 16.10.2007	M/s Laxmi Civil Engg. Ltd., Nagpur	369.57	499.66	(+) 35.20	12 months i/c rainy season i.e. 16.10.2008	513.55	4th RA Bill, 76/12.08.11	Incomplete	100
9	Distribution Zone 7- Sarora	170 DL/2008-09, 5366/ 24.09.2008	M/s Techno Drillers, Raipur	53.59	115.64	(+) 117	15 months i/c rainy season i.e. 15.01.2010	115.99	5th & Final, 104/ 27.03.2010	Complete	100

1	2	3	4	5	6	7	8	9	10	11	12
10	Distribution Zone 4 - Urukura	333 DL/2008-09, 991/ 28.02.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	76.46	173.56	(+) 127	15 months i/c rainy season i.e. 27.06.2010	170.46	5th & Final, 77/ 12.08.11	Complete	100
11	Distribution Zone 2-Birgaon City	334 DL/2008-09, 993/ 28.02.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	169.82	385.49	(+) 127	18 months i/c rainy season i.e. 27.09.2010	394.14	3rd RA Bill 105/ 29.08.11	Incomplete	100
12	Distribution Zone 1-Birgaon	335 DL/2008-09, 995/ 28.02.2009	Sh Bharteshji Parmar, Raipur	29.94	67.07	(+) 124	15 months i/c rainy season i.e. 27.09.2010	55.79	3rd RA Bill 161/ 27.03.10	Incomplete	83
13	Distribution Zone 3-Urla	336 DL/2008-09, 996/ 28.02.2009	Sh Bharteshji Parmar, Raipur	70.94	158.91	(+) 124	15 months i/c rainy season i.e. 27.09.2010	143.61	6th & Final 118/ 30.08.11	Complete	100
14	Distributon-Zone 6-Rawanbhata	337 DL/2008-09, 997/ 28.02.2009	Sh Bharteshji Parmar, Raipur	83.42	188.53	(+) 126	15 months i/c rainy season i.e. 27.09.2010	154.98	7th & Final, 75/ 03.10.11	Complete	100
15	Distributon-Zone 5 -Achholi	263 DL/ 2008-09, 5429/ 19.12.2008	M/s Techno Drillers, Raipur	52.12	122.48	(+) 135	12 months i/c rainy season i.e. 18.04.2009	111.45	5th & Final bill, 57/ 5.12.11	Complete	100
		Total		**1469.26**				**2363.06**			
Raipur: Kasdol WSS											
1	Intake well and Water Treatment Plant	63 DL/2009-10, 3938/16.11.2009	M/s Sarna Purta Const. Pvt. Ltd., Kolkata	75.00	143.00	LS	12 months i/c rainy season i.e. 15.11.2009	118.84	7th RA Bill, 38/ 10.01.12	Incomplete	83
2	OHT	36 DL/ 2009-10, 3364/01.09.2009	M/s SK Const., Jabalpur	32.24	35.79	LS	06 months ie/x rainy season i.e.01.03.2010	35.79	3rd & Final Bill, 18/ 08.02.2011	Complete	100
3	Raw Water and Clear Water pumping Mains	04 DD/2009-10, 1652/ 20.05.2009	M/s Tirupati Construction, Raipur	75.91	158.65	(+) 109	09 months i/c rainy season i.e. 19.02.2010	156.85	4th Final Bill, 8 DL/ 4.12.09	Complete	100
4	Distribution Zone 1	42 DL/2009-10, 3618/ 12.10.2009	M/s Tirupati Construction, Raipur	43.25	89.96	(+) 107.80	09 months i/c rainy season i.e. 11.06.2010	73.77	3rd RA Bill, 11/ 7.02.2012	Incomplete	82
5	Distribution Zone 2	41 DL/2009-10, 3620/ 12.09.2009	M/s Tirupati Construction, Raipur	117.46	229.05	(+) 94.80	09 months i/c rainy season i.e. 11.05.2010	183.29	6th RA Bill, 335/ 25.10.11	Incomplete	80
		Total		**343.86**				**568.54**			
		Grand Total		**9189.16**				**12347.60**			

Appendix 3.2.6

(Referred to in paragraph 3.2.8.2 [a]; page no.157)

Statement showing non-imposition of penalty on contractors

(₹in lakh)

Sl. No.	Name of work	Agreement No. & Work order no./date	Name of contractor	PAC	Contract Amount	LS/ +/- %	Stipulated date of completion	Amount of uptodate payment	RA Bill No./ Vr. No.	Current status	Penalty Rate	Penalty amount
1	2	3	4	5	6	7	8	9	10	11	12	13
Ambikapur: Ambikapur WSS												
1	WTP 5.50 MLD & Collecting well	124 DL/ 2008-09, 6444/ 31.12.2008	M/s Sarba Purta , Kolkata	71.25	129.98	LS	9 months e/x rainy season i.e. 15.02.2010	129.98	9th & Final, 230/ 30.03.12	Complete	₹ 600 per day limited to 10 %	4.64
2	Raw water pumps-2 & Clear water pumps-5	45 DL/2010-11, 292/ 19.01.2011	M/s Mana Electric & Engineering services	35.19	33.50	LS	6 months i/c rainy season i.e. 18.07.2011	33.50	3rd & Final, 131/ 29.03.12	Complete	₹ 1100 per day limited to 10 %	2.81
3	OHT 540 KL	23 DL/ 2008-09, 2871/ 22.04.2008	M/s Sarba Purta , Kolkata	32.40	37.50	LS	6 months e/x rainy season i.e. 22.02.2009	37.50	6th & Final, 133/29.03.12	Complete	₹ 3500 per day limited to 10 %	3.75
4	OHT 510 KL & 80 KL Sumpwell	04 DL/ 2008-09, 2764/ 16.04.2008	Sh. Ashok Singh, Ambikapur	33.00	39.10	LS	6 months e/x rainy season i.e. 15.02.2009	39.10	3rd & Final, 210/ 29.03.12	Complete	₹ 3500 per day limited to 10 %	3.91
5	OHT 400 KL	02 DL/ 2008-09, 2756/ 16.04.2008	M/s Dinesh Kumar Singh	26.00	32.10	LS	6 months e/x rainy season 15.02.2009	32.10	9th RA Bill, 169/ 15.03.10	Incomplete	₹ 3500 per day limited to 10 %	3.21
6	OHT 350 KL	95 DL/ 2008-09, 5702/ 10.10.2008	M/s Manju Singh, Ambikapur	24.50	28.10	LS	6 months e/x rainy season i.e. 15.04.2009	28.10	4th& Final, 54/ 24.12.10	Complete	₹ 3500 per day limited to 10 %	2.81
7	OHT 300 KL	126 DL/ 2008-09, 232/ 21.01.2009	M/s Dinesh Kumar Singh	21.00	24.15	LS	6 months e/x rainy season i.e. 21.11.2009	24.15	6th RA Final Bill, 35/ 15.12.10	Incomplete	₹ 3500 per day limited to 10 %	2.42
8	Distribution Zone 1to 5	32 DL/ 2009-10, 2203/ 11.06.2009	M/s Balram Das, Ambikapur	153.27	320.15	(+)108.88 %	12 months e/x rainy season i.e. 11.02.2010	345.96	9th & Final, 02/ 06.06.11	Complete	1/16 % per week limited to 6 %	13.73
9	Distribution Zone 6 (A)	29/Dl, 2009-10, 2186/ 11.06.2009	M/s Sarba Purta , Kolkata	82.57	178.35	(+) 116 %	12 months e/x rainy season i.e. 11.02.2010	177.10	6th & Final, 57/ 18.10.11	Complete	1/16 % per week limited to 6 %	10.70
10	Distribution Zone 6 (B)	33 DL/ 2009-10, 2205/ 11.06.2009	M/s Rajendra Kumar Poddar	140.19	303.67	(+) 116.40 %	12 months e/x rainy season i.e. 11.02.2010	299.47	6th & Final, 256/ 31.03.12	Complete	1/16 % per week limited to 6 %	11.81
11	Distribution & Rising main Zone 7	13 DL/ 2008-09, 2794/ 16.04.2008	M/s Sarba Purta , Kolkata	207.25	360.62	(+) 74.00%	9 months e/x rainy season i.e. 15.05.2009	296.08	8th & Final, 80/ 24.11.10	Complete	1/16 % per week limited to 6 %	15.96

1	2	3	4	5	6	7	8	9	10	11	12	13
12	Distribution Zone 9	15 DL/ 2008-09, 2798/ 16.04.2009	M/s Sarba Purta , Kolkata	131.77	229.54	(+) 74.20 %	9 months e/x rainy season i.e. 15.05.2009	181.07	8th & Final, 67/30.03.11	Complete	1/16 % per week limited to 6 %	13.77
13	Distribution 200 – 100 mm 14150 mm	65DL/ 2010-11, 450/ 27.01.2011	M/s Techno Drillers, Raipur	132.51	176.64	(+) 33.30 %	4 months i/c rainy season i.e. 26.05.2011	176.05	5th & Final, 50/ 26.06.12	Complete	1/16 % per week limited to 6 %	10.60
	Total											**113.28**
Ambikapur : Sitapur WSS												
1	Intake well & Jack well, Pump House, WTP 1.40 MLD & Pumps	30 DL/ 2009-10, 2189/ 11.06.2009	M/s Sarba Purta, Kolkata	188.50	224.00	LS	12 months e/x rainy season i.e. 11.02.2011	119.74	8th RA Bill, 229/ 30.03.12	Incomplete	₹ 1100 per day limited to 10 %	5.90
2	Raw Water & Clear water	34 DL/ 2009-10, 2591/ 04.07.2009	Smt. Urmila Dixit, Ambikapur	66.04	134.72	(+) 103.8 %	12 months e/x rainy season i.e. 15.02.2011	130.63	7th RA Bill, 55/ 30.03.11	Incomplete	1/16 % per week limited to 6 %	6.40
3	OHT 280 KL	21 DL/ 2009-10, 2041/ 04.06.2009	M/s Nirman Engineering, Chhindwada	19.80	26.50	LS	6 months e/x rainy season i.e. 15.04.2010	23.85	7th RA Bill, 19/ 12.08.11	Incomplete	₹ 3500 per day limited to 10 %	2.65
4	OHT 120 KL	06 DL/ 2010-11, 1267/ 23.04.2010	M/s Bijendra Kumar Prasad	12.00	13.64	LS	6 months e/x rainy season i.e. 23.02.2011	13.64	6th & Final, 218/ 29.03.12	Complete	₹ 3500 per day limited to 10 %	1.36
5	OHT 80 KL	13 DL/ 2009-10, 1898/ 27.05.2009	M/s Prakash Kumar Agarwal	6.40	10.85	LS	6 months e/x rainy season	10.80	3rd RA Bill, 103/ 30.03.11	Complete	₹ 3500 per day limited to 10 %	1.09
6	Distribution Zone1	163 DL/ 2009-10, 961/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	19.59	26.20	(+) 33.75 %	4 months e/x rainy season i.e. 26.10.2009	16.61	5th & Final, 49/30.03.11	Complete	1/16 % per week limited to 6 %	1.22
7	Distribution Zone 2	164 DL/ 2009-10, 963/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	19.04	25.49	(+) 33.89 %	4 months e/x rainy season i.e. 26.10.2009	17.00	5th & Final, 50/ 30.03.11	Complete	1/16 % per week limited to 6 %	1.18
8	Distribution Zone 3	165 DL/ 2009-10, 965/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	15.27	20.31	(+) 32.98 %	4 months e/x rainy season i.e. 26.10.2009	13.93	5th & Final, 51/ 30.03.11	Complete	1/16 % per week limited to 6 %	0.94
9	Distribution Zone 4	166 DL/ 2009-10, 967/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	13.47	18.32	(+) 35.98 %	4 months e/x rainy season i.e. 26.10.2009	12.93	5th & Final, 52/ 30.03.11	Complete	1/16 % per week limited to 6 %	0.85
	Total											**21.59**

1	2	3	4	5	6	7	8	9	10	11	12	13
Bilaspur: Mungeli Augmentation WSS												
1	Pumping Main & Distribution Main- Zone I	45 DL/2009-10, 1653/ 19.05.2009	M/s Sunil Kumar Jajodiya, Bilaspur	42.61	91.61	(+) 115 %	06 months i/c rainy season, 18.11.2009	98.12	5th & Final, 72 DL/ 29.02.2012	Complete	1/16 % per week limited to 6 %	5.50
2	Pumping Main & Distribution Main- Zone II	27 DL/ 2010-11, 2326/ 08.10.2010	M/s Nagendra Kumar Pandey, Bilaspur	122.77	210.55	(+) 71.50 %	11 months i/c rainy season i.e. 07.09.2010	101.67	3rd RA Bill, 50/ 23.11.2011	Incomplete	1/16 % per week limited to 6 %	12.63
3	Pumping Main & Distribution Main- Zone III	47 DL/ 2009-10, 1657/ 19.05.2009	M/s Nagendra Kumar Pandey, Bilaspur	59.86	128.40	(+) 115 %	07 months i/c rainy season, 18.12.2009	140.12	3rd RA Bill, 202/ 26.11.2010	Incomplete	1/16 % per week limited to 6 %	7.70
	Total											**25.83**
Dantewada: Dantewada WSS												
1	Raw water pumping Main	43 DL/ 2008-09 , 70/ 13.01.2009	M/s B. R. Singh Bhadouriya	6.36	17.17	(+) 170 %	6 months i/c rainy season i.e. 12.07.2009	18.99	3rd & Final, 44/ 31.07.10	Complete	1/8 % per week limited to 6 %	0.55
2	Intake well cum pump house, 1.04 MLD WTP, OHT 250 KL & Raw water & clear water pumps	74 DL/ 2007-08 , 4034/ 04.12.2007	M/s B. R. Singh Bhadouriya	106.90	175.30	LS	12 months e/x rainy season i.e 03.04.2009	166.69	18th RA Bill, 21/ 14.07.10	Incomplete	₹ 1000 per day limited to 10 %	12.15
3	Clear water pumping main	42 DL/ 2008-09, 68/ 13.01.2009	M/s B. R. Singh Bhadouriya	15.39	41.55	(+) 170 %	6 months i/c rainy season i.e 12.07.2009	46.82	5th & Final, 43/ 31.07.10	Complete	1/16 % per week limited to 6 %	1.42
4	Distribution	38 DL/ 2010-11, 01/ 01.01.2011	Sh. Rupesh Kumar Jha	99.14	137.14	(+) 38.33 %	6 months i/c rainy season i.e. 30.06.2011	127.59	4th RA Bill, 27/ 30.12.2011	Incomplete	1/16 % per week limited to 6 %	4.86
	Total											**18.98**

1	2	3	4	5	6	7	8	9	10	11	12	13
Dantewada: Bade Bacheli WSS												
1	OHT 200 KL	26 DL/ 2010-11, 1748/ 25.09.2010	Sh. R.K. Kapoor, Jagdalpur	20.00	16.50	LS	6 months i/c rainy season, i.e. 24.03.2011	16.50	3rd & Final, 21/ 31.01.2012	Complete	₹ 1000 per day limited to 10 %	1.65
2	OHT 200 KL	18 DL/2009-10, 1911/ 29.10.2009	Rupesh Kumar Jha	20.00	16.99	LS	6 months i/c rainy season i.e. 28.04.2010	16.99	5th & Final, 09 /05.08.10	Complete	₹ 1000 per day limited to 10 %	0.90
3	Distribution	51 DL/ 2009-10, 331/ 18.02.2010	M/s Techno Drillers, Raipur	76.27	141.09	(+) 85 %	6 months i/c rainy season i.e. 17.08.2010	185.57	5th RA Bill, 39/ 28.02.2012	Incomplete	1/16 % per week limited to 6 %	8.47
	Total											**11.02**
Dhamtari: Dhamtari WSS												
1	Water Treatment Plant	47 DL/2007-08, 2999/ 27.12.2007	M/s Laxmi Civil Engineering	162.30	230.00	LS	16 months i/c rainy season i.e. 27.04.2009	193.66	6th RA Bill, 17/Dl, 27.12.2011	Incomplete	₹ 800 per day limited to 10 %	9.53
2	RCC Sumpwell & Pump House	53 DL/ 2010-11, 583/ 11.03.2011	M/s Sunil Kumar Gupta	35.55	30.11	(-) 15.30 %	12 months i/c rainy season i.e. 10.03.12	22.87	1st RA Bill, 18/ 31.12.2011	Incomplete	1/16 % per week limited to 6 %	0.38
3	Raw Water and Clear Water main	44 DL/ 2007-08, 2551/3.11.2007	M/s Gokul Krishna Const. Co.	319.16	405.35	(+) 27 %	12 months i/c rainy season i.e. 03.11.2008	373.18	14th RA Bill, 7/Dl, 16.9.2009	Incomplete	1/16 % per week limited to 6 %	24.32
4	OHT at Mahima Sagar	46 D/ 2007-08, 2781/3.12.2007	M/s SOL Engineering	49.50	49.98	LS	16 months i/c rainy season i.e. 03.04.2009	49.98	6th RA Bill, 127/ 20.10.2009	Completed	₹ 200 per day limited to 10 %	0.40
5	OHT at Itwari Bazar	49 DL/ 2007-08, 205/4.1.2008	Shri N. K. Pandey	52.25	54.90	LS	16 months i/c rainy season i.e. 04.05.2010	37.72	-	Incomplete	₹ 200 per day limited to 10 %	1.70
6	OHT at Badhena Ward	222 DL/ 2008-09, 643/ 20.2.2009	M/s Soul Engineering	45.00	44.08	LS	16 months e/x rainy season i.e. 20.06.2010	44.08	6th & Final, 15/ 23.12.2011	Complete	₹ 3500 per day limited to 10 %	4.41
7	OHT Gayatri Mandir	62 DL/ 2007-08, 696/11.2.2008	Shri Sunil Jajodiya	55.00	56.95	LS	16 months i/c rainy season i.e. 11.06.2009	19.43	6/Dl, 12.8.2009	Incomplete	₹ 200 per day limited to 10 %	2.29
8	Distribution network at ZoneI/II	14 DL/ 2009-10, 1675/5.6.2009	Shri Bansal Borewells	61.87	131.01	(+) 111.75 %	12 months i/c rainy season i.e. 05.06.2010	93.76	4th RA Bill, 32/Dl, 15.11.2010	Incomplete	1/16 % per week limited to 6 %	7.86

1	2	3	4	5	6	7	8	9	10	11	12	13
9	Distribution network at Zone-III	230 DL/ 2008-09, 784/24.2.2009	M/s Laxmi Civil Engineering	127.84	273.45	(+) 114.5 %	12 months i/c rainy season i.e. 24.02.2010	243.68	3rd RA Bill, 23/DI, 11.2.2010	Incomplete	1/16 % per week limited to 6 %	16.41
10	Distribution network at Zone IV	231 DL/ 2008-09, 786/25.2.2009	M/s Laxmi Civil Engineering	98.61	209.55	(+) 112.5 %	--do--	156.90	3rd RA Bill, 36/DI, 15.11.2010	Incomplete	1/16 % per week limited to 6 %	12.57
11	Distribution network at Zone V	229 DL/ 2008-09, 781/24.2.2009	M/s Laxmi Civil Engineering	77.49	155.50	(+) 114.5 %	--do--	97.36	4th RA Bill, 35DL/ 15.11.10	Incomplete	1/16 % per week limited to 6 %	9.33
12	Distribution network at Zone VI	233 D/ 2008-09, 789/25.2.2009	M/s Laxmi Civil Engineering	127.81	272.87	(+)113.5 %	--do--	266.92	4th RA Bill, 85 DL/ 31.03.2011	Incomplete	1/16 % per week limited to 6 %	16.37
13	Distribution network at Zone VII	232 DL/ 2008-09, 787/25.2.2009	M/s Laxmi Civil Engineering	100.01	214.02	(+) 114 %	--do--	189.16	4th RA Bill, 37/DI, 15.11.2010	Incomplete	1/16 % per week limited to 6 %	12.84
	Total											**118.41**
Janjgir Champa: Champa WSS												
1	Intake well and WTP	13 DL/2009-10, 2281/ 26.05.2009	M/s Environ Engineers, New Delhi	131.00	240.00	LS	12 months i/c rainy season i.e. 25.05.2010	177.86	45/EJ, 31.03.2012	Incomplete	₹ 3000 per day limited to 10 %	23.94
2	Raw and Clear water pumping main	31 DL/ 2009-10, 2758/ 18.06.2009	M/s Environ Engineers, New Delhi	105.82	217.99	(+) 106 %	11 months i/c rainy season i.e. 17.05.2010	142.94	05/DL, 29.02.2012	Incomplete	1/16 % per week limited to 6 %	13.08
3	OHT 200 Kl	308 DL/ 2008-09, 909/ 12.02.2009	M/s Santosh Agarwal, Raipur	20.00	23.75	LS	6 months i/c rainy season i.e. 11.02.2010	25.17	71/EJ/ 28.02.2011	Complete	₹ 3500 per day limited to 10 %	2.38
	Total											**39.40**
Kawardha: Kawardha WSS												
1	Canal Intake, WTP, Raw & Clear Water Gravity Main	28 DL/2007-08, 2620/ 14.09.2007	M/s Maneesh pipes Ltd., Raipur	690.00	769.00	LS	12 months e/x rainy season i.e. 13.02.2009	749.56	11th RA Bill, 02/DI, 7.12.2009	Incomplete	₹ 6000 per day limited to 10 %	69.00
	Total											**69.00**

1	2	3	4	5	6	7	8	9	10	11	12	13
Kawardha: Sullage Conveyance, Treatment & Disposal scheme for prevention of Pollution of Sakri River												
1	Sullage Conveyance, Treatment & Disposal scheme	03 DL/ 2009-10, 1830/ 22.05.2009	M/s Laxmi Engg. Pvt. Ltd., Nagpur	346.50	532.00	LS	12 months e/x rainy season i.e. 21.01.2011	173.37	2nd RA Bill, 08/Dl, 22.03.2012	Incomplete	₹ 34650 per day limited to 10 %	53.20
	Total											**53.20**
Koriya: Manendragarh WSS												
1	Raw Water pumping main-balance work	29 DL/2011-12, 1184/ 10.05.2011	M/s Bhartesh Parmar, Raipur	11.20	16.69	49.99%	3 months i/c rainy season i.e. 09.08.2011	33.50	2nd RA Bill, 55/ 28.02.12	Incomplete	1/16 % per week limited to 6 %	1.00
2	WTP and clear water pumps	43 DL/2008-09, 4499/ 31.12.2008	M/s Sarba Purta Const. , Kolkata	84.70	130.00	LS	12 months e/x rainy season i.e. 30.04.2010	107.77	12nd RA Bill, 21/ 23.02.12	Incomplete	₹ 500 per day limited to 10 %	4.12
3	OHT 770 Kl	42 DL/2008-09, 4497/ 31.12.2008	M/s Sarba Purta Const. , Kolkata	42.35	41.60	LS	8 months e/x rainy season i.e. 30.12.2009	37.44	5th RA Bill, 33/ 28.02.11	Incomplete	₹ 400 per day limited to 10 %	3.78
4	Clear Water Pumping Main	06 DL/2008-09, 1656/ 07.04.2008	M/s Smt. Urmila Dixit, Ambikapur	52.58	87.81	(+) 66.99 %	6 months e/x rainy season i.e. 06.02.2009	100.07	6th RA Bill, 139/ 31.03.12	Incomplete	1/16 % per week limited to 6 %	5.27
5	Distribution Zone II A	09 DL/2008-09, 1671 dated 08.04.2008	M/s M.P. Gupta, Baikunthpur	83.33	72.54	(+) 74.10 %	8 months e/x rainy season i.e. 07.06.2009	28.48	3rd RA Bill, 17/ 16.08.10	Incomplete Delay	1/16 % per week limited to 6 %	4.35
6	Distribution Zone II B	05 DL/2008-09, 1654/ 07.04.2008	M/s Rajendra Kumar Poddar		72.53	(+) 74.10 %	8 months e/x rainy season i.e. 06.06.2009	71.81	2nd RA Bill, 132/ 26.09.09	Incomplete	1/16 % per week limited to 6 %	4.35
7	Distribution Zone III	08 DL/2008-09, 1669/ 08.04.2008	M/s Rajendra Kumar Poddar	99.54	173.95	(+) 74.74 %	8 months e/x rainy season i.e. 07.06.2009	139.01	3rd RA Bill/ 132/ 26.09.09	Incomplete	1/16 % per week limited to 6 %	10.44
	Total											**33.31**

1	2	3	4	5	6	7	8	9	10	11	12	13
Mahasamund: Mahasamund WSS												
1	Intake well, Jack well and Water Treatment plant	34 DL/ 2007-08, 2581/23.11.2007	M/s Maneesh Pipes	210.00	269.00	LS	16 months i/c rainy season i.e. 23.03.2009	244.73	9th RA Bill, 155/ 31.03.2012	Incomplete	Rs 1900 per day limited to 10 %	23.29
2	Raw water and Clear water pumps and sub-station	01 DL/ 2008-09, 793/17.04.2008	M/s Asiatic Traders	87.25	99.89	LS	12 months i/c rainy season i.e. 17.04.2009	78.62	5th RA Bill, 156/ 31.3.2012	Incomplete	Rs 1100 per day limited to 10 %	9.99
3	Raw water and Clear water pumping main	18 DL/ 2007-08, 1555/11.07.2007	M/s Bansal Borewells, Raipur	487.00	662.07	(+) 35.95 %	12 months i/c rainy season i.e.11.07.2008, 10.10.2008 (Revised)	532.14	10th RA Bill, 42/ 27.08.2011	Incomplete	1/16 % per week limited to 6 %	39.72
4	OHT at Pitiyajhar	19 DL/ 2007-08, 1689/3.8.2007	M/s Kewal Jadwani	27.50	30.40	LS	12 months i/c rainy season i.e. 02.08.2008	30.40	3rd & Final, 28.05 2008	Complete	-	-
5	OHT at Moharibhata	22 DL/ 2007-08, 1884/27.08.2007	Atul Shrivastava	26.50	29.50	LS	12 months i/c rainy season i.e. 26.08.2008	29.50	6th & Final, 61/ 07.12.2009	Completed	-	-
6	Distribution network at Zone-1	17 DL/ 2009-10, 2722/3.9.2009	M/s Laxmi Civil Engs.	35.69	67.20	(+) 88.30 %	8 months i/c rainy season i.e. 03.05.2010	56.56	2nd RA Bill, 5/ 02.11.10	Incomplete	1/16 % per week limited to 6 %	4.03
7	Distribution network at Zone 2	75 DL/ 2008-09, 911/2.3.2009	M/s Laxmi Civil Engs.	130.11	268.42	(+) 106.30 %	11 months i/c rainy season i.e. 02.02.2010	154.37	4th RA Bill, 06/ 02.11.2010	Incomplete	1/16 % per week limited to 6 %	16.11
8	Distribution network at Zone 3	76 DL/ 2008-09 915/2.3.2009	M/s Laxmi Civil Engs.	122.76	253.25	(+) 106.30 %	11 months i/c rainy season i.e. 02.02.2010	269.18	4th RA Bill, 4/ 03.11.2010	Incomplete	1/16 % per week limited to 6 %	15.20
9	Distribution network at Zone 4	77 DL/ 2008-09, 918/2.3.2009	M/s Laxmi Civil Engs.	137.32	283.08	(+) 106.30 %	11 months i/c rainy season i.e. 02.02.2010	232.16	4th RA Bill	Incomplete	1/16 % per week limited to 6 %	16.98
		Total										**125.32**

1	2	3	4	5	6	7	8	9	10	11	12	13
Raipur: Birgaon WSS												
1	Intake well and Water Treatment Plant	140 DL/ 2007-08, 5470/7.12.2007	M/s SK Banerjee, Nagpur	262.49	370.00	LS	12 months i/c rainy season i.e. 23.03.2009	348.81	10th RA Bill, 59/ 16.06.11	Incomplete	₹ 2500 per day limited to 10 %	30.65
2	Raw water and Clear water pumps	23 DL/2009-10, 2844/08.07.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	93.41	155.00	LS	12 months i/c rainy season i.e. 07.07.2010	132.53	2nd RA Bill, 219/ 31.3.2011	Incomplete	₹ 1100 per day limited to 10 %	8.31
3	OHT at Birgaon	153 DL, 2007-08, 5685/27.12.2007	M/s Dubey Goyal & Co., Raipur	75.00	91.49	LS	10 months e/x rainy season i.e. 27.10.2008	82.34	3nd RA Bill, 214/ 24.10.2011	Incomplete	₹ 750 per day limited to 10 %	9.15
4	OHT at Urla	145 DL/ 2007-08, 5578/17.12.2007	M/s SK Construction, Jabalpur	42.50	46.58	LS	08 months e/x rainy season i.e. 16.08.2008	46.58	4nd Final Bill, 75/ 10.8.2011	Complete	₹ 500 per day limited to 10 %	4.66
5	OHT at Urukura	149 DL/ 2007-08, 5621/20.12.2007	M/s Maheshwar Builders	27.00	29.10	LS	08 months e/x rainy season i.e. 19.08.2008	29.10	3rd Final Bill, 94/ 31.7.2009	Complete	₹ 300 per day limited to 10 %	1.04
6	OHT at Acholi	137 DL/2007-08, 5393/3.12.2007	M/s Puja Constructions	30.00	31.80	LS	08 months e/x rainy season i.e. 02.08.2008	28.62	5th RA Bill, 93/ 18.05.2009	Incomplete	₹ 300 per day limited to 10 %	3.18
7	OHT at Rawanbhata	150 DL/ 2007-08, 5650/ 24.12.2007	M/s DD Singhal, Bhilai	33.00	35.11	LS	08 months e/x rainy season i.e. 24.12.2008	35.11	4th Final Bill, 236/ 31.7.2009	Complete	₹ 300 per day limited to 10 %	0.66
8	Raw Water and Clear Water Mains	113 DL/2007-08, 4889/ 16.10.2007	M/s Laxmi Civil Engg. Ltd., Nagpur	369.57	499.66	(+) 35.20 %	12 months i/c rainy season i.e. 16.10.2008	513.55	4th RA Bill, 76/12.08.11	Incomplete	1/16 % per week limited to 6 %	29.98
9	Distribution Zone 7- Sarora	170 DL/2008-09, 5366/ 24.09.2008	M/s Techno Drillers, Raipur	53.59	115.64	(+) 117 %	15 months i/c rainy season i.e. 15.01.2010	115.99	5th & Final, 104/ 27.03.2010	Complete	1/16 % per week limited to 6 %	0.73
10	Distribution Zone 4 - Urukura	333 DL/2008-09, 991/ 28.02.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	76.46	173.56	(+) 127 %	15 months i/c rainy season i.e. 27.06.2010	170.46	5th & Final, 77/ 12.08.11	Complete	1/16 % per week limited to 6 %	6.37
11	Distribution Zone 2-Birgaon City	334 DL/2008-09, 993/ 28.02.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	169.82	385.49	(+) 127 %	18 months i/c rainy season i.e. 27.09.2010	394.14	3rd RA Bill 105/ 29.08.11	Incomplete	1/16 % per week limited to 6 %	23.13

1	2	3	4	5	6	7	8	9	10	11	12	13
12	Distribution Zone 1-Birgaon	335 DL/2008-09, 995/ 28.02.2009	Sh Bharteshji Parmar, Raipur	29.94	67.07	(+) 124 %	15 months i/c rainy season i.e. 27.09.2010	55.79	3rd RA Bill 161/ 27.03.10	Incomplete	1/16 % per week limited to 6 %	4.02
13	Distribution Zone 3-Urla	336 DL/2008-09, 996/ 28.02.2009	Sh Bharteshji Parmar, Raipur	70.94	158.91	(+) 124 %	15 months i/c rainy season i.e. 27.09.2010	143.61	6th & Final 118/ 30.08.11	Complete	1/16 % per week limited to 6 %	4.78
14	Distribution-Zone 6-Rawanbhata	337 DL/2008-09, 997/ 28.02.2009	Sh Bharteshji Parmar, Raipur	83.42	188.53	(+) 126 %	15 months i/c rainy season i.e. 27.09.2010	154.98	7th & Final, 75/ 03.10.11	Complete	1/16 % per week limited to 6 %	6.25
15	Distribution-Zone 5 - Achholi	263 DL/ 2008-09, 5429/ 19.12.2008	M/s Techno Drillers, Raipur	52.12	122.48	(+) 135 %	12 months i/c rainy season i.e. 18.04.2009	111.45	5th & Final bill, 57/ 5.12.11	Complete	1/16 % per week limited to 6 %	4.75
		Total										**137.66**
Raipur: Kasdol WSS												
1	Intake well and Water Treatment Plant	63 DL/2009-10, 3938/16.11.2009	M/s Sarna Purta Const. Pvt. Ltd., Kolkata	75.00	143.00	LS	12 months i/c rainy season i.e. 15.11.2009	118.84	7th RA Bill, 38/ 10.01.12	Incomplete	₹ 75000 per day limited to 10 %	14.30
2	OHT	36 DL/ 2009-10, 3364/01.09.2009	M/s SK Const., Jabalpur	32.24	35.79	LS	06 months ie/x rainy season i.e.01.03.2010	35.79	3rd & Final Bill, 18/ 08.02.2011	Complete	₹ 200 per day limited to 10 %	0.69
3	Distribution Zone 1	42 DL/2009-10, 3618/ 12.10.2009	M/s Tirupati Construction, Raipur	43.25	89.96	(+) 107.80 %	09 months i/c rainy season i.e. 11.06.2010	73.77	3rd RA Bill, 11/ 7.02.2012	Incomplete	1/16 % per week limited to 6 %	5.40
4	Distribution Zone 2	41 DL/2009-10, 3620/ 12.09.2009	M/s Tirupati Construction, Raipur	117.46	229.05	(+) 94.80 %	09 months i/c rainy season i.e. 11.05.2010	183.29	6th RA Bill, 335/ 25.10.11	Incomplete	1/16 % per week limited to 6 %	13.74
		Total										**34.13**
		Grand Total										**801.13**

Appendix 3.2.7

(Referred to in paragraph 3.2.8.2 [b]; page no.158)

Statement showing non-deduction of amount for testing from contractors' bills

(₹in lakh)

Sl. No.	Name of work	Agreement No. & Work order no./date	Name of contractor	PAC	Contract Amount	LS/ +/- %	Stipulated date of completion	Amount of uptodate payment	RA Bill No./ Vr. No.	Amount to be deducted	Amount deducted	Amount less deducted
1	2	3	4	5	6	7	8	9	10	11	12	13
Ambikapur: Ambikapur WSS												
1	Gravity Main 6000 m and Collecting well	15DL/2011-12, 2408/ 31.05.2011	M/s Balram Das, Ambikapur	268.50	392.01	LS	12 months e/x rainy season	200.34	4th RA Bill, 114/ 30.06.12	20.03	9.01	11.02
2	WTP 5.50 MLD & Collecting well	124 DL/ 2008-09, 6444/ 31.12.2008	M/s Sarba Purta , Kolkata	71.25	129.98	LS	9 months e/x rainy season i.e. 15.02.2010	129.98	9th & Final, 230/ 30.03.12	13.00	5.93	7.07
3	Distribution Zone 1to 5	32 DL/ 2009-10, 2203/ 11.06.2009	M/s Balram Das, Ambikapur	153.27	320.15	(+)108.88 %	12 months e/x rainy season i.e. 11.02.2010	345.96	9th & Final, 02/ 06.06.11	34.60	0.00	34.60
4	Distribution Zone 6 (A)	29/Dl, 2009-10, 2186/ 11.06.2009	M/s Sarba Purta , Kolkata	82.57	178.35	(+) 116 %	12 months e/x rainy season i.e. 11.02.2010	177.10	6th & Final, 57/ 18.10.11	17.71	0.00	17.71
5	Distribution Zone 6 (B)	33 DL/ 2009-10, 2205/ 11.06.2009	M/s Rajendra Kumar Poddar	140.19	303.67	(+) 116.40 %	12 months e/x rainy season i.e. 11.02.2010	299.47	6th & Final, 256/ 31.03.12	29.95	0.00	29.95
6	Distribution & Rising main Zone 7	13 DL/ 2008-09, 2794/ 16.04.2008	M/s Sarba Purta , Kolkata	207.25	360.62	(+) 74.00%	9 months e/x rainy season i.e. 15.05.2009	296.08	8th & Final, 80/ 24.11.10	29.61	0.00	29.61
7	Distribution Zone 8	14 DL/ 2008-09, 2796/ 16.04.2008	M/s Rajendra Kumar Poddar	125.46	219.30	(+) 74.80 %	9 months e/x rainy season i.e. 15.04.2009	165.88	5th & Final, 26/ 26.05.11	16.59	2.31	14.28
8	Distribution Zone 9	15 DL/ 2008-09, 2798/ 16.04.2009	M/s Sarba Purta , Kolkata	131.77	229.54	(+) 74.20 %	9 months e/x rainy season i.e. 15.05.2009	181.07	8th & Final, 67/30.03.11	18.11	0.00	18.11
9	Distribution 200 – 100 mm 14150 mm	65DL/ 2010-11, 450/ 27.01.2011	M/s Techno Drillers, Raipur	132.51	176.64	(+) 33.30 %	4 months i/c rainy season i.e. 26.05.2011	176.05	5th & Final, 50/ 26.06.12	17.60	0.00	17.60
	Total			**1312.77**				**1971.93**				**179.94**

Ambikapur : Sitapur WSS												
1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**
1	Intake well & Jack well, Pump House, WTP 1.40 MLD & Pumps	30 DL/ 2009-10, 2189/ 11.06.2009	M/s Sarba Purta, Kolkata	188.50	224.00	LS	12 months e/x rainy season i.e. 11.02.2011	119.74	8th RA Bill, 229/ 30.03.12	11.97	2.98	8.99
2	Raw Water & Clear water	34 DL/ 2009-10, 2591/ 04.07.2009	Smt. Urmila Dixit, Ambikapur	66.04	134.72	(+) 103.8 %	12 months e/x rainy season i.e. 15.02.2011	130.63	7th RA Bill, 55/ 30.03.11	13.06	0.20	12.86
3	Distribution Zone1	163 DL/ 2009-10, 961/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	19.59	26.20	(+) 33.75 %	4 months e/x rainy season i.e. 26.10.2009	16.61	5th & Final, 49/30.03.11	1.66	0.00	1.66
4	Distribution Zone 2	164 DL/ 2009-10, 963/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	19.04	25.49	(+) 33.89 %	4 months e/x rainy season i.e. 26.10.2009	17.00	5th & Final, 50/ 30.03.11	1.70	0.00	1.70
5	Distribution Zone 3	165 DL/ 2009-10, 965/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	15.27	20.31	(+) 32.98 %	4 months e/x rainy season i.e. 26.10.2009	13.93	5th & Final, 51/ 30.03.11	1.39	0.00	1.39
6	Distribution Zone 4	166 DL/ 2009-10, 967/ 26.02.2009	Smt. Urmila Dixit, Ambikapur	13.47	18.32	(+) 35.98 %	4 months e/x rainy season i.e. 26.10.2009	12.93	5th & Final, 52/ 30.03.11	1.29	0.00	1.29
	Total											**27.90**
Bilaspur: Mungeli Augmentation WSS												
1	Pumping Main & Distribution Main-Zone I	45 DL/2009-10, 1653/ 19.05.2009	M/s Sunil Kumar Jajodiya, Bilaspur	42.61	91.61	(+) 115 %	06 months i/c rainy season, 18.11.2009	98.12	5th & Final, 72 DL/ 29.02.2012	9.81	0.00	9.81
2	Pumping Main & Distribution Main-Zone II	27 DL/ 2010-11, 2326/ 08.10.2010	M/s Nagendra Kumar Pandey, Bilaspur	122.77	210.55	(+) 71.50 %	11 months i/c rainy season i.e. 07.09.2010	101.67	3rd RA Bill, 50/ 23.11.2011	10.17	0.00	10.17
3	Pumping Main & Distribution Main-Zone III	47 DL/ 2009-10, 1657/ 19.05.2009	M/s Nagendra Kumar Pandey, Bilaspur	59.86	128.40	(+) 115 %	07 months i/c rainy season, 18.12.2009	140.12	3rd RA Bill, 202/ 26.11.2010	14.01	0.00	14.01
	Total											**33.99**

1	2	3	4	5	6	7	8	9	10	11	12	13
Dantewada: Dantewada WSS												
1	Raw water pumping Main	43 DL/ 2008-09 , 70/ 13.01.2009	M/s B. R. Singh Bhadouriya	6.36	17.17	(+) 170 %	6 months i/c rainy season i.e. 12.07.2009	18.99	3rd & Final, 44/ 31.07.10	1.90	0.93	0.97
2	Intake well cum pump house, 1.04 MLD WTP, OHT 250 KL & Raw water & clear water pumps	74 DL/ 2007-08 , 4034/ 04.12.2007	M/s B. R. Singh Bhadouriya	106.90	175.30	LS	12 months e/x rainy season i.e 03.04.2009	166.69	18th RA Bill, 21/ 14.07.10	16.67	10.69	5.98
3	Clear water pumping main	42 DL/ 2008-09, 68/ 13.01.2009	M/s B. R. Singh Bhadouriya	15.39	41.55	(+) 170 %	6 months i/c rainy season i.e 12.07.2009	46.82	5th & Final, 43/ 31.07.10	4.68	2.27	2.41
4	Distribution	38 DL/ 2010-11, 01/ 01.01.2011	Sh. Rupesh Kumar Jha	99.14	137.14	(+) 38.33 %	6 months i/c rainy season i.e. 30.06.2011	127.59	4th RA Bill, 27/ 30.12.2011	12.76	0.00	12.76
	Total											**22.12**
Dantewada: Bade Bacheli WSS												
1	Distribution	51 DL/ 2009-10, 331/ 18.02.2010	M/s Techno Drillers, Raipur	76.27	141.09	(+) 85 %	6 months i/c rainy season i.e. 17.08.2010	185.57	5th RA Bill, 39/ 28.02.2012	18.56	0.00	18.56
	Total											**18.56**
Dhamtari: Dhamtari WSS												
1	Water Treatment Plant	47 DL/2007-08, 2999/ 27.12.2007	M/s Laxmi Civil Engineering	162.30	230.00	LS	16 months i/c rainy season i.e. 27.04.2009	193.66	6th RA Bill, 17/Dl, 27.12.2011	19.37	3.87	15.50
2	RCC Sumpwell & Pump House	53 DL/ 2010-11, 583/ 11.03.2011	M/s Sunil Kumar Gupta	35.55	30.11	(-) 15.30 %	12 months i/c rainy season i.e. 10.03.12	22.87	1st RA Bill, 18/ 31.12.2011	2.29	0.00	2.29
3	Raw Water and Clear Water main	44 DL/ 2007-08, 2551/3.11.2007	M/s Gokul Krishna Const. Co.	319.16	405.35	(+) 27 %	12 months i/c rainy season i.e. 03.11.2008	373.18	14th RA Bill, 7/Dl, 16.9.2009	37.32	0.00	37.32
4	Distribution network at ZoneI/II	14 DL/ 2009-10, 1675/5.6.2009	Shri Bansal Borewells	61.87	131.01	(+) 111.75 %	12 months i/c rainy season i.e. 05.06.2010	93.76	4th RA Bill, 32/Dl, 15.11.2010	9.38	0.00	9.38

1	2	3	4	5	6	7	8	9	10	11	12	13
5	Distribution network at Zone-III	230 DL/ 2008-09, 784/24.2.2009	M/s Laxmi Civil Engineering	127.84	273.45	(+) 114.5 %	12 months i/c rainy season i.e. 24.02.2010	243.68	3rd RA Bill, 23/Dl, 11.2.2010	24.37	0.00	24.37
6	Distribution network at Zone IV	231 DL/ 2008-09, 786/25.2.2009	M/s Laxmi Civil Engineering	98.61	209.55	(+) 112.5 %	12 months i/c rainy season i.e. 24.02.2010	156.90	3rd RA Bill, 36/Dl, 15.11.2010	15.69	0.00	15.69
7	Distribution network at Zone V	229 DL/ 2008-09, 781/24.2.2009	M/s Laxmi Civil Engineering	77.49	155.50	(+) 114.5 %	12 months i/c rainy season i.e. 24.02.2010	97.36	4th RA Bill, 35DL/ 15.11.10	9.74	0.00	9.74
8	Distribution network at Zone VI	233 D/ 2008-09, 789/25.2.2009	M/s Laxmi Civil Engineering	127.81	272.87	(+)113.5 %	12 months i/c rainy season i.e. 24.02.2010	266.92	4th RA Bill, 85 DL/ 31.03.2011	26.69	0.00	26.69
9	Distribution network at Zone VII	232 DL/ 2008-09, 787/25.2.2009	M/s Laxmi Civil Engineering	100.01	214.02	(+) 114 %	12 months i/c rainy season i.e. 24.02.2010	189.16	4th RA Bill, 37/Dl, 15.11.2010	18.92	0.00	18.92
	Total											**159.88**
Janjgir Champa: Champa WSS												
1	Intake well and WTP	13 DL/2009-10, 2281/ 26.05.2009	M/s Environ Engineers, New Delhi	131.00	240.00	LS	12 months i/c rainy season i.e. 25.05.2010	177.86	45/EJ, 31.03.2012	17.79	5.60	12.19
2	Raw and Clear water pumping main	31 DL/ 2009-10, 2758/ 18.06.2009	M/s Environ Engineers, New Delhi	105.82	217.99	(+) 106 %	11 months i/c rainy season i.e. 17.05.2010	142.94	05/DL, 29.02.2012	14.29	0.00	14.29
	Total											**26.48**
Kawardha: Kawardha WSS												
1	Canal Intake, WTP, Raw & Clear Water Gravity Main	28 DL/2007-08, 2620/ 14.09.2007	M/s Maneesh pipes Ltd., Raipur	690.00	769.00	LS	12 months e/x rainy season i.e. 13.02.2009	749.56	11th RA Bill, 02/Dl, 7.12.2009	74.96	31.11	43.85
2	RCC OHT and Distribution network	29 DL/ 2007-08, 2653/ 21.09.2007	M/s Laxmi Civil Engineering Pvt. Ltd., Nagpur	529.00	694.00	LS	12 months e/x rainy season i.e. 20.02.2009	693.46	8th & Final, 02/Dl, 4.11.2009	69.35	30.24	39.11
	Total											**82.95**

1	2	3	4	5	6	7	8	9	10	11	12	13
Kawardha: Sullage Conveyance, Treatment & Disposal scheme for prevention of Pollution of Sakri River												
1	Sullage Conveyance, Treatment & Disposal scheme	03 DL/ 2009-10, 1830/ 22.05.2009	M/s Laxmi Engg. Pvt. Ltd., Nagpur	346.50	532.00	LS	12 months e/x rainy season i.e. 21.01.2011	173.37	2nd RA Bill, 08/Dl, 22.03.2012	17.34	8.67	8.67
	Total											**8.67**
Koriya: Manendragarh WSS												
1	Raw Water pumping main	07 DL/2008-09, 1666/ 08.04.2008	M/s Mahamaya Const., Raipur	24.43	40.79	(+) 66.95 %	6 months e/x rainy season	32.50	NA	3.25	0.00	3.25
	Raw Water pumping main- balance work	29 DL/2011-12, 1184/ 10.05.2011	M/s Bhartesh Parmar, Raipur	11.20	16.69	49.99%	3 months i/c rainy season i.e. 09.08.2011	33.50	2nd RA Bill, 55/ 28.02.12	3.35	0.00	3.35
2	WTP and clear water pumps	43 DL/2008-09, 4499/ 31.12.2008	M/s Sarba Purta Const. , Kolkata	84.70	130.00	LS	12 months e/x rainy season i.e. 30.04.2010	107.77	12nd RA Bill, 21/ 23.02.12	10.78	1.34	9.44
3	Clear Water Pumping Main	06 DL/2008-09, 1656/ 07.04.2008	M/s Smt. Urmila Dixit, Ambikapur	52.58	87.81	(+) 66.99 %	6 months e/x rainy season i.e. 06.02.2009	100.07	6th RA Bill, 139/ 31.03.12	10.01	0.00	10.01
4	Distribution Zone II A	09 DL/2008-09, 1671 dated 08.04.2008	M/s M.P. Gupta, Baikunthpur	83.33	72.54	(+) 74.10 %	8 months e/x rainy season i.e. 07.06.2009	28.48	3rd RA Bill, 17/ 16.08.10	2.85	0.00	2.85
5	Distribution Zone II B	05 DL/2008-09, 1654/ 07.04.2008	M/s Rajendra Kumar Poddar		72.53	(+) 74.10 %	8 months e/x rainy season i.e. 06.06.2009	71.81	2nd RA Bill, 132/ 26.09.09	7.18	0.00	7.18
6	Distribution Zone III	08 DL/2008-09, 1669/ 08.04.2008	M/s Rajendra Kumar Poddar	99.54	173.95	(+) 74.74 %	8 months e/x rainy season i.e. 07.06.2009	139.01	3rd RA Bill/ 132/ 26.09.09	13.90	0.00	13.90
	Total											**49.97**

1	2	3	4	5	6	7	8	9	10	11	12	13
Mahasamund: Mahasamund WSS												
1	Intake well, Jack well and Water Treatment plant	34 DL/ 2007-08, 2581/23.11.2007	M/s Maneesh Pipes	210.00	269.00	LS	16 months i/c rainy season, 23.03.2009	244.73	9th RA Bill, 155/ 31.03.2012	24.47	9.79	14.68
2	Raw water and Clear water pumps and sub-station	01 DL/ 2008-09, 793/17.04.2008	M/s Asiatic Traders	87.25	99.89	LS	12 months i/c rainy season, 17.04.2009	78.62	5th RA Bill, 156/ 31.3.2012	7.86	0.00	7.86
3	Raw water and Clear water pumping main	18 DL/ 2007-08, 1555/11.07.2007	M/s Bansal Borewells, Raipur	487.00	662.07	(+) 35.95 %	12 months i/c rainy season,11.07.2008, 10.10.2008 (Revised)	532.14	10th RA Bill, 42/ 27.08.2011	53.21	0.00	53.21
4	Distribution network at Zone-1	17 DL/ 2009-10, 2722/3.9.2009	M/s Laxmi Civil Engs.	35.69	67.20	(+) 88.30 %	8 months i/c rainy season, 03.05.2010	56.56	2nd RA Bill, 5/ 02.11.10	5.66	0.00	5.66
5	Distribution network at Zone 2	75 DL/ 2008-09, 911/2.3.2009	M/s Laxmi Civil Engs.	130.11	268.42	(+) 106.30 %	11 months i/c rainy season, 02.02.2010	154.37	4th RA Bill, 06/ 02.11.2010	15.44	0.00	15.44
6	Distribution network at Zone 3	76 DL/ 2008-09 915/2.3.2009	M/s Laxmi Civil Engs.	122.76	253.25	(+) 106.30 %	11 months i/c rainy season, 02.02.2010	269.18	4th RA Bill, 4/ 03.11.2010	26.92	0.00	26.92
7	Distribution network at Zone 4	77 DL/ 2008-09, 918/2.3.2009	M/s Laxmi Civil Engs.	137.32	283.08	(+) 106.30 %	11 months i/c rainy season, 02.02.2010	232.16	4th RA Bill	23.22	0.00	23.22
		Total										**146.99**
Raipur: Birgaon WSS												
1	Intake well and Water Treatment Plant	140 DL/ 2007-08, 5470/7.12.2007	M/s SK Banerjee, Nagpur	262.49	370.00	LS	12 months i/c rainy season i.e. 23.03.2009	348.81	10th RA Bill, 59/ 16.06.11	34.88	7.89	26.99
2	Raw water and Clear water pumps	23 DL/2009-10, 2844/08.07.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	93.41	155.00	LS	12 months i/c rainy season i.e. 07.07.2010	132.53	2nd RA Bill, 219/ 31.3.2011	13.25	6.63	6.62
3	Raw Water and Clear Water Mains	113 DL/2007-08, 4889/ 16.10.2007	M/s Laxmi Civil Engg. Ltd., Nagpur	369.57	499.66	(+) 35.20 %	12 months i/c rainy season i.e. 16.10.2008	513.55	2nd RA Bill, 76/12.08.11	51.36	25.68	25.68

1	2	3	4	5	6	7	8	9	10	11	12	13
4	Distribution Zone 7-Sarora	170 DL/2008-09, 5366/ 24.09.2008	M/s Techno Drillers, Raipur	53.59	115.64	(+) 117 %	15 months i/c rainy season i.e. 15.01.2010	115.99	5th & Final, 104/ 27.03.2010	11.60	7.44	4.16
5	Distribution Zone 4 - Urukura	333 DL/2008-09, 991/ 28.02.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	76.46	173.56	(+) 127 %	15 months i/c rainy season i.e. 27.06.2010	170.46	5th & Final, 77/ 12.08.11	17.05	7.47	9.58
6	Distribution Zone 2-Birgaon City	334 DL/2008-09, 993/ 28.02.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	169.82	385.49	(+) 127 %	18 months i/c rainy season i.e. 27.09.2010	394.14	3rd RA Bill 105/ 29.08.11	39.41	19.70	19.71
7	Distribution Zone 1-Birgaon	335 DL/2008-09, 995/ 28.02.2009	Sh Bharteshji Parmar, Raipur	29.94	67.07	(+) 124 %	15 months i/c rainy season i.e. 27.09.2010	55.79	3rd RA Bill 161/ 27.03.10	5.58	2.79	2.79
8	Distribution Zone 3-Urla	336 DL/2008-09, 996/ 28.02.2009	Sh Bharteshji Parmar, Raipur	70.94	158.91	(+) 124 %	15 months i/c rainy season i.e. 27.09.2010	143.61	6th & Final 118/ 30.08.11	14.36	7.02	7.34
9	Distribution-Zone 6-Rawanbhata	337 DL/2008-09, 997/ 28.02.2009	Sh Bharteshji Parmar, Raipur	83.42	188.53	(+) 126 %	15 months i/c rainy season i.e. 27.09.2010	154.98	7th & Final, 75/ 03.10.11	15.50	7.43	8.07
10	Distribution-Zone 5 - Achholi	263 DL/ 2008-09, 5429/ 19.12.2008	M/s Techno Drillers, Raipur	52.12	122.48	(+) 135 %	12 months i/c rainy season i.e. 18.04.2009	111.45	5th & Final bill, 57/ 5.12.11	11.15	5.45	5.70
		Total										**116.63**
Raipur: Kasdol WSS												
1	Intake well and Water Treatment Plant	63 DL/2009-10, 3938/16.11.2009	M/s Sarna Purta Const. Pvt. Ltd., Kolkata	75.00	143.00	LS	12 months i/c rainy season i.e. 15.11.2009	118.84	7th RA Bill, 38/ 10.01.12	11.88	3.23	8.65
2	Raw Water and Clear Water pumping Mains	04 DD/2009-10, 1652/ 20.05.2009	M/s Tirupati Construction, Raipur	75.91	158.65	(+) 109 %	09 months i/c 19.02.2010	156.85	4th Final Bill, 8 DL/ 4.12.09	15.69	7.16	8.53
3	Distribution Zone 1	42 DL/2009-10, 3618/ 12.10.2009	M/s Tirupati Construction, Raipur	43.25	89.96	(+) 107.80 %	09 months i/c rainy season i.e. 11.06.2010	73.77	3rd RA Bill, 11/ 7.02.2012	7.38	3.69	3.69
4	Distribution Zone 2	41 DL/2009-10, 3620/ 12.09.2009	M/s Tirupati Construction, Raipur	117.46	229.05	(+) 94.80 %	09 months i/c rainy season i.e. 11.05.2010	183.29	6th RA Bill, 335/ 25.10.11	18.33	9.16	9.17
		Total										**30.04**
		Grand Total										**904.12**

Appendix 3.2.8

(Referred to in paragraph 3.2.8.2 [c]; page no.159)

Statement showing extra cost of ₹ 1.72 crore due to preparation of inflated estimate

(₹in lakh)

Sl. No.	District	Name of Scheme	Name of the work	Estimate as per DPR	Addition of price index variation as per DPR	Total estimate as per DPR i/c price index variation	Amount of PAC	Tender Cost	Above/ below tender per centage	Ag. No.	Extra cost
1	Mahasamund	Mahasamund Augmentation WSS	Construction of Intake well, Jackwell and 25 m long RCC foot Bridge, WTP	175.28	34.50	209.78	210.00	269.00	28.10	34 DL/ 2007-08	34.72
2	Kawardha	Kawardha Augmentation WSS	Canal Intake, Raw water Gravity Mains, WTP, Clear Water Mains	649.60	30.20	679.80	690.00	769.00	11.45	28 DL/ 2007-08	40.40
3			OHT (550 Kl) and Distribution System	479.57	49.43	529.00	529.00	694.00	31.19	29 DL/ 2007-08	49.43
4		Sullage Conveyance, Treatment & Disposal scheme for prevention of Pollution of Sakri River	Sullage Conveyance, Treatment & Disposal scheme for prevention of Pollution of Sakri River	305.93	117.88	423.81	346.50	532.00	53.54	03 DL/ 2009-10	40.57
5	Dantewada	Dantewada Augmentation WSS	Intake well, Raw & Clear water pumps, WTP, OHT (250 Kl)	99.87	7.03	106.90	106.90	175.30	63.99	74 DL/ 2007-08	7.03
	Total			**1710.25**			**1882.40**				**172.15**

Appendix 3.2.9

(Referred to in Paragraph 3.2.8.2 [d]; page no.159)

Statement showing non-preparation of breakup schedule as per the terms of agreement

(₹in lakh)

Sl. No.	Name of work	Agreement No. & Work order no./date	Name of contractor	PAC	Contract Amount	LS/ +/- %	Stipulated date of completion	Amount of uptodate payment	RA Bill No./ Vr. No.	Current status	Amount not deducted
1	2	3	4	5	6	7	8	9	10	11	12
Ambikapur: Ambikapur WSS											
1	Gravity Main 6000 m and Collecting well	15DL/2011-12, 2408/ 31.05.2011	M/s Balram Das, Ambikapur	268.50	392.01	LS	12 months e/x rainy season	200.34	4th RA Bill, 114/ 30.06.12	Incomplete	20.03
2	WTP 5.50 MLD & Collecting well	124 DL/ 2008-09, 6444/ 31.12.2008	M/s Sarba Purta , Kolkata	71.25	129.98	LS	9 months e/x rainy season i.e. 15.02.2010	129.98	9th & Final, 230/ 30.03.12	Complete	13.00
3	Raw water pumps-2 & Clear water pumps-5	45 DL/2010-11, 292/ 19.01.2011	M/s Mana Electric & Engineering services	35.19	33.50	LS	6 months i/c rainy season i.e. 18.07.2011	33.50	3rd & Final, 131/ 29.03.12	Complete	3.35
4	OHT 540 KL	23 DL/ 2008-09, 2871/ 22.04.2008	M/s Sarba Purta , Kolkata	32.40	37.50	LS	6 months e/x rainy season i.e. 22.02.2009	37.50	6th & Final, 133/29.03.12	Complete	3.75
5	OHT 510 KL & 80 KL Sumpwell	04 DL/ 2008-09, 2764/ 16.04.2008	Sh. Ashok Singh, Ambikapur	33.00	39.10	LS	6 months e/x rainy season i.e. 15.02.2009	39.10	3rd & Final, 210/ 29.03.12	Complete	3.91
6	OHT 400 KL	02 DL/ 2008-09, 2756/ 16.04.2008	M/s Dinesh Kumar Singh	26.00	32.10	LS	6 months e/x rainy season 15.02.2009	32.10	9th RA Bill, 169/ 15.03.10	Incomplete	3.21
7	OHT 350 KL	95 DL/ 2008-09, 5702/ 10.10.2008	M/s Manju Singh, Ambikapur	24.50	28.10	LS	6 months e/x rainy season i.e. 15.04.2009	28.10	4th& Final, 54/ 24.12.10	Complete	2.81
8	OHT 300 KL	126 DL/ 2008-09, 232/ 21.01.2009	M/s Dinesh Kumar Singh	21.00	24.15	LS	6 months e/x rainy season i.e. 21.11.2009	24.15	6th RA Final Bill, 35/ 15.12.10	Incomplete	2.42
	Total										**52.48**

1	2	3	4	5	6	7	8	9	10	11	12
Ambikapur : Sitapur WSS											
1	Intake well & Jack well, Pump House, WTP 1.40 MLD & Pumps	30 DL/ 2009-10, 2189/ 11.06.2009	M/s Sarba Purta, Kolkata	188.50	224.00	LS	12 months e/x rainy season i.e. 11.02.2011	119.74	8th RA Bill, 229/ 30.03.12	Incomplete	11.97
2	OHT 280 KL	21 DL/ 2009-10, 2041/ 04.06.2009	M/s Nirman Engineering, Chhindwada	19.80	26.50	LS	6 months e/x rainy season i.e. 15.04.2010	23.85	7th RA Bill, 19/ 12.08.11	Incomplete	2.39
3	OHT 120 KL	06 DL/ 2010-11, 1267/ 23.04.2010	M/s Bijendra Kumar Prasad	12.00	13.64	LS	6 months e/x rainy season i.e. 23.02.2011	13.64	6th & Final, 218/ 29.03.12	Complete	1.36
4	OHT 80 KL	13 DL/ 2009-10, 1898/ 27.05.2009	M/s Prakash Kumar Agarwal	6.40	10.85	LS	6 months e/x rainy season	10.80	3rd RA Bill, 103/ 30.03.11	Complete	1.08
	Total										**16.80**
Dantewada: Dantewada WSS											
1	Intake well cum pump house, 1.04 MLD WTP, OHT 250 KL & Raw water & clear water pumps	74 DL/ 2007-08 , 4034/ 04.12.2007	M/s B. R. Singh Bhadouriya	106.90	175.30	LS	12 months e/x rainy season i.e 03.04.2009	166.69	18th RA Bill, 21/ 14.07.10	Incomplete	16.67
	Total										**16.67**
Dantewada: Bade Bacheli WSS											
1	OHT 200 KL	26 DL/ 2010-11, 1748/ 25.09.2010	Sh. R.K. Kapoor, Jagdalpur	20.00	16.50	LS	6 months i/c rainy season, i.e. 24.03.2011	16.50	3rd & Final, 21/ 31.01.2012	Complete	1.65
2	OHT 200 KL	18 DL/2009-10, 1911/ 29.10.2009	Rupesh Kumar Jha	20.00	16.99	LS	6 months i/c rainy season i.e. 28.04.2010	16.99	5th & Final, 09 /05.08.10	Complete	1.70
	Total										**3.35**

1	2	3	4	5	6	7	8	9	10	11	12
Dhamtari: Dhamtari WSS											
1	Water Treatment Plant	47 DL/2007-08, 2999/ 27.12.2007	M/s Laxmi Civil Engineering	162.30	230.00	LS	16 months i/c rainy season i.e. 27.04.2009	193.66	6th RA Bill, 17/Dl, 27.12.2011	Incomplete	19.37
2	OHT at Mahima Sagar	46 D/ 2007-08, 2781/3.12.2007	M/s SOL Engineering	49.50	49.98	LS	16 months i/c rainy season i.e. 03.04.2009	49.98	6th RA Bill, 127/ 20.10.2009	Completed	5.00
3	OHT at Itwari Bazar	49 DL/ 2007-08, 205/4.1.2008	Shri N. K. Pandey	52.25	54.90	LS	16 months i/c rainy season i.e. 04.05.2010	37.72	-	Incomplete	3.77
4	OHT at Badhena Ward	222 DL/ 2008-09, 643/ 20.2.2009	M/s Soul Engineering	45.00	44.08	LS	16 months e/x rainy season i.e. 20.06.2010	44.08	6th & Final, 15/ 23.12.2011	Complete	4.41
5	OHT at Gayatri Mandir	62 DL/ 2007-08, 696/11.2.2008	Shri Sunil Jajodiya	55.00	56.95	LS	16 months i/c rainy season i.e. 11.06.2009	19.43	6/Dl, 12.8.2009	Incomplete	1.94
	Total										**34.49**
Janjgir Champa: Champa WSS											
1	Intake well and WTP	13 DL/2009-10, 2281/ 26.05.2009	M/s Environ Engineers, New Delhi	131.00	240.00	LS	12 months i/c rainy season i.e. 25.05.2010	177.86	45/EJ, 31.03.2012	Incomplete	17.79
	Total										**17.79**
Kawardha: Kawardha WSS											
1	Canal Intake, WTP, Raw & Clear Water Gravity Main	28 DL/2007-08, 2620/ 14.09.2007	M/s Maneesh pipes Ltd., Raipur	690.00	769.00	LS	12 months e/x rainy season i.e. 13.02.2009	749.56	11th RA Bill, 02/Dl, 7.12.2009	Incomplete	74.96
2	RCC OHT and Distribution network	29 DL/ 2007-08, 2653/ 21.09.2007	M/s Laxmi Civil Engineering Pvt. Ltd., Nagpur	529.00	694.00	LS	12 months e/x rainy season i.e. 20.02.2009	693.46	8th & Final, 02/Dl, 4.11.2009	Complete	69.35
	Total										**144.30**
Kawardha: Sullage Conveyance, Treatment & Disposal scheme for prevention of Pollution of Sakri River											
1	Sullage Conveyance, Treatment & Disposal scheme	03 DL/ 2009-10, 1830/ 22.05.2009	M/s Laxmi Engg. Pvt. Ltd., Nagpur	346.50	532.00	LS	12 months e/x rainy season i.e. 21.01.2011	173.37	2nd RA Bill, 08/Dl, 22.03.2012	Incomplete	17.34
	Total										**17.34**

1	2	3	4	5	6	7	8	9	10	11	12
Koriya: Manendragarh WSS											
1	WTP and clear water pumps	43 DL/2008-09, 4499/ 31.12.2008	M/s Sarba Purta Const. , Kolkata	84.70	130.00	LS	12 months e/x rainy season i.e. 30.04.2010	107.77	12nd RA Bill, 21/ 23.02.12	Incomplete	10.78
2	OHT 770 Kl	42 DL/2008-09, 4497/ 31.12.2008	M/s Sarba Purta Const. , Kolkata	42.35	41.60	LS	8 months e/x rainy season i.e. 30.12.2009	37.44	5th RA Bill, 33/ 28.02.11	Incomplete	3.74
	Total										**14.52**
Mahasamund: Mahasamund WSS											
1	Intake well, Jack well and Water Treatment plant	34 DL/ 2007-08, 2581/23.11.2007	M/s Maneesh Pipes	210.00	269.00	LS	16 months i/c rainy season, 23.03.2009	244.73	9th RA Bill, 155/ 31.03.2012	Incomplete	-
2	Raw water and Clear water pumps and sub-station	01 DL/ 2008-09, 793/17.04.2008	M/s Asiatic Traders	87.25	99.89	LS	12 months i/c rainy season, 17.04.2009	78.62	5th RA Bill, 156/ 31.3.2012	Incomplete	7.86
3	OHT at Pitiyajhar	19 DL/ 2007-08, 1689/3.8.2007	M/s Kewal Jadwani	27.50	30.40	LS	12 months i/c rainy season, 02.08.2008	30.40	3rd & Final, 28.05 2008	Complete	3.04
4	OHT at Moharibhata	22 DL/ 2007-08, 1884/27.08.2007	Atul Shrivastava	26.50	29.50	LS	12 months i/c rainy season, 26.08.2008	29.50	6th & Final, 61/ 07.12.2009	Complete	2.95
		Total									**13.85**
Raipur: Birgaon WSS											
1	Intake well and Water Treatment Plant	140 DL/ 2007-08, 5470/7.12.2007	M/s SK Banerjee, Nagpur	262.49	370.00	LS	12 months i/c rainy season i.e. 23.03.2009	348.81	10th RA Bill, 59/ 16.06.11	Incomplete	34.88
2	Raw water and Clear water pumps	23 DL/2009-10, 2844/08.07.2009	M/s Laxmi Civil Engg. Ltd., Nagpur	93.41	155.00	LS	12 months i/c rainy season i.e. 07.07.2010	132.53	2nd RA Bill, 219/ 31.3.2011	Incomplete	13.25
3	OHT at Birgaon	153 DL, 2007-08, 5685/27.12.2007	M/s Dubey Goyal & Co., Raipur	75.00	91.49	LS	10 months e/x rainy season i.e. 27.10.2008	82.34	3rd RA Bill, 214/ 24.10.2011	Incomplete	-
4	OHT at Urla	145 DL/ 2007-08, 5578/17.12.2007	M/s SK Construction, Jabalpur	42.50	46.58	LS	08 months e/x rainy season i.e. 16.08.2008	46.58	4nd Final Bill, 75/ 10.8.2011	Complete	4.66

1	2	3	4	5	6	7	8	9	10	11	12
5	OHT at Urukura	149 DL/ 2007-08, 5621/20.12.2007	M/s Maheshwar Builders	27.00	29.10	LS	08 months e/x rainy season i.e. 19.08.2008	29.10	3rd Final Bill, 94/ 31.7.2009	Complete	2.91
6	OHT at Acholi	137 DL/2007-08, 5393/3.12.2007	M/s Puja Constructions	30.00	31.80	LS	08 months e/x rainy season i.e. 02.08.2008	28.62	5th RA Bill, 93/ 18.05.2009	Incomplete	2.86
7	OHT at Rawanbhata	150 DL/ 2007-08	M/s DD Singhal, Bhilai	33.00		LS	08 months e/x rainy season i.e. 24.12.2008	35.11	4th Final Bill, 236/ 31.7.2009	Complete	2.29
		Total									**60.85**
Raipur: Kasdol WSS											
1	Intake well and Water Treatment Plant	63 DL/2009-10, 3938/16.11.2009	M/s Sarna Purta Const. Pvt. Ltd., Kolkata	75.00	143.00	LS	12 months i/c rainy season i.e. 15.11.2009	118.84	7th RA Bill, 38/ 10.01.12	Incomplete	-
2	OHT	36 DL/ 2009-10, 3364/01.09.2009	M/s SK Const., Jabalpur	32.24	35.79	LS	06 months ie/x rainy season i.e.01.03.2010	35.79	3rd & Final Bill, 18/ 08.02.2011	Complete	2.51
		Total									**2.51**
		Grand total									**394.96**

Appendix 3.2.10

(Referred to in paragraph 3.2.8.3 [a]; page no.161)

Statement showing extra cost due to inclusion of OHT in PWSS

(₹in lakh)

Sl. No.	Name of the Scheme	Population (as per census 2001)	Amount of TS	No/ Date of Sanction	Cost of OHT	Status
1	2	3	4	5	6	7
Ambikapur						
1	Shrikot PWSS	1361	22.81	28/08-09-2008	6.82	Incomplete
2	Baskepi PWSS	1715	24.28	27/08-09-2008	9.50	Incomplete
3	Shahpur PWSS	1177	22.58	29/08-09-2008	6.82	Incomplete
4	Pachira PWSS	1504	23.71	21/30-07-2008	5.40	Incomplete
5	Dawana PWSS	1727	24.66	11-02-2008	5.60	Incomplete
6	Kunkuri PWSS	1793	24.99	04/28/05/2008	7.20	Incomplete
7	Pshupatipur PWSS	1537	18.68	-	4.40	Incomplete
8	Kharra PWSS	1387	24.81	16/30-07-2008	5.40	Incomplete
9	Khaddhowa PWSS	1135	18.10	-	5.92	Incomplete
10	Karampur PWSS	1887	24.95	46/11-02-2008	6.40	Incomplete
11	Pratapgarh PWSS	1748	24.90	--	6.80	Incomplete
12	Ramchandrapur PWSS	1192	24.73	--	4.25	Incomplete
13	Kamalapur PWSS	1452	22.87	319/15-12-2008	4.79	Incomplete
14	Narsingpur PWSS	1258	21.74	06/04-05-2007	4.50	Incomplete
15	Surguja PWSS	1493	41.83	--	10.40	Incomplete
Bilaspur						
1	Kirna PWSS	901	20.07	1166/14-05-2010	7.00	Incomplete
2	Pasid PWSS	688	23.72	--	5.00	Incomplete
3	Murkuta PWSS	755	18.00	--	5.00	Incomplete
4	Itwa PWSS	836	-	--	4.00	Incomplete
5	Jalso PWSS	842			4.50	Incomplete
Dantewada						
1	Kasoli PWSS	1898	---	---	8.10	Incomplete
2	Karli PWSS	1490	----	----	7.20	Incomplete
3	Hiranar PWSS	1568	---		6.00	Incomplete
4	Kerlapal PWSS	1517	---		6.00	Incomplete
Dhamtari						
1	Doma-PWSS	1820	18.00	663/26-07-2010	9.90	Incomplete
2	Kharenga-PWSS	1825	18.00	664/26-07-2010	11.00	Incomplete
3	Bodra-PWSS	1734	18.00	07/20-06-2011	10.78	Incomplete
4	Silouti-PWSS	1661	17.45	1592/25-11-2010	11.00	Incomplete

1	2	3	4	5	6	7
Janjgir-Champa						
1	Budena PWSS	1685	24.99	60/27-08-08	5.60	Incomplete
2	Goud PWSS	1890	24.97	11/25-05-2008	4.90	Incomplete
3	Dahida PWSS	1176	19.65	--	4.00	Incomplete
4	Kotgarh PWSS	1754	24.99	79/23-09-2008	8.10	Incomplete
5	Jharna PWSS	1439	24.97	54/27-08-08	5.60	Incomplete
6	Sankar PWSS	1677	24.99	14/24-05-2008	5.25	Incomplete
7	Kadari PWSS	1364	24.17	--	5.60	Incomplete
8	Ragja PWSS	1745	22.94	--	7.20	Incomplete
9	Thuthi PWSS	1440	22.21	37/4-07-2008	6.30	Incomplete
10	Balpur PWSS	1559	24.95	--	6.40	Incomplete
11	Lakhali PWSS	1705	24.88	24/03-06-2008	10.00	Incomplete
12	Kalmi PWSS	1777	24.96		8.40	Incomplete
13	Mukta PWSS	1690	24.63	49/22-08-2008	9.00	Incomplete
14	Amlidih PWSS	1025	15.60	39/04-07-2008	6.00	Incomplete
15	Nagjhar PWSS	1414	23.49	--	8.10	Incomplete
Kawardha						
1	Bhalpahari PWSS	1317	24.95	739/23-04-2010	9.75	Incomplete
2	Manikchauri PWSS	1744	22.04	927/28-09-2010	7.80	Incomplete
3	Birendranagar-PWSS	1990	24.70	11/30-06-2010	9.60	Incomplete
4	Baiharsari-PWSS	1342	27.42	14/02-05-2011	12.82	Incomplete
Korea						
1	Madisarai PWSS	1423	21.95	--	6.00	Incomplete
2	Udhanpur PWSS	1290	24.28	92/22-12-2008	6.00	Incomplete
Mahasamund						
1	Ghoghora PWSS	1115	40.00	F-92/11/34/2/19-10-2011	9.00	Incomplete
Raipur						
1	Sakri PWSS	1931	18.00	1337/29-08-2011	9.00	Incomplete
2	Bhadrapali PWSS	1359	16.27	914/31-08-2010	7.50	Incomplete
3	Mohtara PWSS	1899	16.00	1329/29-08-2011	9.00	Incomplete
4	Datan PWSS	1735	18.00	1192/9.8.11	9.00	Incomplete
5	Gidhpuri PWSS	1950	17.91	1194/9-08-2011	9.00	Incomplete
6	Kodwa PWSS	1628	17.91	1191/9-08-2011	9.00	Incomplete
7	Binouri PWSS	1588	17.97	08-09-2011	8.50	Incomplete
8	Pandripali PWSS	1471	17.98	29-08-2011	9.50	Incomplete
9	Govindhband PWSS	1802	17.71	1355/19-09-11	9.00	Incomplete
10	Jhumka PWSS	1867	17.90	1330/29-08-2011	9.00	Incomplete
11	Dhobni PWSS	1467	17.98	1331/29-08-2011	9.00	Incomplete

1	2	3	4	5	6	7
12	Gatadih PWSS	1915	17.95	1367//26-09-2011	9.00	Incomplete
13	Dharasiv PWSS	1821	18.00	1357/19-09-2011	9.00	Incomplete
14	Baya PWSS	1931	18.00	1327/29-08-2011	9.00	Incomplete
15	Chhechhar PWSS	1936	18.00	1328/29-08-2011	9.00	Incomplete
16	Thargoan PWSS	1831	17.85	1334/29-08-2011	9.00	Incomplete
17	Nagarda PWSS	1694	17.90	1333/29-08-2011	9.00	Incomplete
18	Lafandi PWSS	1803	26.00	1180/8-8-2011	9.00	Incomplete
19	Mopar PWSS	1578	18.00	1360/19-09-2011	9.00	Incomplete
20	Bindranawagarh PWSS	1875	25.85	1059/11-07-2011	9.00	Incomplete
21	Indagoan PWSS	1746	24.32	1065/11-07-2011	9.00	Incomplete
22	Mudgelmal PWSS	1890	25.85	-	9.00	Incomplete
	Grand total				**1102.52**	

Appendix 3.2.11

(Referred to in paragraph 3.2.8.3 [b]; page no.162)

Statement showing non-functional of PWSS/ Spot Source Schemes

District	No. of PWSS/ Spot Source Schemes		Name of the Block
	Total	Non-functional	
Ambikapur	143	45	Udaipur (4),Sitapur (1), Mainpart (1), Ramchandrapur (3), Rajpur (1),Balrampur (4),Kusumi (9), Shankargarh (10), Wadrafnagar (4),Pratapur (3), Surajpur (2), Ramanujnagar (1), Odegi (2)
Bilaspur	261	15	Block wise data not not furnished
Dantewada	26	1	Katekalyan (1)
Dhamtari	283	47	Dhamtari (2),Kurud (13), Nagri (11), Magarload (21)
Janjgir Champa	375	50	Nawagarh (5), Bamnidih (2),Akaltara (3),Pamgarh(1),Shakti(3),Jaijpur(9),Dhabra(7), Malkhoroda(20)
Kabirdham	220	19	Lohara (8),Bodla (5),Pandriya (5),Kawardh (1)
Koria	89	9	Baikunthpur (6),Bharatpur (2),Manendragarh (1)
Mahasamund	118	9	Baghbhara (3),Basna (3),Saraipali (2), Pithora (1)
Raipur	523	54	Dharsiwa (3),Arang (3), Abhanpur (8), Tilada(6), Baloda Bazar (4), Pallari (5), Kasdol (9), Billaigarh (3), Fingeswar (4), Chhura (2),Deobhog (4), Sigma (1), Gariyaband (1),Bhatapara (1).
Total	**1792**	**229**	

Appendix 3.2.12

(Referred to in paragraph 3.2.8.4 (c); page no.164)

Details of non-procurement of reagents for the laboratories

District	Reagents not procured from	No of years
Ambikapur	2007-08 to 2009-10	3
Bilaspur	2009-10	3
Dantewada	2007-08 to 2011-12	5
Janjgir Champa	2007-08 to 2009-10	3
Kawardha	2007-08 to 2010-11	4
Korea	2007-08	5
Mahasamund	2007-08	5
Raipur	2007-08 to 2008-09	2

Appendix 4.1

(Referred to in paragraph 4.1.1; page no.173)

Statement showing extra cost on execution of GSB with excess thickness

Sl. No.	Package No.	No. of roads	Amount of Tender (₹ in lakh)	Amount of Contract (₹ in lakh)	Name of Contractor	Agreement No.	Work Order No./Date	Details of Updated payment				Details of excess execution of GSB over DPR/BOQ						
								RA Bill No.	Date of payment	Amount (₹ in lakh)	Update position	Thickness of GSB provided in estimate for BT portion of road (mm)	Executed thickness of GSB (mm)	Excess thickness of executed GSB (mm)	Length of constructed BT road (km)	Quantity of excess executed GSB (cum) (colum16* 1000*column 15/1000*4.05)	Rate (₹ per cum)	Amount of excess cost (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1	CG-13/27	10	621.18	588.17	M/s Sunil Kumar Agrawal, Raigarh	1DL/06-07	477/14.4.07	8th & final	08.04.11	567.14	Final bill was paid	115	210	95	17.83	6860.0925	280	1920825.90
2	CG-13/28	13	896.41	829.84	M/s Sunil Kumar Agrawal, Raigarh	2DL/06-07	479/14.4.07	9th & final	08.04.11	784.00	Final bill was paid	115	210	95	26.41	10161.2475	425	4318530.19
3	CG-13/29	5	491.08	455.78	M/s Mohan Poddar, Raipur	5DL/06-07	485/14.4.07	8th & final	08.04.11	462.78	Final bill was paid	115	210	95	12.3	4732.425	300	1419727.50
4	CG-13/31	5	617.84	575.09	M/s Sunil Kumar Agrawal, Raigarh	3DL/06-07	481/14.4.07	8th & final	08.04.11	560.71	Final bill was paid	115	210	95	16.22	6240.645	415	2589867.68
5	CG-13/32	7	663.22	596.01	M/s Sunil Kumar Agrawal, Raigarh	6 DL/06-07	510/18.4.07	8th & final	08.04.11	590.89	Final bill was paid	115	210	95	16.2	6232.95	350	2181532.50
6	CG-13/33	9	657.5	612.16	M/s Sunil Kumar Agrawal, Raigarh	4 DL/06-07	483/14.4.07	8th & final	08.04.11	594.69	Final bill was paid	115	210	95	18.35	7060.1625	400	2824065.00
7	CG-13/40	5	609	493.27	M/s M. L. Patel, Sambalpur, Orrissa	7 DL/06-07	854/5.6.07	8th	22.5.08	467.83	final bill pending for ₹ 471.31 lakh	115	200	85	15.01	5167.1925	250	1291798.13
		54									Total							16546346.90

Appendix 4.2

(Referred to in paragraph 4.1.1; page no.174)

Statement showing execution of earthwork and CC without prior approval of competent authority

Sl. No.	Pack-age No.	No. of roads	Amount of Tender (₹ in lakh)	Amount of Contract (₹ in lakh)	Name of Contractor	Agreement No.	Work Order No./Date	Details of Updated payment				Details of excess execution over DPR/BOQ							
								RA Bill No.	Voucher No./Date	Amount	Update position	Item No.	Name of Item	Quantity of DPR/BOQ (cum)	Executed quantity (cum)	Per-centage of increase	Execution beyond 10% of DPR/BOQ (cum)	Rate (₹ per cum)	Amount (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	CG-13/27	10	621.18	588.17	M/s Sunil Kumar Agrawal, Raigarh	1DL/06-07	477/14.4.07	8th & final	08.04.11	567.14	Final bill was paid	3.4	Constr-uction of embankment with material obtained from borrow pits	56767.20	72944.74	28.50	10500.82	165	1732634.81
												6.4	Construction of cc pavement	1710.00	2681.43	56.81	800.43	3650	2921569.50
2	CG-13/28	13	896.41	829.84	M/s Sunil Kumar Agrawal, Raigarh	2DL/06-07	479/14.4.07	9th & final	08.04.11	784.00	Final bill was paid	3.4	Construction of embankment with material obtained from borrow pits	87048.50	104059.53	19.54	8306.18	150	1245927.00
												6.4	Construction of cc pavement	2231.25	3914.43	75.44	1460.06	3490	5095609.40

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
3	CG-13/31	5	617.84	575.09	M/s Sunil Kumar Agrawal, Raigarh	3DL/06-07	481/14.4.07	8th & final	08.04.11	560.71	Final bill was paid	3.4	Construction of embankment with material obtained from borrow pits	47297.90	70946.70	50.00	18919.01	160	3027041.60
4	CG-13/32	5	663.22	596.01	M/s Sunil Kumar Agrawal, Raigarh	6 DL/06-07	510/18.4.07	8th & final	08.04.11	590.89	Final bill was paid	3.4	Construction of embankment with material obtained from borrow pits	42631.90	60281.20	41.40	13386.11	90	1204749.90
5	CG-13/33	9	657.5	612.16	M/s Sunil Kumar Agrawal, Raigarh	4 DL/06-07	483/14.4.07	8th & final	08.04.11	594.69	Final bill was paid	3.4	Construction of embankment with material obtained from borrow pit	25454.50	66130.10	159.80	38130.15	165	6291474.75
6	CG-13/40	5	609	493.27	M/s M. L. Patel, Sambalpur, Orrissa	7 DL/06-07	854/5.6.07	8th RA	22.5.08	467.83	final bill pending for ₹ 471.31 lakh	3.3	Construction of embankment with material obtained from borrow pit	47061.80	98948.90	110.25	47180.92	61	2878036.12
												6.4	Construction of cc pavement	2557.50	5344.55	108.98	2531.30	3300	8353290.00
Total																			**32750333.08**

Appendix 4.3

(Referred to in paragraph 4.1.2; page no.175)

Statement showing works in which earthwork re-measured after completion of other items viz. GSB, Hard shoulder, BT etc.

Sl.No.	Agency	Package No.	Name of road	Length	Description of work	Measurement taken before execution of GSB,WBM, Hard Shoulder, CC Pavement, BT Work	Date of measurement	Date of payment	Measurement taken after execution of GSB,WBM, Hard Shoulder, CC Pavement, BT Work	Date of measurement	Date of payment (Final)	Difference	Rate (@ per cum) (in ₹)	Amount (COL 13*COL 14) (in ₹)	Amount paid for previous executed earth work (COL 7*COL 14) (in ₹)	Amount paid for after completion of earth work (COL 10*COL 14) (in ₹)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	PIU, Ambikapur	CG-16/16	Batouli Ambikapur (Chiranga to Kalipur)	7.8 Km	Construction of embankment with material obtained from road cutting…	6499.3	10.3.06	24.3.06	13890	10.04.07	23.08.07	7390.7	60	443442	389958	833400
					Construction of Sub-grade & earthen shoulder		28.03.06								0	0
					GSB		25.03.06								0	0
					WBM		22.11.06								0	0
					Hard shoulder		02.11.06								0	0
					CC Pavement		01.11.06								0	0
					BT work		16.12.06								0	0

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
2	PIU, Ambikapur	CG-16/16	Bishnupur Birimkela road	12.60 Km	Construction of embankment with material obtained from road cutting….	0	0		4757	--		4757	60	285420	0	285420
					Construction of embankment with approved material obtained from borrow pits…	26923.76	26.02.06	09.06.06	33430.48	--	23.8.07	6506.72	60	390403	1615425.6	2005828.8
					Construction of Sub-grade & earthen shoulder		01.03.06								0	0
					GSB		04.11.06								0	0
					WBM		16.12.06								0	0
					Hard shoulder		06.11.06								0	0
					CC Pavement		04.01.07								0	0
					BT work		20.01.07								0	0
3	PIU, Ambikapur	CG-16/31	Batouli to Dewari Dumarpara	4.14 Km	Construction of embankment with material obtained from road cutting….	8684.58	20.02.08		14342.275	--	17.8.10	5657.695	86	486562	746873.88	1233435.65
					Construction of Sub-grade & earthen shoulder		20.02.08								0	0
					GSB		20.02.08								0	0
					WBM		20.02.08								0	0
					Hard shoulder		20.02.08								0	0
					CC Pavement										0	0
					BT work		02.05.08								0	0

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
4	PIU, Ambikapur	CG-16/14	Patrapali to Salhi Badkapara	10.96 KM	Construction of embankment with material obtained from road cutting….	11317.87	15.11.05	31.3.06	23949.56	7.3.06	29.01.08	12631.69	115	1452644	1301555.05	2754199.4
					Construction of Sub-grade & earthen shoulder	24465.82	8.12.05	31.3.06	32143.27	7.3.06	29.01.08	7677.45	80	614196	1957265.6	2571461.6
					GSB		8.12.05								0	0
					WBM		15.02.06								0	0
					Hard shoulder		20.02.06								0	0
					CC Pavement										0	0
					BT work		23.02.06								0	0
5	PIU, Ambikapur	CG-16/14	Bhubneshwarpur to Madneshwarpur	2.5 Km	Construction of embankment with material obtained from road cutting….	7240.22	02.03.06	31.3.06	9042.72	06.03.07	29.01.08	1802.5	80	144200	579217.6	723417.6
					Construction of Sub-grade & earthen shoulder	7400.46	02.03.06	31.3.06	9604.67	06.03.07	29.01.08	2204.21	115	253484	851052.9	1104537.05
					GSB		10.10.05								0	0
					WBM		23.02.06								0	0
					Hard shoulder		06.03.06								0	0
					CC Pavement										0	0
					BT work		March 06								0	0
6	PIU, Ambikapur	CG-16/14	Kunjnagar to mamdei	13 Km	Construction of embankment with material obtained from road cutting….	20099.67	Date not mentioned in MB	31.3.06	41748.32	--	29.01.08	21648.65	115	2489595	2311462.05	4801056.8
					Construction of Sub-grade & earthen shoulder										0	0
					GSB		29.03.06								0	0
					WBM		29.03.06								0	0
					Hard shoulder		29.03.06								0	0
					CC Pavement										0	0
					BT work		29.03.06								0	0

1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*	*12*	*13*	*14*	*15*	*16*	*17*
7	PIU, Ambikapur	CG-16/48	Bhatagaon to Dumariya Khaspara	3.7 Km	Construction of embankment with material obtained from borrow pits….	4100	13.02.08	17.5.08	8622.4	13.05.08	14.07.08	4522.4	77	348225	315700	663924.8
					Construction of Sub-grade & earthen shoulder		Date not mentioned in MB								0	0
					GSB		Date not mentioned in MB								0	0
					WBM		03.03.08								0	0
					Hard shoulder		10.03.08								0	0
					CC Pavement										0	0
					BT work		14.03.08								0	0
8	PIU, Ambikapur	CG-16/48	Bhatgaon Dumariya road to Barpara Pradhanpara	3.85 Km	Construction of embankment with material obtained from borrow pits….	2642.78	Date not mentioned in MB	17.5.08	11522.23	20.05.08	14.07.08	8879.45	77	683718	203494.06	887211.71
					Construction of Sub-grade & earthen shoulder		Date not mentioned in MB								0	0
					GSB		Date not mentioned in MB								0	0
					WBM		02.01.08								0	0
					Hard shoulder		02.01.08								0	0
					CC Pavement		02.01.08								0	0
					BT work		17.03.08								0	0

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
9	PIU, Ambikapur	CG-16/48	Bhatgaon Dumariya Road to Dharampur Naewapara	6.8 KM	Construction of embankment with material obtained from borrow pits….	11590.3	23.12.07	17.5.08	21395.35	29.05.08	14.07.08	9805.05	77	754989	892453.1	1647441.95
					Construction of Sub-grade & earthen shoulder		Date not mentioned in MB								0	0
					GSB		2.4.08								0	0
					WBM		16.04.08								0	0
					Hard shoulder		26.04.08								0	0
					CC Pavement										0	0
					BT work		4.5.08								0	0
10	PIU, Jagdalpur	CG-01/15	Bajarpara Badedharaur to Chhepraguda	2.8 Km	Construction of embankment with material obtained from borrow pits….	2483.8	Date not mentioned in MB	06.02.06	5002.175	--	06.05.08	2518.375	75	188878	186285	375163.125
					Construction of Sub-grade & earthen shoulder		28.03.05								0	0
					GSB		Date not mentioned in MB								0	0
					WBM		23.01.06								0	0
					Hard shoulder		Date not mentioned in MB								0	0
					CC Pavement		18.12.05								0	0
					BT work		Date not mentioned in MB								0	0
11	PIU, Jagdalpur	CG-01/75	NH43 (Rd 210 KM) to Gudlapara	7.5 Km	Construction of embankment with material obtained from borrow pits….	20341.53	Date not mentioned in MB	29.5.08	38903.152	--	28.03.10	18561.622	110	2041778	2237568.3	4279346.72
					Construction of Sub-grade & earthen shoulder		Date not mentioned in MB								0	0
					GSB		Date not mentioned in MB								0	0
					WBM		Date not mentioned in MB								0	0
					Hard shoulder		Date not mentioned in MB								0	0
					CC Pavement										0	0
					BT work		Date not mentioned in MB								0	0
					Total	**153790.09**			**268353.602**			**114563.51**		**10577534**	**13588311.14**	**24165845.21**

Appendix 4.4

(Referred to in paragraph 4.2.3; page no. 181)

Statement showing extra cost on Cement Concrete (CC) and Cohesive Non Swelling (CNS)

Sl. No.	RD in mile	Length in mile	RD in KM(1m =1.524 km)	Discharge (cumec)	Full Supply Level (meter)	Required height of Free Board (FB) in CC lining (in mtr.)	Executed FB in CC lining (in mtr.)	Required one dimen-tion (in mtr.) (col 6 + col 7)	Required second dimentio n (in mtr.) (col 9x1.5)	Executed one dimen-tion (in mtr.) (col 6 + col 8)	Executed second dimention (in mtr.) (col 11 x 1.5)	Require d slope (in mtr.) (Square root of col(9*9) + (10*10))	Execute d slope (in mtr.) (Square root of col(11*1 1)+ (12*12))	Diff. of cc slope (in mtr.) (Col 14-13)	Excess Qty of CC (in cum) (Col 15*2*4*10 00*0.1)	Rate of CC (₹ per cum)	Extra cost on CC lining (₹ in lakh) (Col 16*17)	Excess quantity of CNS (in cum) (Col 15*2*Col 4*1000*0. 75)	Rate of CNS (₹ per cum)	Extra cost (₹ in lakh) (Col 19*20)	Extra cost (₹ in lakh) (col 18 + col 21)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
1	0 to 9	9.00	13.72	83.15	2.92	0.50	0.60	3.42	5.13	3.52	5.28	6.17	6.35	0.18	494.54	2130.50	10.54	3709	80.30	2.98	13.52
2	9 to 12.50	3.50	5.33	77.89	2.62	0.50	0.60	3.12	4.68	3.22	4.83	5.62	5.80	0.18	192.32	2130.50	4.10	1442	┐┘└ ┘┐┘	1.16	5.26
3	12.5 to 19	6.50	9.91	73.74	2.62	0.50	0.60	3.12	4.68	3.22	4.83	5.62	5.80	0.18	357.17	2130.50	7.61	2679	80.30	2.15	9.76
4	19 to 23	4.00	6.10	62.45	2.62	0.50	0.60	3.12	4.68	3.22	4.83	5.62	5.80	0.18	219.79	2130.50	4.68	1648	80.30	1.32	6.00
5	23 to 29	6.00	9.14	62.45	2.62	0.50	0.60	3.12	4.68	3.22	4.83	5.62	5.80	0.18	329.69	2175.70	7.17	2473	117.87	2.91	10.08
6	29 to 36	7.00	10.67	51.60	2.50	0.50	0.60	3.00	4.50	3.10	4.65	5.41	5.59	0.18	384.64	2175.70	8.37	2885	117.87	3.40	11.77
7	36 to38.5	2.50	3.81	45.66	2.50	0.45	0.60	2.95	4.43	3.10	4.65	5.32	5.59	0.27	206.06	2175.70	4.48	1545	117.87	1.82	6.30
8	38.5 to 43.50	5.00	7.62	33.64	2.10	0.45	0.60	2.55	3.83	2.70	4.05	4.60	4.87	0.27	412.11	2175.70	8.97	3091	117.87	3.64	12.61
9	43.50 to 46	2.50	3.81	28.30	2.00	0.45	0.60	2.45	3.68	2.60	3.90	4.42	4.69	0.27	206.06	2175.70	4.48	1545	117.87	1.82	6.30
10	46 to 49	3.00	4.57	28.30	2.00	0.45	0.60	2.45	3.68	2.60	3.90	4.42	4.69	0.27	247.27	1800	4.45	1855	150	2.78	7.23
11	49 to 55	6.00	9.14	28.30	1.90	0.45	0.60	2.35	3.53	2.50	3.75	4.24	4.51	0.27	494.54	1800	8.90	3709	150	5.56	14.46
12	55 to 66	11.00	16.76	19.81	1.70	0.40	0.60	2.10	3.15	2.30	3.45	3.79	4.15	0.36	1208.87	1800	21.76	9067	150	13.60	35.36
13	66 to 68.8	2.80	4.27	15.56	1.60	0.40	0.60	2.00	3.00	2.20	3.30	3.61	3.97	0.36	307.71	1800	5.54	2308	150	3.46	9.00
	Total	**68.80**	**104.85**												**5060.77**		**101.05**	**37956**		**46.60**	**147.65**

Appendix 4.5

(Referred to in paragraph 4.2.4; page no.183)

Comparative statement for the work of balance earth work of KM 20 to 27

Item Sl. no.	Item	Estimated quantity	Unit	SoR rate (₹ per cum)	Executed quantity	Rate of M/s Vijay Kumar Mishra & Co.		Rate of Shri B.K.Agrawal		Rate of Shri. S.R.Const. Pvt. Ltd		M/s Balajee		Shri Sunil Kumar		M/s Veecon	
						Rate (₹ per cum)	Amount (₹)	Rate (₹ per cum)	Amount (₹)	Rate (₹ per cum)	Amount (₹)	Rate (₹ per cum)	Amount (₹)	Rate (₹ per cum)	Amount (₹)	Rate (₹ per cum)	Amount (₹)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Excavation in all type of soils	77553.9	cum	58.08	152627.61	45.2	6898768	124	18925824	35	5341966.4	46.2	7051395.6	50	7631380.5	57.6	8791350.3
2	Excavation in all types of rock except hard rock for canal	65474.1	cum	115.71	87040.57	52.4	4560926	124	10793031	80	6963245.6	81.95	7132974.7	272	23675035	12.6	1096711.2
3	Excavation in hard rock in canal bed and side slope	135408	cum	197.05	26013.91	170.3	4430169	124	3225724.8	220	5723060.2	154	4006142.1	10	260139.1	171	4448378.6
4	Construction of dowels 30 cm wide	7000	RM	10	6917	9.2	63636.4	10	69170	100	691700	7.7	53260.9	10	69170	9	62253
5	Collection of hard moorum	4725	cum	100.6	4724.32	90.2	426133.7	70	330702.4	100	472432	94.9	448337.97	100	472432	54	255113.28
							16379639		33344460		19192414		18692123		32108171		14653822
Actual position of valuation of tender if estimate was prepared correctly							L-2		L-6		L-4		L-3		L-5		L-1
Tender valuated at the time of acceptance of tender							L-4		L-5		L-6		L-3		L-1		L-2
Actual amount paid on the above items									₹ 28041976								
Amount payable to L-1 tenderer if estimate was prepare correctly									₹ 14653822								
Extra cost									₹ 13388154								

Appendix 4.6

(Referred to in paragraph 4.2.7; page no.188)

Statement showing excess payment of ₹ 35.25 lakh to the contractor due to payment at higher rates

Sl. No.	Agreement No.	Package no	Name of contractor	Rate of WMM in BOQ	Non scheduled item	Executed quantity (in cum)	Rate paid (in ₹)	Rate in SOR	Rate admissible (Add percentage of rate for WMM)	Excess rate	Excess payment (in ₹)
1	02/PIU-2/PMGSY/ 06-07	CG 05-37	M/s Kulkarni & Sahu Associate	885 (21.4% above SOR)	WBM Gr.II	5321.264	854	538	653 (21.4% above SOR)	201	1069574
					WBM Gr. III	4978.127	870	605	734 (21.4% above SOR)	136	677025
2	03/PIU-2/PMGSY/ 06-07	CG 05-39	M/s Kulkarni & Sahu Associate	900 (23.46% above SOR)	WBM Gr. II	5768.605	854	538	664 (23.46% above SOR)	190	1096035
					WBM Gr. III	5546.731	870	605	747 (23.46% above SOR)	123	682248
Excess payment											**3524882**

Appendix-4.7

(Referred to in paragraph 4.3.2; page no.192)

Statement showing payment of compensation amount against the arbitration award

Sl No.	Agreement No.	Case no.	Decree amount (in ₹)	Interest from 01-06-2003 to 15-09-2005 (Two year 3 month 15 days) @ 7 *per cent* (in ₹)	Interest from 16-09-2005 to 20-08-2009 (Three year 11 month 5 days) @ 18 *per cent* (in ₹)	Total interest (5+6) (in ₹)	Court expenses (in ₹)	Total amount (in ₹)
1	2	3	4	5	6	7	8	9
1	12 DL/2001-02	69/2002	1,25,93,558	20,19,717	89,09,363	1,09,29,080	25,000	2,35,47,638
2	13 DL/2001-02	70/2002	1,59,65,972	25,60,575	1,12,95,191	1,38,55,766	25,000	2,98,46,738
3	14 DL/2001-02	71/2002	1,48,87,563	23,87,623	1,05,32,266	1,29,19,889	25,000	2,78,32,452
Grand total			**4,34,47,093**	**69,67,915**	**3,07,36,820**	**3,77,04,735**	**75,000**	**8,12,26,828**

Note: The interest calculation was made upto 21.08.2009.

Appendix 4.8

(Referred to in paragraph 4.3.4; page no.195)

Statement showing adjustment of papers

Name of Printer: The Printing World Cuttack

Type of Paper 60 GSM Sheet and Reel

Quantity in MT

Year	Balance of paper previous year	Paper issued by store	Issued by supplier/transfer from other printers	Total Allotment of paper (Col.2+3+4)	Consumed on printing of books	Issued to other printers/recovered	Total adjustment (Col. 6+7)	Balance paper (Col. 5-8)
1	2	3	4	5	6	7	8	9
2006-07	0	145.7136	0	145.7136	143.883	0	143.883	1.8306
2007-08	1.8306	0	0	1.8306	0	0	0	1.8306
2008-09	1.8306	0	0	1.8306	0	0	0	1.8306
2009-10	1.8306	0	0	1.8306	0	0	0	1.8306
2010-11	1.8306	0	0	1.8306	0	0	0	1.8306
Total		**145.7136**		**145.7136**			**143.883**	**1.8306**

Type of Paper 70 GSM Sheet and Reel

Quantity in MT

Year	Balance paper of previous year	Paper issued by store	Issued by supplier/transfer from other printers	Total Allotment of paper (Col.2+3+4)	Consumed on printing of books	Issued to other printers/recovered	Total adjustment (Col. 6+7)	Balance paper (Col. 5-8)
1	2	3	4	5	6	7	8	9
2006-07	0	325.295	585.892	911.187	887.911	0	887.911	23.276
2007-08	23.276	1196.042	0	1219.318	1187.004	9.328	1196.332	22.986
2008-09	22.986	905.1565	0	928.1425	827.196	74.234	901.43	26.7125
2009-10	26.7125	487.219	0	513.9315	460.101	30.779	490.88	23.0515
2010-11	23.0515	351.215	0	374.2665	349.255	1.96	351.215	23.0515
Total		**3264.9275**	**585.892**	**3850.8195**			**3827.768**	**23.0515**

Name of Printer: Keshri Enterprises

Type of Paper 70 GSM Sheet

Quantity in MT

Year	Balance paper of previous year	Paper issued by store	Issued by supplier/ transfer from other printers	Total Allotment of paper (Col.2+3+4)	Consumed on printing of books	Issued to other printers/recovered	Total adjustment (Col. 6+7)	Balance paper (Col. 5-8)
1	2	3	4	5	6	7	8	9
2008-09	0	22.932	0.000	22.932	0.000	0.000	0	22.932
2009-10	22.932	0.000	0.000	22.932	0.000	0.000	0	22.932
2010-11	22.932	0.000	0.000	22.932	0.000	0.000	0	22.932
2011-12	22.932	0.000	0.000	22.932	0.000	0.000	0	22.932
Total		**22.932**		**22.932**			**0**	**22.932**

Type of Paper 70 GSM Reel

Quantity in MT

Year	Balance paper of previous year	Paper issued by store	Issued by supplier/transfer from other printers	Total Allottment of paper (Col.2+3+4)	Consumed on printing of books	Issued to other printers/recovered	Total adjustment (Col. 6+7)	Balance paper (Col. 5-8)
1	2	3	4	5	6	7	8	9
2008-09	0	353.304	74.234	427.5375	425.038	0.000	425.038	2.4995
2009-10	2.4995	230.560	30.779	263.8385	228.207	0.000	228.207	35.6315
2010-11	35.6315	108.731	1.960	146.3225	110.232	0.000	110.232	36.0905
2011-12	36.0905	91.111	0.000	127.2015	92.589	30.864	123.453	3.7485
Total		**783.706**	**106.973**	**890.679**			**886.930**	**3.7485**

Appendix-4.9

(Referred to in paragraph 4.4.1; page no.196)

Statement showing details of pending dues to be recovered from *Sarpanches*

Sl No.	Name of Janpad Panchyat	Year of sanction	Amount due for recovery (in ₹)	Name of Sarpanch and Name of Gram Panchayat	Name of work	Name of the scheme	Recovery made upto December 2012	Balance to be recovered (in ₹)	Letter issued to revenue authorities to issue RRC	Date of issue of RRC
1	2	3	4	5	6	7	8	9	10	11
1	Balodabazar	2008-09	90000	Govind Das Manikpuri, Dhandhani	Aanganbadi Toilet	ICDS	42329	47671		
2	Balodabazar	2008-09	60000	Dilharan Patel, Amalkunda	CC Road	CG Gramin Nidhi	10000	50000	3656/17-2-2010	
3	Balodabazar	2008-09	120000	Govind Das Manikpuri, Dhandhani	Panchayat Room And Fair Price Shop	Gram Utkarsh Yojna	0	120000	22-02-2010	
4	Balodabazar	2008-09	165000	Dauram Dahriya, Dabadih	Aanganbadi Toilet	Gram Utkarsh Yojna	138981	26019	17-02-2010	
5	Balodabazar	2008-09	24000	Dilharan Patel, Amalkunda	PS Kitchen Shed Cum Store	Kitchen Shed	0	24000	17-02-2010	068/15-12-2010
6	Patan	2008-09	119000	Ex Sarpanch Chitralekha Sahu And Secretary	CC Road	_	0	119000		
7	Patan	2008-09	70000	Ex Sarpanch Chitralekha Sahu And Secretary	CC Road	Gram Utkarsh Yojna	0	70000		
8	Patan	2008-09	60000	Ex Sarpanch Chitralekha Sahu And Secretary	CC Road	Gram Utkarsh Yojna	0	60000		
9	Patan	2008-09	200000	Ex Sarpanch Chitralekha Sahu And Secretary	CC Road	Gram Utkarsh Yojna	0	200000		

1	2	3	4	5	6	7	8	9	10	11
10	Patan	2008-09	90000	Ex Sarpanch Chitralekha Sahu And Secretary	CC Road	Gram Utkarsh Yojna	0	90000		
11	Palari	2008-09	360000	Smt.Maltibai, Bijradih	CC Road	S.C. Development	161949	198051	1837/7-12-09	
12	Palari	2008-09	80000	Smt.Keshari Ex Sarpanch,Devsundra	Aanganbadi Bhawan	Anganvadi Building	15000	65000		
13	Palari	2008-09	160000	Smt.Keshari ,Devsundra	Community Hall	Gram Utkarsh Yojna	86291	73709		1826/7-12-2009
14	Palari	2008-09	100000	Shri.Kundan Sav, Sonardevari	Aanganbadi Bhawan	Anganvadi Building	0	100000		1718/11-11-2010
15	Palari	2008-09	150000	Shri. Salik Ram Diwan, Devgaon	CC Road	S.C. Development	51620	98380		1817/7-12-2009
16	Palari	2008-09	360000	Shri. Salik Ram Diwan, Devgaon	CC Road	S.C. Development	262006	97994		1812/7-12-2009
17	Palari	2008-09	200000	Shri. Salik Ram Diwan, Devgaon	Mangal bhawan Junvani	Saghan Basti Vikas	0	200000		2208/25-2-2010
18	Abhanpur	2008-09	517000	Sarju Verma, Tila	Primary School Maintenance		322400	194600		
19	Chuikhadan	2009-10	579670	Baratu Singh, Kopro		Construction Work	0	579670		
20	Balodabazar	2009-10	120000	Kevra Bai Chandrakar, Mudiyadih	Community Hall	MPLAD	62475	57525		
21	Balodabazar	2009-10	80000	Yogendra Pal, Changori	Kanji House	Under 12th Finance Commission	43917	36083	3656/17-2-2010	
22	Balodabazar	2009-10	320000	Bhojram Manjhi, Amlidih	Panchayat building and Fair Price Shop	Gram Utkarsh Yojna	271586	48414	30.9.2009, 24-2-24.2.10	8-11.10
23	Balodabazar	2009-10	320000	Sukhmatiya Bai, Changori	Panchayat building and Fair Price Shop	Chhattisgarh Gramin Nidhi	132941	187059	10-03-2010	
24	Balodabazar	2009-10	24000	Govindas Manikpuri, Dhandhani	Kitchen shed construction	ICDS	0	24000	22-02-2010	1076/15-12-2010

1	2	3	4	5	6	7	8	9	10	11
25	Balodabazar	2009-10	24000	Ramesh Kumar Yadu, Dharashiv	UPS Kitchenshed	Kitchen Shed	4500	19500		
26	Patan	2009-10	446872	Suresh Kumar Nayak, Bathena	Tulsi Nala Jal Grahan Samiti	Watershed	0	446872		
27	Patan	2009-10	11500	Ram Warde, Amrikhurd	_	under 12th Finance Commission	0	11500		
28	Patan	2009-10	30000	Ram Warde, Amrikhurd	_	Mool Bhut Yojna	0	30000		
29	Chuikhadan	2009-10	192000	Jambai, Nachania	_	Under 12th Finance Commission	0	192000		
30	Chuikhadan	2009-10	83700	Manglu, Sarainpatera	_	Food Gowdown, Kitchen Shed	0	83700		
31	Chuikhadan	2009-10	234200	Panchu, Salhevara	Bastar Community Hall 80000,Kumhar Samaj Community Hall		0	234200		
32	Chuikhadan	2009-10	212769	Onkar, Rampur	Primary and Middle School 191040, Atal Chowk-20000, Community Hall 800		0	212769		
33	Chuikhadan	2009-10	161500	Nirmala, Golardih	Primary School 60000,Commun ity Hall 60000		0	161500		
34	Chuikhadan	2009-10	120000	Fulbasanbai, Chobhar	Pendal Pandaripai 40000, Zhil Manch-40000, Barzhola-40000		0	120000		

1	2	3	4	5	6	7	8	9	10	11
35	Chuikhadan	2009-10	201747	Khemprasad Tiwari, Thakurtola	12th Finance Commission		0	201747		
36	Chuikhadan	2009-10	118000	Rukmani, Thakurtola	Anganwadi And Gowdown		0	118000		
37	Chuikhadan	2009-10	214500	Indalram, Khauda	Additional Room, Khoda-40000, Kitchen Shed Mundatola-30000, Main Gate-11000, Atal Chowk-15000		0	214500		
38	Chuikhadan	2009-10	48584	Tikam Vaishnav, Devpura	_	Under 12th Finance Commission	0	48584		
39	Chuikhadan	2009-10	36784	Anamika, Manpur	Commercial Complex		0	36784		
40	Chuikhadan	2009-10	23985	Peeluram, Chaknar	Construction Work		0	23985		
41	Chuikhadan	2009-10	43627	Bharat Janghel, Khairanvapara	Construction Work		0	43627		
42	Chuikhadan	2009-10	50159	Kushalram, Bhardagod	_	Under 12th Finance Commission	0	50159		
43	Chuikhadan	2009-10	121783	UniSingh, Khairbana	Tribal School Building-50000, Cultural Pendal-2937, 12th FC-46376, CC Road-19944, Other 2526		0	121783		
44	Chuikhadan	2009-10	289727	Rohini Verma, Bhorampur	Additional Room 175000 Puliya Construction 114727		0	289727		

1	2	3	4	5	6	7	8	9	10	11
45	Chuikhadan	2009-10	144572	Prahlad, Devracha	_	Under 12th Finance Commission	0	144572		
46	Chuikhadan	2009-10	22770	Gautam Bai, Garra	Construction Work		0	22770		
47	Chuikhadan	2009-10	153006	Manbodharam, Bakarkatta	Market Chabutara-48036 Additional Room, Bakarkataz 100000, Nala Jal 2500, Market201Kanji House-545, Community Pandal 1724		0	153006		
48	Chuikhadan	2009-10	135626	Firanbai, Kumharwada	Tribal Building-85000, Cultural Pendal 5660, Commission, 30600 , 83125		0	135626		
49	Chuikhadan	2009-10	85791	Amrica, Gatapar	_	Under 12th Finance Commission	0	85791		
50	Chuikhadan	2009-10	27264	Hari ram, Khudmudi	Kitchen Shed-3718, addl. Room-375, Pendal-478, Other-5696, NREGS-17473		0	27264		
51	Chuikhadan	2009-10	32241	Dronkumari, Baikatori	Kitchenshed		0	32241		

1	2	3	4	5	6	7	8	9	10	11
52	Chuikhadan	2009-10	412650	Ahilyabai, Lanjhiyatola	Mangal Bhawan-105060, addl.Room-196800, TSC-188008, 12th f.C.-7481, NREGS-105060		0	412650		
53	Chuikhadan	2009-10	501843	Amutlal, Amaghatkada	Construction Work		0	501843		
54	Dhamda	2009-10	100030	Arjun Singh Lodhi, Pagbandhi	_	12th Finance Commission	0	100030	505/9.11.10 and 1048/16-12-2010	
55	Palari	2008-09	20000	Shri.Dhanush Nirmalkar, Cherkapur	Rangmanch at Mahalaxmi Chowk	MLA Fund	0	20000		525/19-5-2011
56	Rajnandgaon	2009-10	73000	Shri.Mohit Sahu	Construction Work at Mudhpaar Mal		0	73000		
57	Rajnandgaon	2009-10	10903	Smt.Hiriyabai	Construction Work at Magarlota		0	10903		13/121/10-11
58	Rajnandgaon	2009-10	110107	Smt.Poornima Sahu	Construction Work at Tumdileva		0	110107		13/2-1-2012
59	Rajnandgaon	2009-10	150000	Yaddas Nirmalkar	Construction Work at Khuteri		0	150000	4410/22-10-10	4410/22-10-10
60	Rajnandgaon	2009-10	110107	Smt.Poornima Sahu	Construction Work at Tumdileva		0	110107		13/2-1-2012
61	Rajnandgaon	2009-10	36192	Shri.Dhanaram Netam	Construction Work at Bhaisatara		0	36192		15/2.1.2012
62	Rajnandgaon	2009-10	16277	Shri Indram Sahu	Construction Work at Aurda		0	16277		17/2-1-2012

1	2	3	4	5	6	7	8	9	10	11
63	Rajnandgaon	2009-10	163539	Shri.Churaman Sahu	Construction Work at Saloni		0	163539		1193/19-4-10
64	Rajnandgaon	2009-10	53972	Shri.Kunjlal Verma	Construction Work at Mahrumkhurd		0	53972		
65	Rajnandgaon	2009-10	134000	Shri.Manoj Vaishnav	Construction Work at Padumtara		0	134000		
66	Rajnandgaon	2009-10	13838	Shri.Dayaram Pal	Construction Work at Sahaspur Dalli		0	13838		
67	Rajnandgaon	2009-10	80000	Shri.Thamendra Sahu	Construction Work at Anjora		0	80000		
68	Rajnandgaon	2009-10	35593	Shri.Motim Banjare	Construction Work at Indavani		0	35593		
69	Rajnandgaon	2009-10	156194	Smt.Ahilya Bai	Construction Work at Kumhalori		0	156194		
70	Rajnandgaon	2009-10	20000	Smt.Pushpa Verma	Construction Work at Indamara		0	20000		
71	Rajnandgaon	2010-11	271585	Shri.Madhukar Banjare	Construction Work at Somani		0	271585		
	Total		**10105207**				**1605995**	**8499212**		