CHAPTER IX

A REFLECTION ON AUDIT REPORTS OF ABRAVATI

ZILLA PARISHAD FOR 1967-68
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9.1 In this chapter an effort is made to scrutinise and analyse the cases as reflected in government audit report of 1967-68 published in 1971. Secondly, this chapter indicates how irresponsible officers cause damage to the development programme. Some glaring cases have been quoted here to know how indifferent administrators are responsible for not achieving the set targets of the plan or scheme. Complete financial control and proper utilization of funds is the basic responsibility of the Head of Department. The proper utilization of fund at the proper time results in the desired achievement.

While studying the audit report on the Accounts of Panchayati Raj Institutions in Maharashtra State during 1967-68, some instances of irregularities in Amravati Zilla Parishad are studied, scrutinised and analysed.

9.2 The cases relating to Amravati Zilla Parishad indicate, how an indifferent attitude of the officers or the persons in charge cause damage to the process of rural development. For implementation of any programme of development requires a man of abilities having constructive imagination and energy and driving force to carry out the schemes to achieve the target. Otherwise, the public funds are misused and wasted. Here some of the examples are quoted and studied.
A SCHEME OF OIL ENGINES AND PUMPING SETS UNDER THE SPECIAL RABBI CROP CAMPAIGN

9.3 (1) With the object of boosting up agricultural production by use of water available in rivers, nallas etc. and bringing additional area under cultivation, large amounts were placed at the disposal of Amravati Zilla Parishad by the Government for purchase of oil engine pumping sets under the scheme of Special Rabbi Crop Campaign.

THE SCHEME CONTEMPLATED:

(a) Use of oil engines for irrigation of food crops including vegetables.
(b) Giving of the oil engines on hire to cultivators on a daily hire of rupee one.
(c) Maintenance of oil engines and purchases of spare parts by Zilla Parishads from their own resources and from the hire charges. The engines were to remain the property of government.

UNPLANNED PURCHASES OF OIL ENGINES

9.4 Thus the Zilla Parishad Amravati purchased oil engines. Out of 251 oil engines costing approximately Rs. 8.40 lakhs, 76 engines costing Rs. 2.64 lakhs were reported to be out of order and could not therefore be brought in use either in Kharip or in Rabbi season.

As a result of this, huge amounts were unnecessarily locked up without any return. The engines were purchased only a year back in 1965-66.
A review of the working of the oil engines showed that they were put to use for periods, varying from 8 days to 9 days during 1965-66 to 1967-68 which does not appear to be encouraging. The arrears of rent to the tune of Rs. 62,562/- were outstanding as on 31st March 1968.

UNREALISTIC ASSESSMENT OF AGRICULTURAL PLANT PROTECTION APPLIANCES, INSECTICIDES AND PESTICIDES

(2) Under the scheme of supply of Plant Protection Appliances, insecticides and pesticides to Agriculturists, Zilla Parishad Amravati had purchased the stock of appliances and insecticides to the tune of Rs. 56.18 lakhs.

Out of the total stock worth of Rs. 56.18 lakhs with the Zilla Parishad, the stock worth of Rs. 6.21 lakhs could only be sold during the year 1967-68 and stock of Rs. 49.97 was in balance with Zilla Parishad as on 31st March 1968. This reflects that stock was purchased in excess of the total requirement of the agriculturists.

It also proves that supplies were received without any realistic assessment resulting in unnecessary locking up of huge government money. The stock was not physically verified and centralised record of the stock was not maintained in the Agriculture Department of Amravati Zilla Parishad. Shortage of stock of Rs. 20,694/- was noticed during 1964-65 to 1967-68 which has not been written off.

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HUGE FINANCIAL LOSSES OF PUBLIC FUND

9.5 Who is responsible for such a huge financial loss caused to the public? Should the local leadership be blamed or the officers who are in charge of the department? Basically, it is the responsibility of the officers of agriculture department. They should have made a realistic assessment of requirement of appliances and insecticides and pesticides. The realistic and factual estimates would have avoided financial loss to the Government.

INDIFFERENT ATTITUDE AND ABSENCE OF ACCOUNTABILITY

(i) This proves the indifferent attitudes of the officials and such official should be pulled up by the Chief Executive Officer of Zilla Parishad who is the highest Executive Officer. The officers in charge, should be held responsible and be made accountable for the financial losses of the Government.

(ii) The members of Zilla Parishad should also take a serious view of such officers and approach to the State Government for taking the suitable steps against such erring officers.

(iii) The leadership should also be alert and vigilant. There should be constant check and vigilance by the peoples' representatives and audit squad.
9.6 With a view to intensify food production by expeditiously harnessing all possible sources of irrigation, the Zilla Parishads had been authorised to take up lift irrigation schemes which would cost, less than Rs. 5 lakhs for irrigating 250 acres or less, in addition to the work of tanks, bandharas and percolation tanks under the plan scheme "MIN-7 Minor Irrigation". After completion, each scheme is required to be maintained and operated by the Zilla Parishads.

9.7 The recurring expenditure on this account is to be met fully by levying adequate water rates. The Parishads have also been authorised to incur expenditure on establishment and tools and plants for these works for achieving the targets envisaged in the plan MIN-7 from time to time.

9.8 The following is the review of this scheme as implemented by Amravati Zilla Parishad:—

(i) "Out of the grant worth of Rs. 19.73 lakhs received during the years 1962-63 to 1967-68, Rs. 14.14 lakhs were spent and the balance of Rs. 5.59 lakhs was not refunded to government.

(ii) 14 Lift Irrigation Schemes costing Rs. 11.10 lakhs and 13 bandharas costing Rs. 4.86 lakhs were taken up for construction. Under the scheme, out of which
8 lift irrigation schemes and 9 bhandaras were completed at the cost of Rs. 6.45 lakhs and Rs. 2.38 lakhs respectively. Water from 4 irrigation works completed at a cost of Rs. 2.75 lakhs was not used for irrigation purposes (upto July 1969) and that from the other 4 irrigation schemes (costing Rs. 3.70 lakhs), covered 10 to 50 acres of land as against the expected irrigation potential upto 250 acres.

(iii) The exact dates of completion of the works and commencement of supply of water were, however, not on record. No amount of water charges have been recovered from the beneficiaries who used waters for irrigation of land.

(iv) Expenditure of Rs. 4.66 lakhs and Rs. 2.48 lakhs was involved in 6 Lift Irrigation Schemes and 4 bhandaras which were incomplete till March 1968. Such expenditure cannot be fruitful unless these works are completed. Early steps to complete the works and bring them in use are necessary. No cogent reasons were forthcoming for the shortfall in achievement and the slow progress of the works.

(v) This case proves the apathy on the part of concerned officers who, in spite of the available amount, could not complete the works which envisaged to increase the agricultural production. The zeal and initiative on the part of officials is lacking and hence this caused a national loss in productivity and non-fulfilment of the target set for achievement.

The above findings are also supported even from the case described below regarding scheme of Vasant Bandharas:

9.9 Under the special Rabbi Crop Campaign, the Zilla Parishads were authorised to undertake the work of construction of pre-fabricated bandharas in nallas, rivulets etc. for taking a second crop from the water, thus made available.

Each bandhara was to cost Rs. 2500/- to 3000/- depending upon the local conditions. Out of this, government was to bear the cost of materials and transport charges subject to maximum of Rs. 1500/-, later raised to Rs. 2000/- in April 1967 per bandhara, for girders, wooden planks, blacksheets and half ton cement. The remaining cost was to be borne by the people or Zilla Parishad. The cost of girder, cutting charges and transport charges, estimated at Rs. 400/- per bandhara, was to be treated as plan grant.

Varying targets were fixed both in respect of number of bandharas to be completed each year and acreage to be brought under irrigation. The scheme was introduced in 1966-67.
The following parae contain the result and the review of the scheme of Amravati Zilla Parishad.

9.10 The position of allotment received, targets fixed etc. in Amravati Zilla Parishad is shown below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Allotment Received M.</th>
<th>Target fixed Number of Bandharas</th>
<th>Works actually undertaken Number of Cost Bandharas Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966-67</td>
<td>1,32,000</td>
<td>120</td>
<td>16</td>
</tr>
<tr>
<td>1967-68</td>
<td>80,000</td>
<td>100</td>
<td>23</td>
</tr>
</tbody>
</table>

(1) The non-fulfilment of targets of bandharas to be constructed, needs to be enquired into. The acreage irrigated also seems to be very low as potentiality of the fully constructed bandharas cannot be so low as 5 acres, on an average per bandharas. Reasons for low acreage also call for adequate justification.
(2) The unspent balances of Rs. 89,056 during 1966-67 and Rs. 37,615 during 1967-68 need to be refunded to the government and unless specific sanction to utilise unspent balance in subsequent years is obtained, the amount should not be used. It was the advice by the audit party.

(3) Financial assistance to the tune of Rs. 10,994 was paid to seven cultivators in the form of material for construction of bandharas but its utilization was not watched and verified.

SCHEME FOR CONSTRUCTION OF WELLS FOR SCHEDULED CASTES, SCHEDULED TRIBES AND OTHER BACKWARD CLASSES

9.11 The scheme intended to boost agricultural production by the backward class cultivators, interest free loans were given to cultivators, of which 30 percent was to be adjusted towards subsidy immediately after the wells were fully and finally completed and brought to use. 50 percent of such subsidy was borne by the Government of India.

The wells were to be completed within 18 months from the date of receipt of first instalment of loan, the second instalment was to be released after verification of completion of at least half of the work and utilization of first instalment. Each well was expected to irrigate three acres of land. The loans received from government were refundable within three years from the date of drawal by beneficiaries in ten equal yearly instalments commencing from a year after payment of second instalment.
A review of the loan scheme in Amravati Zilla Parishads brought out the following points:—

(i) Out of loans of Rs. 1.21 lakhs received from Government during 1963-64 to 1967-68, loans of Rs. 1 lakh were disbursed to beneficiaries leaving an unutilised balance of Rs. 0.21 lakhs still (July 1969) to be refunded to Government.

The non-refund was presumably due to the fact that the departmental figures of expenditure were not reconciled with those of finance department according to which the expenditure was even less. This indicates the financial indiscipline in the departments. Why finance officer of the Zilla Parishad should not be held responsible for creating financial chaos in the Zilla Parishads?

(ii) Apart from unutilised balances, refund of loans of Rs. 64,000 drawn and disbursed in 1963-64, 1964-65 and 1965-66 to Government, had become overdue.

(iii) The following was the programme of digging wells out of the loan paid to the cultivators from 1963-64 to 1967-68.

(Please see Table 59 on next page)
TABLE - 59: Programme of digging wells during 1963-64 to 1967-68.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of wells to be constructed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 1963-64</td>
<td>3 wells</td>
</tr>
<tr>
<td>2. 1964-65</td>
<td>11 wells</td>
</tr>
<tr>
<td>3. 1965-66</td>
<td>13 wells</td>
</tr>
<tr>
<td>4. 1966-67</td>
<td>10 wells</td>
</tr>
<tr>
<td>5. 1967-68</td>
<td>5 wells</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>42 wells</strong></td>
</tr>
</tbody>
</table>

9.12 (a) During the period of 5 years, only 8 out of 42 proposed wells, were completed. This means the progress of construction of wells was very slow.

(b) It was noticed that individual loanee accounts were not maintained. There was also no record of full utilization of construction of 8 wells.

9.13 It is observed that schemes were sanctioned and necessary loans were also provided to the needy people. But target of construction of wells was not achieved. Only 8 out of 42 wells were completed during the period of 5 years. It therefore reflects that only 20 percent of the targets were achieved and 80 percent of the loan remained unutilised and this indicates that there was no proper implementation of the schemes. The set targets could not
be achieved due to negligent and indifferent attitude of the administrative officers. It also further proves that leadership was inactive and inefficient. Hence the rate of development work was most unsatisfactory. Eternal vigilance on the part of people’s representatives was absent and therefore the progress is very slow.

9.14 Eternal vigilance is the price of democracy so also the eternal vigilance, by the officials and non-officials, is the price of financial discipline and economic rural development.

Hence constant watch on proper implementation of scheme is of prime importance. For successful implementation of any scheme, it is necessary to create responsive, alert and vigilant rural leadership at the grass root level of rural masses, otherwise the future of Panchayati Raj would be dismal.