

No.MWSSB/CAO/

Date :- 7/3/1989.

Draft minutes of 45th Board Meeting of Maharashtra Water Supply & Sewerage Board held on 19th January, 1989 are placed below for approval please.

[Signature]
7/3/89
CHIEF ADMN. OFFICER.

MEMBER SECRETARY.

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7/3/89

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MINISTER (U.D.)
Chairman, ~~MWSSB~~ Board

[Signature]
8.3.89

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DRAFT MINUTES OF 45TH MEETING OF MAHARASHTRA
WATER SUPPLY & SEWERAGE BOARD, HELD ON 19TH
JAN.1989.

1. 45th meeting of the Maharashtra Water Supply and Sewerage Board, was held on Thursday, the 19th January, 1989, at 10.00 am. in Mantralaya. Dr. Ishaq Jamkhanwala, Hon. Minister for Urban Development Department and Chairman of the Board presided over the meeting. The following were present.

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|-----|-----------------------|-----------------------------------------------------------|
| 1. | Dr. Ishaq Jamkhanwala | Minister for Urban Development and Chairman of the Board. |
| 2. | Shri Panditrao Daund | Minister of State (R.D.) & Vice Chairman of the Board). |
| 3. | Shri D.K. Jain | Special Secretary (U.D.D) |
| 4. | Shri S.P. Unwala | |
| 5. | Shri M.G. Garde | |
| 6. | Shri Sangram Pomde | |
| 7. | Shri S.T. Khare | |
| 8. | Shri Narayan Valluri | Secretary (Exp.) F.D. |
| 9. | Shri Rajendra Singh | Municipal Commissioner Nagpur Municipal Corporation. |
| 10. | Shri S.S. Patwardhan | Member Secretary. |

1.1 The following members had intimated their inability to attend the meeting. Leave of absence was granted to them.

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|----|-----------------------|------------------------------|
| 1. | Shri V. Venugopalan | |
| 2. | Dr. K.R. Bulusu, | Scientist, "F" NEERI Nagpur. |
| 3. | Shri P. Subrahmanyam, | Secretary, R.D.D. |

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1.2 The following Officers of the Maharashtra Water Supply and Sewerage Board also attended as invitees.

1. Shri P.G.Bhojraj, Chief Engineer(U)
2. Shri Y.V.Joshi, Financial Adviser and Chief Accounts Officer.
3. Shri P.R.Kulkarni, Chief Engineer(R)
4. Shri S.V.Belsare, Chief Engineer(P)
5. Shri Y.S.Sonawani, Chief Admn. Officer

The proceedings of the meeting are as under:-

ITEM NO.1:- Confirmation of minutes of 44th meeting of Maharashtra Water Supply and Sewerage Board held on 22.9.1988.

Member Secretary reported to the Board that, as mentioned in the Agenda Item correction has been proposed by Shri V. Venugopalan, Adviser, P.H.E., Government of India, Member and it was clarified that the correction was only in respect of a typographical error. There was no other correction and hence the minutes were approved.

ITEM NO.2:- Action taken/initiated or being taken on the actionable points, in the minutes of 44th meeting of the Board held on 22.9.1988.

Member Secretary explained in brief, the action taken or being taken as described in the Agenda Item. Shri S.T.Khare, in connection with Item No.5 of the 44th meeting, enquired as to the propose for which a reference has been made to Government, in Urban Development Department for granting of pay and allowances to

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Shri S.D.Bhide, for the suspension period. It was informed that Board desires to have an opinion of the G.A.D. in this respect. Members noted the action taken on the minutes of the earlier meeting as brought out in the Agenda Item.

ITEM NO.3:- Constituion of a Committee to go into the aspects of functioning of the Maharashtra Water Supply and Sewerage Board.

Initiating the discussion, the Member Secretary informed that the Annual Report of the Board for the year 1985-86 was considered by both the houses of Legislature during the winter session of Nagpur in December, 1988. During the discussions in the Assembly, many members had criticised the functioning of the Board. He clarified that, after taking into account the seriousness of the siutation. Government had constituted a Committee to study the working of the Board with a view to enabling the Board to discharge its functions in a better manner. Member Secretary mentioned that Shri N.V.Merani, Secretary, P.W.D. is the Convenor of this Committee while Ex.Member Secretary Shri B.V.Rotkar is the Member Secretary of the Committee and that Shri S.T.Khare and Shri S.V.Natu are the other two members. He further mentioned that the preliminary meeting of the Committee was held on Jan. 17, 1989 and the subject matter was broadly considered by the Committee and line of action was also decided. The Committee is to submit its report to the Government in a period of three months. Briefly discussing the terms of reference of the Committee, Member Secretary informed that when the report will be submitted to the Government

Action C.A.O.

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the Board would also be kept informed.

Item No.4:-Non-plan Loan assistance from the Consortium of L.I.C|G.I.C|U.T.I for financing Urban Water Supply Schemes

Initiating the discussion, the Member Secretary informed that a series of meetings were held in the past, with the Planning Department as regards the loan being made available for Urban Water Supply and Sewerage Schemes. He also mentioned that L.I.C. adopts a sliding scale for the plan loan. The gap between the loan admissible and the loan actually available is made good by the Board, through advances from O.M.B. loans since percentage of loan assistance goes on reducing with a gap of 25% for schemes costing above Rs.5 crores. It was in this context that a proposal was considered by Government of Maharashtra and Maharashtra Water Supply and Sewerage Board to obtain Rs.100.00 crores loan assistance from the consortium, when it was indicated that a loan to the extent of 50% of the gross cost of the scheme would be made available to these schemes posed to the consortium for non-plan loan, the loan would have a rate of interest of 14% (as against 10.25% for the normal of L.I.C.Loan) and a repayment period of 22 years, with three years moratorium. It was clarified that for the year 1988-89, the Board proposed to avail of a loan assistance of Rs.16.50 crores for Amravati, Ahmednagar and

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/with a total loan
componant of Rs.
60 crores.

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Dhule Water Supply Schemes, together costing Rs.120 crores. It was further clarified that for the schemes costing more than Rs.5 crores, technical clearance from Government of India is required and such clearance has already been obtained for Amravati Dhule Water Supply Schemes, while the same is expected in the case of Ahmednagar.

Special Secretary, Urban Development Department, raised a point that the O.M.B. loan was the nature of an additionality. Member Secretary clarified that the gap between the loan admissible and the non-plan loan to be raised would be good through O.M.B. To a query from Shri S.T.Khare, it was clarified that the State fully utilises the plan loan earmarked for the State every year.

Chairman, wanted to know about the statement of Hon'ble Minister of Finance, Government of India which appeared in the News-papers regarding the Government clearance to Ahmednagar Water Supply Scheme. Member Secretary informed that administrative approval to the scheme has been already accorded by the State Government and that reference to Government of India for technical clearance has been made which is expected early. Member Secretary also clarified that the Municipal Council has not made payment

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towards 10% Popular Contribution and the issue is being sorted out by discussions across the table.

Shri S.T.Khare, wanted to know as to whether Municipal Council would be exempted from making payments towards Popular Contribution on the lines of Amravati Water Supply Scheme. Member Secretary clarified that the case of Amravati Water Supply Scheme was only exceptional and the Government had accepted liability only as a special case. It was also clarified that the exemption from making payment towards Popular Contribution is not related to the financial condition of the Amravati Municipal Council.

Vice Chairman also enquired as to the procedure to be followed if other Municipal Councils also approached for waiving Popular Contribution, Member Secretary informed that proposals in this respect have been also received. Special Secretary, Urban Development Department observed that, since funds are limited, preference should be given to the local bodies who are interested in having facilities and who agree to pay the Popular Contribution.

Chairman expressed his concern that outstanding dues payable by the local bodies to the Board have reached a figure of Rs.70 crores. He further mentioned that the concession could be accepted in case of "C" Class Municipal Councils

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whose financial position is weak. But it is surprising to note that even "A" Class Municipal Council are not paying dues to the Board. He added that Government has decided to consider a proposal to convert the portion of Popular Contribution into a loan in deserving cases. For the present, however, suitable instalments for payment of Popular Contribution are being allowed.

Shri S.T.Khare was of the view that a number of schemes could have been executed if the 10% Popular Contribution of Amravati Municipal Council i.e. Rs.5.5 crores would not have been waived. Special Secretary, Urban Development Department referred to a formation of working group for formulation of proposals for the 8th Five Year Plan stating that the working group would consider alternatives for the financing pattern.

At this stage, quoting the examples of Kholapur and Bhandara Municipal Councils the Chairman insisted that filters may be provided for the Urban Schemes. Vice Chairman also supported this view giving a specific reference of cases when a canal has been adopted as a source.

Members also discussed about the sanitation aspects wherein resettlement of hutments and other related issues were discussed. The Chairman also made a mention about the recent exhibition he visited at Delhi in this connection. Vice Chairman insisted on providing

Action:C.E.(U)

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close conduct to avoid pollution and also mentioned that care should be taken in the case of supply drawn at Pune and nearby towns/villages.

With this discussion, Board approved the proposal of drawing non-plan assistance from the Consortium and the following resolution was passed.

RESOLUTION

"RESOLVED THAT the Maharashtra Water Supply and Sewerage ^{Board} hereby agrees to raise a non-plan loan of Rs.60 crores (for Amreavati), Rs.27.50 crores for Dhule Rs.20 crores and Ahmednagar Rs.12.50 crores, sanctioned by the Consortium of L.I.C., G.I.C. and U.T.I. in suitable instalments on the terms and conditions laid down by the Consourtium. The Board also authorises its Member Secretary/Financial Adviser and Chief Accounts Officer to execute separate agreements with the members of the Consortium by affixing the common seal of the Maharashtra Water Supply and Sewerage Board."

ITEM NO.5:- Plan loan assistance from L.I.C. of India for financing Urban Water Supply and Sewerage Schemes during the current financial year 1988-89.

Member Secretary informed that this is a normal programme of obtaining loan assistance from the L.I.C. for which plan allocations are available. He mentioned that a formal approval of the Board is required since the loan is to be raised by

Board [i] on behalf of local bodies. The Planning Department, Finance Department and Urban Development Department of Government have already approved the proposal.

Board approved the proposal and following resolution was passed :-

RESOLUTION

RESOLVED THAT "the Maharashtra Water Supply and Sewerage Board hereby agrees to raise the loan from L.I.C. not exceeding Rs.1,454 lakhs (Rupees Fourteen Crores and Fifty Four lakhs only) on the standard terms and conditions laid down by L.I.C. and authorises its Member Secretary to obtain Government sanction and guarantee thereto. The Board also authorises Member Secretary/Financial Adviser and Chief Accounts Officer to execute the agreement with the L.I.C. of India by affixing the common seal of the Maharashtra Water Supply and Sewerage Board."

ITEM NO.6:- Open Market Borrowing Programme for the year 1988-89

Member Secretary explained that this proposal is similar to the plan loan and it discussed by the Board earlier. He said that the proposal of O.M.B. has approved of Government of Maharashtra and the R.B.I. and is to be utilised for bridging

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the gap between the loan admissible and the loan actually received for the schemes from the L.I.C. and for grant of loan against Popular Contribution to deserving Municipalities. He clarified that, compared to the plan loan assistance, O.M.B. loan is costlier, since the number of annual instalments, is (10) and the rate of interest is high (1+2). He further mentioned that recovery of loan starts immediately after one year and with the higher rate of interest and lower repayment period. This has an adverse impact on the water rates which being objected to by the local bodies.

Secretary, Finance Department wanted to know whether there is any alternative source of soft loan other than plan-loan of L.I.C. Member Secretary clarified that L.I.C.Loan is the only source of soft loan.

To a query of Shri S.T.Khare, Member Secretary clarified that O.M.B.Loan assistance for Baramati and Wani underground Sewerage Scheme is proposed to be made available subject to clearance from Government of Maharashtra since these schemes have been already completed/taken up for execution.

After these discussions, the Board approved the item and passed the following resolution.

RESOLUTION

RESOLVED THAT "the Board hereby requestes the Government of Maharashtra in Urban Development Department to permit the Board to raise the Open Market Borrowing loan not exceeding Rs.14.20 crores during 1988-89on such terms and conditions as specified by the Government under Government guarantee vide Section 31 and 33 of the Maharashtra Water Supply and Sewerage Board Act, 1976."

ITEM NO.7:- Revision of pay scales with effect from 1.1.1986.

Member Secretary informed the Board that in this connection a proposal was submitted to Government to make applicable pay scales recommended by 4th Pay Commission as approved by Government of Maharashtra for its employees on the basis of recommendations of Pay Equivalence Committee, with effect from 1.1.1986.

On the suggestion of the Government formal approval from Board is sought and Government would be informed accordingly with a request to allow the Board to make the pay scale applicable to Board employees.

Vice Chairman wanted to know whether the Engineers of the Board are being paid at par with Engineers working in Government. Member Secretary replied in the affirmative and clarified that, since the major portion of the Engineering Wing of the Board has been served out from Irrigation Department in the past, the same

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pay scales are to be made applicable to Engineers working in the Board also. Financial Adviser and Chief Accounts Officer also clarified that a budget provision of Rs.2.25 crores exists for the year 1988-89 to make payment to Board employees towards arrears of pay and allowances etc.

Board approved the proposal and following resolution was passed:-

RESOLUTION

RESOLVED THAT "the Board hereby approves the proposal of revision of pay scales of the Board employees with effect from 1.1.1986 as detailed in the Annexure-II and authorises the Member Secretary to approach Government for obtaining necessary approval as required under Section 66(2) of the Maharashtra Water Supply and Sewerage Board Act 1976.

The Board further resolves that the pay of the Board employees in the revised scale of pay will be fixed as per instructions issued by the Government from time to time and the expenditure on account of revision of pay will be met from the Board's approved budget provision."

ITEM NO.8:- Annual Report for the year 1986-87.

Member Secretary mentioned that the report for the year 1986-87 has been placed before the Board

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and after approval, it is to be placed before the legislature.

Shri S.T.Khare, observed that, referring to Annexure-V Pages 102 to 104, percentage of loss for some towns is very high compared to other towns. Member Secretary clarified that these losses represent the difference between the quantity pumped and quantity supplied and does not include free use of water. Vice Chairman also observed that losses in case of Amravati, Tiroda, Karanja and Morshi are high. Board Officials agreed to re-examine the cases particularly that of Taroda town. To a query, Member Secretary clarified that distribution losses to an extent of 25% are considered reasonable. Shri S.P.Unwala, informed the Board that losses in other countries are even higher than 25% and cited examples of ^{Bangkok in (Thailand)} Hongkong and

Action:F.A.&.C.A.O

by Manila in Phillipines. He further suggested that attention needs to be given to the leak detection programme. At this stage, Shri S.T.Khare, observed that the allocations are being made by the State Government only for water supply and no importance is being given for sanitation sector i.e. to new Sewerage Scheme and the low cost sanitation proposals. He also raised the question of the related unhygienic method of human waste disposal. Member Secretary agreed with the view expressed by Shri Khare and mentioned that, since the underground sewerage schemes are costly, the general guidelines proposed only for towns having population more than one lakh and low cost sanitation schemes should be initiated

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in other towns. This aspect is effectively considered while formulating proposals for the 8th Five Year Plan.

Vice Chairman wanted to know about the Sewerage Scheme of Miraj. It was clarified that the scheme already exists at Miraj and needs augmentation for which the proposal is under investigation. This issue further will have to be linked up with the paying capacity of the local body.

Special Secretary, Urban Development Department complained that, even though placing of annual report before the legislature is a statutory obligation, (Section-61 of the Act), Board is not giving attention to this requirement and the submission is always delayed. Financial Adviser and Chief Accounts Officer expressed regret on behalf of the Board Office and assured that hereafter there would not be such delay.

Action P.R.O

Special Secretary, Urban Development Department then suggested that the administrative report should be presented to the Board within 6 months of the close of the year. He further suggested that the report for the year 1987-88 should be placed before the Board's next meeting so that reports for the year 1986-87 and 1987-88 could be together placed before the legislature in the ensuing session. In this respect, he suggested that the compilation of the report should be entrusted to a small group by identifying the competent persons in this respect. He also suggested that, it should be a concise report and

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such action even for the report of year 1986-87 may be taken as it is not placed before the Board.

Action: P!R!O!

Since this is an administrative report, it should be concise and to the point and even the report for 1986-87 could be recast accordingly. The Member Secretary stated that, if the Special Secretary indicates the modifications, they will be carried out before submitting the report to Government.

After these discussions, the Board approved the Annual Report for the year 1986-87 and following resolution was passed.

RESOLUTION

RESOLVED THAT "the Board approves the Annual Report for the year 1986-87 and authorises the Member Secretary to forward the same to Government for placing before the Houses of Legislature".

ITEM NO.9:- Adoption of account of Maharashtra Water Supply and Sewerage Board for the year 1987-88.

Initiating the discussion Financial Adviser and Chief Accounts Officer observed that the operation of the water works during the year has resulted in a deficit of Rs.2.50 crores in the mofussil area and Rs.1.95 crores in the Board as a whole.

Financial Adviser and Chief Accounts Officer clarified that during the year 1987-88 there is

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overall surplus of Rs.51 lakhs after taking into account loss of Rs.1.95 crores in respect of operation of water works and Rs.0.47 crores for the financial activities and a cumulative surplus of Rs.4.38 crores in recoveries of E.T.P.charges. He further clarified that the surplus in admn. charges is due to the fact that a large number of posts are lying vacant in view of Government ban on recruitment. This situation would be change when these posts are filled in and revision of pay scales is implemented.

In respect of a query of Secretary, Finance Department it was clarified that the full provision towards sinking fund has been made. It was also clarified that, in view of huge outstanding arrears, it is extremely difficult for the Board to manage its activities within the funds received from Government and this adversely affects cash flow condition.

Thereafter, Board noted the accounts and the following resolution was passed :-

RESOLUTION

RESOLVED THAT

- 1) The accounts for the year ended on 31.3.1988 be adopted.
- 2) Further resolved that the accounts for year 1987-88 be authenticated by the Chairman and the Member Secretary on behalf of the Board.
- 3) Further resolved that the minor corrections in the adopted accounts which do not materially alter the

working results brought out in the accounts may be carried out under the signature of the Financial Adviser and Chief Accounts Officer and the Member Secretary.

4) Resolved that the following appropriations may be approved:-

- i) A sum of Rs.227.53 lakhs be appropriated towards Depreciation fund.
- ii) A net sum of Rs.55.16 lakhs may be appropriated towards Pension Contribution Fund.
- iii) A sum of Rs.84.70 lakhs may be appropriated towards Sinking Fund."

ITEM NO.10:- Accountant General's Audit Report for 1986-87.

Member Secretary mentioned that the accounts of the Board for the year 1986-87 have been certified by the Accountant General, Bombay. The Audit Report on the accounts of the Board alongwith the replies thereto is placed before the Board as the certified accounts for the year 1986-87 alongwith the Audit Report thereof has to be submitted to Government for placing before both the houses of Legislature.

The financial Adviser and Chief Accounts Officer explained that in addition to a few cases of avoidable expenditure the Accountant General (Audit-I), Bombay has raise three important

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observations in the Audit Report on the accounts for the year 1986-87. These points are mainly

(a) charging of depreciation on the assets of the Board (b) Increase in M.P.W. Advances (c) surplus of Rs.16.85 has become a deficit of Rs.10.85 lakhs F.A.&C.A.O. further explained these points as follows :-

(a) Audit has mentioned that the fixed assets were understated to the extent of Rs.16.62 crores being the value of 16 Water Works and 4 augmentation schemes which were reported to have been commissioned as per annual report for the year 1985-86. Consequently depreciation of Rs.37.41 lakhs had been understated in the accounts resulting into overstatement of surplus to that extent. It was explained that as per Commercial Accounting Principles, the amount lying under work-in-progress can be transferred to the fixed assets only when the works accounts have been closed. The works accounts of the water supply schemes mentioned by the audit have not been closed mainly owing to non-completion of all the works. However, considering the audit objection, the depreciation for the year 1987-88 on these assets have been provided in 1987-88 accounts on a provisional basis by explaining the position by way of a note forming part of the accounts.

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(b) The Audit had expressed concern of increasing trend of the amount booked under "M.P.W.A." The balance under this head which was Rs.74 crores as on 31.3.1986 has gone up to Rs.82 crores as on 31.3.1987. In this connection F.A.&C.A.O. also referred to the earlier discussion in which it was desired that the report indicating the clearance of Suspense head "M.P.W.A." should be placed before the Standing Committee. He said that the increase in M.P.W.A. was mainly because revised administrative approvals had not been obtained for many schemes.

It was explained that exhaustive instructions had already been issued to the field officers for expeditious clearance of "M.P.W.A." and the progress is watched through quarterly return. Besides, a special drive is also launched by sending parties, to clear this suspense.

(c) The audit has stated that the surplus of Rs.16.05 lakhs shown in the accounts for the year 1986-87 will become a deficit of Rs.10.65 lakhs due to certain omissions/commissions in the account. F.A.&C.A.O. explained that the audit has also proposed a draft para on the subject. However, as explained in the reply to this para, the contention of the audit is not tenable as the Audit has not taken into account the depreciation overcharged (as pointed out by Audit) on C.I.D.C.O. Water Works.

After the clarification from the F.A.&C.A.O. the Board approved the Audit Report for the year 1986-87 and the following resolution was passed.

RESOLUTION

RESOLVED THAT "the accounts of the Board for the year 1986-87 are approved by the Board. The accounts duly certified with Audit Report of the Comptroller and Auditor General of India thereon may be passed on to Government for placing before the State Legislature".

ITEM NO.11:- Third party inspection of materials by "Engineers India Limited".

Initiating the discussion, Member Secretary explained that so far inspection of materials procured by the Board through rate contracts was being carried out by the D.G.S.&D. authorities. Experience of such inspection was not, however, satisfactory and even after the inspection, there were cases of sub-standard supply of pipes, joints which gave rise to severe criticism. Board, therefore, enquired with similar organisations i.e. Rajasthan, Jammu-Kashmir and Gujarat in this respect, when it was learnt that in these States, the third party inspection is entrusted to M/s- "Engineers India Limited", a Government of India undertaking, which is a renowned organisation in the public sector.

Member Secretary also informed that Board Officers had informal discussions with Engineers India Limited (E.I.L.) in this respect and that the Director, C.S.P.O. have also approved inspection by E.I.L. A Senior Officers of the Board who visited Gujarat in this connection was given to understand that D.G.S.&D. inspects

only the final product, while E.I.L carries out testing in respect of raw materials also and guides the manufacturer even in respect of the process. It is in this respect that Board considered it advisable to entrust the work of inspection to E.I.L. so that there will be no problems regarding quality.

Member Secretary also made a reference to the recent discussions in the Assembly as regards complaints in respect of quality of the materials purchased by the Board. He mentioned that even if rates being charged by E.I.L. are high as compared to D.G.S.&D., it would be worth-while to prefer inspection by M/s. E.I.L. to ensure quality control. He further explained that E.I.L. were requested to reduce the rates but they are not agreeable since the same rates are made applicable to other States also. Considering the need to go to the rescue of the field Officers, Member Secretary expressed that the proposal be accepted by the Board.

Shri S.P.Unwala strongly supported the proposal of entrusting inspection to E.I.L. He has however, some reservations whether this would result into receiving higher offers from the suppliers. Member Secretary clarified that on the basis of the information received from Gujarat

the rates quoted by the suppliers after resorting to E.I.L. inspection are more or less same as those prevailing with the D.G.S.&.D. inspection.

Shri S.T.Khare, wanted to know whether M.S.S.I.D.C. is consulted by the Board in case of such inspection. Member Secretary clarified that Board has no control in such cases. It was also informed that the C.S.P.O. is only concerned with fixing agencies and in the present case rate contract is in favour of M.S.S.I.D.C. which have almost an umbrella cover in the market.

Vice Chairman wanted to know whether the Board has any information about units which are supplying A.C. and P.V.C.Pipes but not through the M.S.S.I.D.C. He also expressed concern that S.S.I.Units are not quality concious because they have an assured market from M.S.S.I.D.C., which opinion was also supported by Member Secretary quoting instances from Chandrapur district and also the case of supply of C.I.Pipes for Talegaon Dabhad@Scheme. Member Secretary also clarified that it is difficult for the Board to agree with M.S.S.I.D.C. that the cracking of pipes might be due to mis-handling and damages caused during transportation. It was also pointed out that pipes supplied by Maharashtra Asbestos Co. and Swastik Industries Limited at Tulajapur were giving trouble and the line could not be changed. The work of providing and laying and testing of pipe line was also entrusted to the suppliers only to avoid any further dispute of handling of pipes during transport etc. The work was, however, very much neglected by the firms. The Vice Chairman directed not to make any

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payment on any account to these firm fall any of the offices of the Board ^{unless} ~~Union~~ the Tulajapur work is completed by these firms. Although M.S.S.I.D.C. have suggested inspection by Board, it is not considered appropriate as this may give rise to some other problems.

Shri Pomde, suggested that, instead of paying huge amounts to E.I.L., the Board should create Inspection Circle to ensure quality etc. He also suggested that maintenance of the schemes should be carried out by Board Engineers which can put an end to the complaints. Member Secretary welcomed the intention behind the suggestion. However, he expressed that, considering the manpower available with the Board, expertise and knowledge called for in inspection of raw materials, and manufacturing process and Government ban on recruitment, it would not be possible to implement the suggestions at this stage.

Vice Chairman also suggested that instead of procuring material from M.S.S.I.D.C., Board may invite tenders for such purchase. Member Secretary clarified that material is being purchased through M.S.S.I.D.C. against rate contract as per Government guidelines and that no change is possible unless it is considered at Government level, being a policy decision. Vice Chairman agreed to hold discussions with officers concerned for this purpose.

Action:S.E.(HQ)

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Vice Chairman also enquired why inspection charges should be paid by the Board. It was clarified that, if these charges are not paid by Board, these would be indirectly considered by the supplying agency and would increase their rates at the time of submitting offers.

After this discussions, the proposal was approved and the following resolution was passed:-

RESOLUTION

RESOLVED THAT

- 1) Board approves the proposal of entrusting the work of third party inspection of material such as P.V.C.Pipes, A.C.Pipes and C.I.D.Joints to M/s. Engineers India Limited, New Delhi, a Government of India undertaking, as per rates informed by them vide their letter dt. 1.12.1988 and the cost of inspection would be borne by the consignee debiting the same to the works concerned
- 2) Member Secretary of the Board is authorised to take further necessary action in the matter."

ITEM NO.12:- Improvements to Bhandara town
W.S.Scheme-proposal for treatment plant
(District-Bhandara)

Member Secretary explained the situation regarding introducing sub-work of filters, which

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has been already discussed under Agenda Item No.4. It was explained that this is a Board Scheme and that Government grant is admissible for this scheme. The Municipal Council has already passed a resolution. Hon. Minister for Urban Development had visited Bhandara and noted the requirement. Necessary provision is made in the Board's budget and for L.I.C. loan. Board approved proposal of taking up work of filtration plant for Bhandara Water Supply Scheme and following resolution was passed :-

RESOLUTION

RESOLVED THAT the Scheme "Improvements to Bhandara Water Supply Schemes-filtration plant" amounting to Rs.87.893 lakhs gross with 17.5% E.T.P.charges may be taken up as Board's Scheme after receipt of administrative approval from Government with usual financial pattern. It is further resolved that the Member Secretary of the Board is authorised to take further action for the implementation of the scheme."

// ITEM NO.13:- Augmentation to Akot Water Supply Scheme, District Akola, costing Rs.64.68 lakhs....

Board was informed that the town draws its supply from 9 tube wells, location of which was fixed in consultation with G.S.D.A. and presently supply

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to the extent of about 2.26 mld can be made to the consumers during summer. Considering need for Augmentation, Board proposes to take up an additional scheme based on 8 new tube wells.

Shri S.T.Khare enquired whether the Board is aware of the fact that the ground water table is depleting and whether there will be any proposal for recharging. Member Secretary informed that this aspect is looked into by G.S.D.A.

With this discussion the proposal of undertaking augmentation scheme for Akot was approved and the following resolution was passed :-

RESOLUTION

RESOLVED THAT "Augmentation to Akot Water Supply Scheme costing Rs.55,05,055/- net and Rs.64,68,440/- gross with 17.5% E.T.P.charges may be taken up as Board scheme after receipt of administrative approval of Government to the Scheme. Further it is resolved that Member Secretary of the Board is authorised to take further necessary action for implementation of the scheme."

ITEM NO.14:- Improvements to Karmala Water Supply Scheme(Augmentation) Ujani dam as source...

Member Secretary explained the need to take up augmentation scheme for Karmala town and observed

that the proposed scheme is a costly one, involving long lengths of the pipeline whereby local body will have to pay Popular Contribution of Rs.43/- lakhs. This also has an impact on the cost of water which indicates that the consumer may have to pay more than Rs.4/1000 litres if the scheme is taken up, as an independent scheme.

With the concept of "pooled rate", it would be possible for the Board to supply water at a lower rate. Member Secretary further stressed that under such circumstances, it would not be a desirable to entrust implementation of such schemes to the local bodies because, they would never be able to complete such large schemes. He also observed that L.I.C. would also hesitate to give loan to Municipal Councils under such circumstances.

With this discussion approval for taking scheme of Improvements to Karmala Water Supply Scheme was given and the following resolution was passed :-

RESOLUTION

RESOLVED THAT

- 1) Board approves the proposal of taking up for execution as a Board scheme the "Augmentation to Karmala Water Supply Scheme (District Solapur)" estimated to cost Rs.4,30,25,000/- gross with all the financial liabilities and by availing of the G.I.A., L.I.C. Loan etc. as admissible.

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- 2) Member Secretary, M.W.S.&S.Board is authorised to take further necessary step for (i) obtaining administrative approval to the scheme from Government and (ii) for implementation of the scheme."

ITEM NO.15:- Latur Water Supply Scheme - Proposal for providing 700 mm dia gravity main from Shivaji Chowk to Gandhi Chowk ESR.....

Member Secretary clarified that the scheme to lay 700 mm dia C.I.gravity main to replace existing 600 mm dia prestressed main has been administratively approved by Government and formal approval of the Board is sought since it is a Board scheme.

Vice Chairman enquired whether Municipal Council is in arrears and in that case water supply should be stopped. It was informed that the arrears of Rs.1.20 crores have now gone to Rs.1.59 crores. Member Secretary informed that Executive Engineer, Parbhani has informed Parbhani Municipal Council that a cut of 25% would be imposed, Vice Chairman stated that similar 25% cut be applied for Latur also.

Action:C.E(U)

With this discussion, Board approved the proposal of taking up the scheme of laying 700 mm dia gravity main for Latur Water Supply Scheme and passed the following resolution.

RESOLUTION

RESOLVED THAT "the work of laying 700

36

mm dia C.I.gravity main from Shivaji Chowk to Gandhi Chowk at Latur, costing Rs.46.37 lakhs and already approved by Government be taken up as a Board scheme.

2. Board further resolves to empower the Member Secretary of the Board to take necessary further action in the matter."

ITEM NO.16:- Kolhapur Water Supply Scheme - Augmentation to Balinga Water Works and providing filters

Member Secretary clarified that Emergency Water Supply Scheme was sanctioned earlier by Government and at that time component of filters was deleted. Government subsequently accorded administrative approval to this scheme as a regular scheme in August 1988. It is now proposed to take up the work of providing filters as a Board scheme.

Board was requested to

- a) approve the proposal of undertaking work of filters estimated to cost Rs. 42.60 lakhs.
- b) to accord ex-post-facto sanction to the scheme costing Rs.53.15 lakhs which has been approved administratively in August, 1988.

Proposal were approved and the following resolution was passed:-

RESOLUTION

(31)

RESOLVED THAT "Board approves to accord ex-facto sanction to the Aug. to Balinga Water Works Scheme for Kolhapur city costing Rs.53.15 lakhs already adm. approved by Government in August, 1988, as a Board scheme and approval to the supplementary proposal of providing filters to the supplementary proposal of providing filters and allied works to Balinga Water Works costing Rs.42.60 lakh is also accorded as Board Scheme with all the liabilities and by availing of the G.I.A. loan etc. as admissible.

b) Member Secretary, M.W.S.&.S.Board is authorised to take further necessary steps for (i) obtaining administrative approval to the scheme costing Rs.42.60 lakhs from Government and (ii) for implementation of scheme."

ITEM NO.17:- Proposal for Water Supply arrangements to Kavikulguru Institute of Technology and Science Campus on Mouda Road at Ramtek from Ramtek Water Works(Board's Water Works)

Member Secretary explained details in brief and informed that the work is to be executed through the funds available for removal of backlog. It was also clarified that the beneficiaries are ready to pay 10% Popular Contribution for the work on existing pipeline of Rametek Water Supply Scheme. It was decided to pass the following resolution:-

RESOLUTION

RESOLVED THAT "the Water Supply Scheme for Kavikulguru Institute of Technology and..31/

Science Campus, Ramtek and for other surrounding societies etc. costing Rs.8,89,574/- gross with 17.5% E.T.P.charges may be taken up as a Board's Scheme after receipt of administrative approval of Government to the scheme.

Further, it is resolved that the Member Secretary of the Board is authorised to take further necessary action towards implementation of the scheme."

ITEM NO.18:- Creation of additional works
Division and 2 Sub-Divisions in Buldhana
District.

Member Secretary explained needs for creation of the new division to cope up with the increased workload in Buldhana district. He also mentioned that in view of ban on creation and filling up of posts, the proposal will have to be put up to the Cabinet for approval. He added that 142 posts of Junior Engineers have remained vacant for a long time and the said ban has adversely affected implementation of various schemes undertaken by the Board.

Secretary, Finance Department observed that Government would consider the proposal sympathetically when reference to that effect is made to Government. Vice Chairman also suggested similar review for creation of new division in Jalgaon district.

Action:C.A.O.

Shri Pomde mentioned that creation of additional sub-division for Latur was approved, but existing sub-division from Aurangabad has been transferred

Action:C.A.O

where by work at Aurangabad has suffered. He, therefore, suggested that sub-division from some other place should be shifted to Latur. Member Secretary agreed to consider this suggestion. He also mentioned that overall workload in the Board has increased to a large extent, but organisation has not been strengthened in that proportion. He also expressed a view that the existing norms are inadequate. He informed that the Board has issued guidelines on 25.11.1988 to identify the workload of the Junior Engineer. It is, therefore, necessary to atleast fill up the vacant posts and Government is considering this issue with reference to redeployment of the staff in P.W.D.in the context of Zero Base Budget review. Vice Chairman suggested that a comparative review of workload of all divisions should be carried out.

Action:C.A.O

Shri Pomde stressed that it would be necessary to approach Cabinet for creation and for requirement of No. of posts of Engineers. The following resolution was then passed :!

RESOLUTION

1) RESOLVED THAT the Board approves the proposal for creation of 1 additional works divisions and 3 sub-divisions for Buldhana district. The details of the posts for 3 additional charges are as per Annexure - II to the item note.

(34)

2) FURTHER RESOLVED THAT the Member Secretary is authorised to approach the Government for obtaining sanction to the creation of an additional division and 3 sub-divisions for Buldhana district with the requisite posts."

ITEM NO.19:- Providing and laying 900 mm dia. M.S.Pipe conveying main from Bund bridge to the E.S.R. (4.5.M.L.Capacity) at Thackery hill at Pune

Member Secretary explained the proposal in brief which was approved and the following resolution was passed :-

RESOLUTION

RESOLVED THAT the Board approves the proposal of taking the work of laying 900 mm dia ^{M.S} conveying main starting from 27" dia existing gravity main (M.L.S.R.) at Bund Bridge upto Thackery hill reservoir, estimated cost Rs.36.53 lakhs gross, as Board's scheme with financial liabilities. The Member Secretary of the Board is authorised to take further action in the matter so as to take up this work on priority after receipt of adm. approval to this scheme from Government."

Item No.20:- Construction of office building
at Nasik (2nd Floor).

The proposal was discussed. Member Secretary also mentioned about functioning of the Nasik Training Centre and it was then suggested that Board meeting may be held at this training centre, so that all the Members of the Board would be in a position to appreciate activities being carried out at this centre.

Action : C.A.O.

Following resolution was passed:

"RESOLVED THAT the sanction is accorded to take up the work of construction of second floor on the existing Board building at Nasik Division Office situated in Holaram Colony in S.No.6866 of Nasik. The estimated cost of the work is Rs.4,88,300/- gross and this amount be made available from the approved budget provision. The Board further resolves to authorise the Member Secretary to take further action in the matter".

Item No.21:- Construction of rest house at Nanded and Chikhaldara (Dist. Amravati).

and

Item No.22:- Construction of the staff quarters for class-III and IV staff at Pune Cantonment Water Works, Pune.

Vice Chairman observed that, considering the present position of paucity of funds, it would not be desirable to go into construction of staff quarters and rest houses. Shri Pomde, however, stressed the need of a rest house at Nanded, saying that it was very difficult for the Board engineers to find out accommodation in Govt. rest house at Nanded. Board, however did not agree to the proposals made in items No.21 and 22.

Item No.23:- Consultancy advice for Development
of Research and Training Centre at
Nasik Road. -----

Member Secretary informed that this item has
put up only for information of the Board.

Item No. 24:- Technology Mission on drinking water in villages and related water Management.

Shri P.R.Kulkarni, Chief Engineer(Rural) initiating discussion high-lighted the programme undertaken during 7th F.Y.P. to solve drinking water supply difficulties in villages with special reference to the job entrusted to Maharashtra Water Supply & Sewerage Board. He then mentioned about the National Technology Mission launched by the Prime Minister with further details of two mini missions and five sub-missions with the target as detailed in para 2 of the Agenda Item note. It was thus revealed that in order to achieve targets of this Sub-Mission, work-load of Maharashtra Water Supply & Sewerage Board would be substantially increased.

At this stage, Member Secretary observed that as mentioned in the earlier meeting, Board is at present heavily loaded with the increased work-load and finds that the organisation has been under-staffed to a large extent and the situation is further aggravated because of the vacant posts of Junior Engineers (142 Nos.) which cannot be filled-in, in view of Govt. ban. He further strongly advocated the need to strengthen the organisation to meet this requirement.

Secretary, F.D., however, had reservations as regards the conspectual thinking behind this Sub-Mission. He expressed that as per his information better facility and better performance is to be provided by the agency earlier engaged for the problem work with a view to have better utilisation of funds spent by Govt. of India.

Member Secretary, however, clarified that such programme for rural water supply schemes specifically mentioned in para-2 of the agenda item involves additional work and this is not part of the original work-load. He also mentioned that additional funds are being made available for this purpose by Govt. of India. Therefore, strengthening of the organisation is absolutely necessary. He expressed that, if Govt. expects more work from the Board then creation of additional posts for this purpose is totally justified.

To a query from Shri S.T. Khare, it was replied that people's participation is expected while undertaking work under Technology Mission.

Vice Chairman expressed reservations regarding necessity to undertake work under this Sub-Mission in two districts of Satara and Latur on priority basis. He was of the opinion that situation as per the information with him in these two districts is not such as to warrant such priority. He, therefore, suggested that Govt. funds should not be invested in this manner and further suggested to take up work in other districts where there is more demand in this regard.

Member Secretary concluded and suggested that Board would make a reference on these facts to the Govt. in R.D.D. and that State Govt. may take up this matter with the Govt. of India in this regard.

Action; C.E.(R)

Recovery of outstanding dues from
the local bodies inadequacies of
methods of recovery.

Shri Rajendra Singh expressed concern on the Augmentation schemes to be taken up with loan liability in cases where Municipal Councils are not paying their dues. In this connection, he cited example of A'nagar W.S.S. which has been recently adm. approved, while as could be seen from page 217, Council is to pay Rs.234 lakhs to the Board.

F.A. & C.A.O. mentioned that these schemes are taken up as Board scheme and the loan liabilities are to be borne by Board while local bodies are willing to pay popular contribution. He further stated that implementation of the scheme would start only on receipt of popular contribution. Shri Singh was, however, still apprehensive whether these local bodies would be in a position to pay popular contribution. Chairman enquired as to what steps could be taken up under the circumstances. F.A. & C.A.O. described steps already taken by the Board in this respect and clarified that pursuasion has not yielded any substantial result. He had discussed with the Board officials in this respect and also with the local bodies where dues exceed Rs.1 crore, but even then dues have continued to increase and already gone to Rs.3 crores. He also stated that efforts to reduce arrears by the reconciliation are also being made. F.A. & C.A.O. informed the Board that the Special Recovery Officer has been appointed in the Board and he has already visited Kolhapur, Miraj,

(4)

Sangli and Ichalkaranji towns to reconcile the accounts. It was learnt that there is no provision in the budget estimates of the local bodies for making these payments and the same will have to be made hereafter F.A. & C.A.O. assured the Board that in the cases of these 14 Municipal Councils where major amount is involved would be pursued vigorously.

Action F.A. & C.A.O.

Chairman suggested that after all the attempts for reconciliation are over, a note be sent to all the concerned Municipal Council/Corporation. Thereafter a meeting should be arranged to be jointly attended by Minister UD and Chairman of M.W.S.S. Board and Minister of State, R.D.D. and Vice Chairman of the Board. Local bodies should be categorically informed to bring their firm replies in this respect and thereafter local bodies should be warned that Board would resort to strong measures such as reduction in water supply, approaching Court of law etc. for recovery of dues of the Board.

Item No.26:- Payment of fees to the Arbitrators.

F.A. & C.A.O. informed that it is proposed to discontinue the present panel of Arbitration and to have a new Arbitration panel. He pointed out the legal requirement in this connection that the Board has to appoint Arbitrator within specific period as per the Arbitration Act. He suggested that the names of Arbitrators may be finalised by Member Secretary in consultation with the Secretary, U.D. It was further decided that Member Secretary would consult Chairman while appointing Arbitrator from the panel.

The issue of fees to be paid to the Arbitrator was discussed and it was clarified that such cases are very limited and only for the works undertaken in the World Bank assisted project. Vice Chairman enquire as to whether we can delete the arbitration clause when it was clarified by Member Secretary that such action was ^{not} possible at this late stage and that arbitration has to be honoured once it has been specifically provided in the tender.

Shri Pomde suggested that Board should convince World Bank regarding arbitration cases. He also pointed out several arbitration cases. Member Secretary clarified that the World Bank insisted on following their rules. Shri Pomde suggested that we should make attempt again while taking up proposed Stage-II project. F.A. & C.A.O. mentioned that Board had tried to convince World Bank in the past, but the suggestion was not acceptable to the World Bank. He also referred to

two cases of International arbitration which were decided at Paris. Shri Pomde suggested that the efforts should be made to ensure that the No. of cases referred to Arbitrator are limited. Member Secretary informed that so far an expenditure of Rs.1.5 lakhs has been incurred on arbitration fees and that claims amounting to Rs.20 lakhs have been paid. It was also mentioned that normally arbitration awards are non-speaking. Vice Chairman then enquired about the possible solution in this respect and it was clarified that under the existing circumstances, the present system of Arbitration has to be tolerated.

Shri Singh enquired why the rates of fees of Arbitrators could not be fixed. It was clarified that efforts are made to fix rates in advance. It is, however, not possible in a case where time limit left is too short. Besides the nature of the scheme has also to be kept in view. It was further clarified that Board had listed names of retired High Court Judges in one of the recent arbitration case. It is now proposed to have retired Civil Judges, Sr.Dn.District Judges.

Vice Chairman also commented about the exorbitant charges claimed by Arbitrators. F.A.& C.A.O. clarified that in the particular case the matter was referred to the Arbitrator for reducing his fees but he refused to do so.

Action; F.A. & C.A.O.

After discussion, the Board accepted the proposal to discontinue the present Panel of Arbitrators and to form a new Panel.

Item No.27:- Handing over a part distribution system of Pune Cantonment W.S. between Sangampur & Ganeshkhind to Pune Municipal Corporation.

Member Secretary referred to the problem of *dual* control over the distribution of water in Pune Corporation area. He said that the Board favours the proposal of transfer of part distribution system to Pune Municipal Corporation, since the P.M.C. can feed this area from their source and to that extent, there would be surplus water with the Board which can be better utilised for needy areas. He clarified that Board wants to transfer the water works alongwith staff only.

Member Secretary referred to the discussion, Mayor Pune Corporation had with Hon'ble Chief Minister, when P.M.C. desired to take over the entire water works. He pointed out following points in this respect.

- 1) Basically, P.M.C. wants to have full control over water works.
- 2) If the water works is handed over, it would be handed over with staff.
- 3) Arrears of revenue are increasing and with such transfer, there could be some improvement.
- 4) Poona Cantonment water works is a fairly well maintained and one which is running in profit. If this water works is transferred, water rates of other water works would go up, at least by 20% or so.

- 5) Pune Cantonment Board has also to agree for such transfer.
- 6) Some land in the water works compound would remain with us.
- 7) Board would transfer the Bhairoba Pumping station also, where there is no revenue at all.
- 8) All the booster pumps also be transferred
- 9) P.M.C. has to pay depreciated cost of water works.

Member Secretary then sought directives from the Board for future discussion on this issue.

Shri S.T.Khare desired that the issue should be looked at in the larger angle and suggested that there should be a Water Authority to include Pimpri-Chinchwad also. Member Secretary expressed a doubt about this saying that rich persons would not like to join poor people. Chairman observed that interests of the Board should be protected. Shri Khare suggested that either the P.M.C. should be asked to clarify why they want to take over the water works, or, there should be Water Authority. Member Secretary mentioned an alternative, in which case, water would be sold at the boundaries of cantonment while the water works would remain with the Board.

Shri Pomde questioned the propriety of transfer when profit is expected. He suggested appointment of a Labour Officer to solve labour problems and it was clarified that a Labour Officer has already been appointed at Pune.

It was further clarified by Member Secretary that the water works would not be transferred free of cost, and suggested P.M.C. paying an amount equal to capitalised profits for 10 years.

Shri Singh observed that, at Nagpur 2 agencies are involved (Nagpur & Ambazari) and it is not always necessary that everywhere there should be control of a single agency.

Vice Chairman wanted to know the consequences if the water works is not handed over. He had apprehensions as to whether the staff would be really taken over by P.M.C. Member Secretary clarified that considering the experience of transfer of Pashan Water Works, he expects that staff would be taken over by P.M.C.

Vice Chairman also wanted to know whether the staff would be willing to be transferred. Member Secretary did not consider that there would be any difficulties in this respect but desired to know the opinion of P.M.C. first. He concluded that, after the discussions are over, a note would be submitted to the Chairman and the Vice Chairman.

Action: C.E.(Urban)

Item No.28:- Continuance of establishment
under Chief Engineer, MWSSP
Organisation beyond 28/2/1989

Member Secretary informed that the Board is managing its affairs particularly of Estt. through its own funds received by levying E.T.P. charges. He further mentioned that considering increase in work-load in other districts, two divisions have been recently transferred one each to Amravati and Dhule district. He also explained that the overall issue of restructuring the staffing pattern would be considered by the Mirani Committee appointed by Govt.

Thereafter Board accepted the proposal of continuance of estt. of Project organisation and following resolution was passed.

"RESOLVED THAT the Board has noted that two Divisions have been transferred w.e.f. 1-1-1989 to Amravati and Dhule District from Maharashtra W.S. & Sewerage Project Organisation and that in view of the magnitude of the huge work-load it is considered necessary to retain the office of the Chief Engineer (Project), two circles thereunder with 5 Divisions and the C.P.D.M.Circle together, upto period of 28-2-1990 and Govt. may be requested to grant continuance for 881 posts including division transferred to Amravati Dist. for a period upto 28-2-1990".

Action: Dy.C.A.O.

Item No.29:- Payment of Adhoc Bonus to the Employees of the Maharashtra Water Supply & Sewerage Board for the ~~Financial~~ year 1987-88.

After brief explanation about the background in this respect by F.A. & C.A.O., Board accepted the proposal of payment of Adhoc Bonus to the Board Employees as mentioned in the Agenda Item note. Thereafter, the following resolution was passed:

"RESOLVED THAT the Board approves and ratifies the action taken to sanction payment of the ex-gratia amount (i.e. adhoc bonus) equal to 17 days' emoluments to the employees of the Maharashtra Water Supply & Sewerage Board, for the financial year 1987-88, subject to the terms and conditions laid down in the Govt. Resolution, F.D.No.Bonus/1188/1144/SER-9 dated 25-10-1988 (i.e. 8½ days' emoluments to be /
 /paid in cash and re-
 maining 8½ days' emoluments, credited to the G.P.F.accounts of the concerned
 to be.....: employees)".

Action:C.A.O

Considering the need to present the Administrative Report of the Board for the year 1986-87 and 1987-88 in the next Assembly Session, it was decided that the next meeting of the Board may be held on 4th March, 1989 at 10.30 hrs. (It is, however, now decided that the next meeting of the Board should be held on Saturday dated 18.3.1989 @10.00 hrs. @ Mantralaya.)

After formal Agenda Items were discussed by the Board, Vice Chairman expressed his views about the implementations of the Rural Water Supply Schemes with special reference to the preparation of the schemes. It was decided that this issue would be separately taken up.

The meeting concluded with a vote of thanks to the Chair.