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Date : 30.4.1990

The draft minutes of 50th Meeting of Maharashtra Water Supply and Sewerage Board held on 31.3.1990 (pages 1 to 14 ^{part}) are put up for approval.

[Signature]
30/4/90
Chief Adm. Officer

Draft prepared by
Shri Kamble, A.O.
is kept below.

x
F.A. & C/A.O.

[Signature]
31/5/90

Member Secy. *[Signature]* 10-5-90

~~Min. (U.D.)~~
Chairman, MWSS Board

[Signature]
12/5/90

[Signature]
14/5/90

A.O., E-5

Draft minutes of the 50th meeting of the M.W.S. & S.Board, held on 31st March 1990.

50th meeting of the M.W.S. & S.Board was held at 11.15 A.M. on 31st March 1990 in Mantralaya. Shri Sushilkumar Shinde, Hon'ble Minister for U.D. and Chairman, M.W.S. & S.Board presided over the meeting. Following were present in the meeting.

1. Shri Sushilkumar Shinde, Hon'ble Minister for U.D. & Chairman, M.W.S. & S.Board.
2. Shri Shivajirao Shendge, Hon'ble Minister for State for Rural Development & Vice Chairman, M.W.S. & S.Board.
3. Shri D.K.Jain, Pri.Secy., U.D.D. Member.
4. Shri V.Ranganathan, Secy., R.D.D. Member.
5. Shri S.T.Deokule, secy., I.D. Member.
6. Shri Mohan V.Gupte, Mayor, Thane Municipal Corporation. Member.
7. Shri M.J.Garde, Member, Z.P.Dhule Member.
8. Shri S.S.Patwardhan, Member Secy. M.W.S.S.Board. Member.

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

1. Shri Anupam Dasgupta, Secy. (Expdr.), Fin.Deptt.
2. Shri M.B.Chobe, Municipal Commissioner, Thane Municipal Corporation.
3. Shri B.V.Rotkar.
4. Shri V.D.Desai.
5. Adviser, Central P.H. & Environmental Engg.Orgn., Ministry of U.D., New Delhi.

The following officers of Govt./Board also attended the meeting as invitees.

1. Shri Harnam Singh, Jt.Secy., U.D.D.
2. Shri P.G.Bhojraj, Chief Engr. (Urban & Project)
3. Shri Y.S.Sonawani, Chief Adm. Officer.
4. Shri Y.V.Komari, F.A. & C.A.O.
5. Shri S.D.Armal, S.E., CPDM Circle & Chief Engineer (Rural).

The proceedings of the meeting are as under.

The Member Secretary welcomed the new Chairman and Vice-Chairman of the Board and presented them bouques of flowers. Shri Gupte, Member of the Board was also offered a bouquet of flowers for his election as Mayor of the Thane Municipal Corporation. While accepting the bouquet, the Chairman appreciated the work done by his predecessor and requested the Board to keep this appreciation on the record of the Board. After this, the regular proceeding of the Board started.

Item No.I. - Confirmation of minutes of the 49th meeting of Maharashtra Water Supply and Sewerage Board held on 21.12.1989.

The Member Secretary read out the letter dated 29.3.1990 received from the Secretary (Expdr.), Finance Deptt., in which he suggested some modifications in the comments made by him in the discussions of items No.3, 4 and 6. No other member had suggested any modification in the draft minutes. The Member Secretary pointed out that necessary corrections have been carried out in the draft minutes as suggested by the Secy. (Expdr.), Finance Deptt.

The Board then approved and confirmed the minutes of the 49th meeting held on 21.12.1989 and passed the following resolution.

Resolution.

"Resolved that the minutes of the 49th meeting of the Board are approved and confirmed".

Item No.2 - Action taken / initiated or being taken on the actionable points in the minutes of 49th meeting of the Board held on 21.12.1989.

Chairman stated that it is necessary to go through each item on which action is taken/initiated or being taken. However, due to his pre-occupation, it was not possible to spare time for this item. But, he would like to get himself acquainted with the details subsequently.

Member Secretary then explained some of the



important points and action taken / initiated on them.

Item No.3 - Raising of Plan L.I.C. loan for the year 1989-90 - Rs. 1100.00 lakhs.

The Member Secretary explained that the proposed loan from L.I.C. was approved by the Board in the 49th meeting held on 21.12.1989. However, while sanctioning the loan, the L.I.C. insisted that the Board's further approval would be necessary after it actually sanctions the loan. Thus, it is necessary to approve the schemewise breakup of the loan. The L.I.C. has further intimated that the Board should also approve the terms and conditions on which the loan has been sanctioned by L.I.C.

The Member Secretary further explained that the loan of Rs. 1100 lakhs sanctioned by L.I.C. includes the loan of Rs. 171.00 lakhs for Aug. to Nagpur water supply scheme (Pench - Phase-II). On a query from Chairman, the Member Secretary explained the procedure of Govt. guarantee for the loan.

The Board thereafter approved the proposals and passed the following resolution.

Resolution -

"Resolved that Maharashtra Water Supply and Sewerage Board hereby agrees to raise a loan of Rs. 11 Crores (Rupees Eleven Crores) as per details in Annexure I and on the terms and conditions mentioned in Annexure II and authorises the Member Secretary/Financial Adviser and Chief Accounts Officer to execute the agreement after affixing the common seal of the Maharashtra Water Supply and Sewerage Board".

Item No. 4 - Raising of loan of Rs. 9.14 crores from L.I.C. of India for financing Nagpur Water Supply Augmentation Project (Pench) Stage-II.

The Member Secretary explained that the total cost of the scheme is Rs. 3209.00 lakhs. According to the procedure laid down by L.I.C. for sanctioning loan to schemes costing more than Rs. 5 crores, it sanctions total

loan admissible to the scheme. The total loan of Rs. 9.14 crores will be lifted in suitable instalments as per requirement. As explained in connection with item No.3, the L.I.C. insists on a Board resolution after the loan is sanctioned by it.

The Board then accepted the proposal and passed the following resolution.

Resolution

"Resolved that M.W.S. & S. Board hereby agrees to raise a loan upto Rs. 9.14 crores for Nagpur Water Supply Augmentation Project (Pench) Phase II on the terms and conditions mentioned in Annexure I and authorises the Member Secretary / F.A. & C.A.O. to approach the Govt. for guarantee for the loan and to execute the agreement with the L.I.C. of India by affixing, the common seal of the M.W.S. & S. Board."

Agenda Item No.5 - Raising of Loan from HUDCO for Low Cost Sanitation Programme.

Agenda Item No.6 - Low Cost Sanitation - Signing of agreement in respect of loans given by the HUDCO.

Member Secretary explained that from 1982-83 to 31.5.1989 the Low Cost Sanitation programme was implemented by the Board. The Govt. in Urban Development Department vide Circular dt. 30.5.1989 entrusted this programme to the concerned Municipal Councils from 1.6.89. The financial pattern for L.C.S. envisages 50% G.I.A. and 50% loan from HUDCO. The HUDCO has sanctioned a loan of Rs. 175.07 lakhs for 38 towns which, after receipt, will be distributed to the concerned Municipal Councils. The Board is acting only as Umbrella Agency for these transactions as the loan repayment liability is that of M.C.S. through the Board.

The Chairman raised a doubt that the loan amount appears to be on a higher side. On this, Member Secretary explained that the total L.C.S. programme is to convert 1.51 lakhs latines and on the basis of standards laid down by the Govt. for granting G.I.A. and loan, the

amount of loan is not on higher side.

After the above discussions, the Board approved the proposals in Agenda Items No.5 and 6 and passed the following resolutions.

Resolution for item no.5 -

"The Board hereby approves the borrowings from HUDCO for the Low Cost Sanitation Scheme and permits lifting of the loan of Rs. 175.07 lakhs sanctioned by HUDCO for the 38 towns.

The Board also hereby authorises Member Secretary/Financial Adviser and Chief Accounts Officer to execute loan agreement and other documents etc. and also affix common seal of the Board on the documents to be executed with the HUDCO".

Resolution for item No.6 -

"Resolved that in respect of loans to be received from HUDCO, Member Secretary/Financial Adviser & Chief Accounts Officer are hereby authorised to sign the agreements with the HUDCO and also to affix the Board's common seal on the agreements".

Item No.7 - Revised estimated for 1989-90.

Item No.8 - Budget estimates for 1990-91.

The Member Secretary explained that the revenue receipts are broadly classified under a) revenue through ETP charges, b) sale of water, and c) financial activities such as interest charges, and guarantee fees etc. Against these receipts, expenditure is also classified depending upon the nature of activity. As compared to budget estimates for 1989-90, there are no large variations in the revised estimates. In respect of capital receipts, revised estimates are mainly based on the revised provisions made by Govt. in their revised budget estimates and the Board has to plan the expenditure according to the availability of receipts from Govt. Chairman then referred to the statement No.IV-A on P.62 and wanted to know where the Board is constructing the Guest Houses, Office building, staff quarters etc. Member Secretary explained that the guest

house is being constructed at Chikhaldara (Amravati). The guest house and office quarters etc. are being constructed ^{where} the Board has already approved such specific schemes. Secretary, R.D.D. suggested that the Board Office should hereafter give reasons for variations wherever there is excess/saving in revised estimate as compared to budget estimates. The Member Secretary explained that there was reduction in receipts for sale of water, because water works of Pune and Pandharpur were handed over to the respective Municipal Corpn./Council. The Secretary, R.D.D. expressed that, after such handing over of water works, there should be corresponding decrease in establishment expenditure. He further stated that, as and when the water works are handed over to the concerned Municipal Councils, such review should be taken to ensure that there will be a corresponding reduction in the establishment. Member Secretary explained that the reasons for excess/savings are given in the Agenda item (P.49) and the expenditure on salaries and wages have also gone down. Member Secretary, however, agreed that the review proposed by the Secretary, R.D.D. will be taken whenever the water works are handed over.

The Board then approved the revised estimates for the year 1989-90 and budget estimates for the year 1990-91 and passed the following resolutions.

Resolution on item No.7 - (Revised estimates for 1989-90)

"The Board approves the Revised Estimates of receipts and expenditure for the year 1989-90 as follows:

	<u>Rs. in lakhs.</u>
1. Capital receipts(Gross receipts less opening balance).	22,350.02
2. Capital expenditure (Gross expenditure less closing balance).	20,859.60
3. Revenue receipts	10,721.54
4. Revenue expenditure	10,545.98

Resolution on item No.8 - (Budget estimates for 1990-91)

"The Board approves the Budget Estimates of receipts and expenditure for the year 1990-91 as follows:

	<u>Rs. in lakhs.</u>
1. Capital Receipts (Gross receipts less opening cash balance)	24,974.48
2. Capital expenditure (Gross expenditure less closing cash balance.)	24,342.83
3. Revenue receipts	11,396.69
4. Revenue expenditure	11,227.75

The Board further directs that, while incurring expenditure during 1990-91, the provisions of Section 34(1) of Maharashtra Water Supply and Sewerage Board Act, 1976 and provisions thereunder should be kept in view".

Item No.9 - Revision of water rates for the year 1990-91 in respect of Board's water works outside the Project area.

While explaining the background of the Agenda Item, Member Secretary stated that the water rates outside the project area were last revised from 1.6.1989.

The revision now proposed was based on the actuals for 7 months and anticipated expenditure for 5 months for the year 1989-90. The working for the year 1989-90 (7months actuals and 5 months estimates) revealed that there is likely to be a loss. The main reasons for the loss are (a) Handing over of profitable water works like Pune Cantonment and Khadki to Pune Municipal Corporation, and (b) Reduction in water rates for Paper Mills at Aurangabad with retrospective effect. There is also increase in the establishment expenditure due to revision of pay-scales of the Board employees, increase in the cost of chemicals and purchase of water etc. Consequently, there is a need to revise the water rates. He further mentioned that, as decided in the 47th meeting of the Board held on 10.5.89 in regard to charging of water rates to educational institutions, charitable trusts not run for profit and Govt. offices, a reference was made to Govt. In reply, Govt. in Law and Judiciary Deptt. had clarified that these consumers may be treated

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as "domestic". Accordingly, a separate rate has been proposed for these categories of consumers in the proposed rates. Chairman wanted to know whether there will be a loss to the Board due to introduction of this rate. Member Secretary explained that there will be no loss to the Board as this rate is higher than the cost of production. Shri Mohan Gupte, Mayor, Thane Municipal Corporation suggested that Board should revise water rates in December every year, so that Municipal Corporations/Councils can make adequate provisions in their budgets for the next financial year. Secretary, R.D.D. then referred to a statement on P.86 of the Agenda Note regarding assessment of revenue at existing rates and at proposed rates as per alternative I and II and wanted to know whether the proposed revision is due to increase in establishment charges or due to transfer of water works or for any other reasons. F.A. & C.A.O. explained that the proposed revision in rates is partly due to escalation in prices (10%) and partly due to handing over of profitable water works. Member Secretary further explained that there is reduction in expenditure in 1990-91 as compared to 1989-90 as would be seen from the statement on P.92. On this, the Principal Secretary, U.D.D. wanted to know the reasons for increase in water rates when the expenditure has been reduced. At this stage, Chairman intervened and stated that this item may be discussed later by the Board as he has to attend B.M.R.D.A. meeting and the time available is short. The item was, therefore, kept in abeyance.

Item No.10 - Revision of pay-scales with effect from 1.1.1986.

The Member Secretary explained that this item was approved by the Board in 45th meeting held on 19.1.1989. However, after revision of pay-scales of Board employees, it was noticed that revised pay-scales have not been laid down in respect of some posts and hence this proposal. The item was then approved and the Board passed the following resolution.

Resolution.

— "The Board hereby approves the proposal of

revision of pay-scales of the remaining Board employees with effect from 1.1.1986 as detailed in the statement 'A' and authorises the Member Secretary to approach Govt. for obtaining necessary approval as required under section 66(2) (b) of the Maharashtra Water Supply and Sewerage Board Act 1976".

Item No.11 - Creation of posts of Naik on upgradation of posts of Peons.

Member Secretary explained that Govt. vide G.R. dated 21.11.88 had laid down a policy of creation of posts of Naik to the extent of 10% of the sanctioned posts of peons under the control of each Head of the Department. In the Board, there are 1,063 sanctioned posts of Peons and 19 posts of Naik. Accordingly, 106 posts of Naiks are admissible which would mean creation of additional 87 posts of Naiks, by upgrading the existing posts of Peons. However it is proposed to create only 78 additional posts of Naik. On this, the Chairman stated that this is as per policy of the Govt. The proposal was, therefore, approved and the following resolution was passed.

Resolution.

1. Resolved that the Board approves the proposal to create 78 posts of Naik by upgrading the posts of Peon and to allot the posts as shown in Annexure II to the item.
2. Resolved further that the Member Secretary is authorised to approach the Govt. for obtaining sanction to the creation of 78 posts of Naik."

Agenda Item No.12

Continuance of establishment created for M.W.S.S.Project beyond 20.2.1990.

Member Secretary explained the necessity of continuance of the establishment created for the Project and also gave the details of divisions transferred outside the Project area. He stated that Govt. has raised some remarks on the proposals for continuance of the establishment beyond 29.2.88 and they would be

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complied with. On this, Joint Secretary, U.D.D. wanted to know where the work in the Project area has been completed. Member Secretary explained the balance work of World Bank Project stage-I and the work undertaken for stage-II. Secretary, R.D.D. stated that the proposal for continuance should be for a specific period, so that the Board will have an opportunity to review the position. It was then agreed that the continuance of the posts should be for two years beyond 28.2.1990 and the Board passed the following resolution.

Resolution.

"Resolved that (i) all posts originally created for M.W.S.S. Project, including posts deployed elsewhere, should be continued further for a period of 2 years beyond 28.2.1990.

ii) Member Secretary is authorised to move Government to accord necessary sanction to continuance of the posts.

Item No.13 - Maintenance of Regional Piped Water Supply Schemes for 21 villages in Akola district.

While explaining the Agenda Item, Member Secretary stated that as per policy of the Govt. the Regional Piped Water Supply Schemes after completion are expected to be maintained by the respective Zilla Parishads. But, Akola Zilla Parishad did not continue maintenance of this scheme from 1.9.1986. The issue was also raised in the monsoon session of the Assembly in 1987. However, inspite of the directive from the Hon'ble Minister, R.D.D. Akola Zilla Parishad did not maintain the scheme. The Govt., therefore, issued a directive in March 88 that the Board should maintain the schemes if Zilla Parishad, Akola is not prepared to take it over and the expenditure incurred by the Board on maintenance of the scheme would be deducted from the grants payable to Zilla Parishad. However, the Govt. did not keep this assurance and the Board has to recover Rs. 16.89 lakhs from the Z.P. The intention of this Agenda item is to bring the issue to the notice of the Board for giving

guidance and advice in the matter.

The Board noted the contents of the Agenda item.

Item No.14 - Provision of Leave-cum-Training reserve posts in the cadre of Deputy Engineer.

Member Secretary explained the background of the proposal and pleaded that it was necessary to create Leave and Training Reserve posts of Dy.Engineers. Chairman enquired whether CIDCO has got such leave reserve posts. The Member Secretary replied that the information will have to be obtained from CIDCO. It was, then decided that the relevant information should be obtained from CIDCO and thereafter the item should be placed for consideration of the Board.

Item No.15 - Sanction of special pay to Executive Engineers working in the Central Office of M.W.S.S.Board.

The Member Secretary explained the need of sanctioning special pay to all Executive Engineers working in the Central Office of the Board.

The item was approved subject to the approval of the Govt. and the following resolution was passed.

Resolution.

Resolved that -

(i) All Executive Engineers posted to the Central office of the Board should be paid Special pay of Rs. 300/- P.M. while they are working in the Central Office.

(ii) Member Secretary is authorised to obtain sanction of Govt. for the grant of special pay to these Executive Engineers.

Item No.16 - Grant of Cash Award to Board employees who pass Divisional Accountant's Grade examination and have to wait for appointment as Divisional Accountant.

Secretary, R.D.D. stated that practice of granting such cash awards for passing a departmental

examination is not found in other departments. F.A.& C.A.O. explained that in Maharashtra Finance and Accounts Service class-III cadre, two advance increments are granted for passing the examination. It was decided that the Board office should re-examine the proposal after ascertaining the position available in other organisations. Thus, further consideration of the item was deferred.

Item No.17 - M.W.S.S.Board Employees Medical Benefits Regulations 1980 - Reimbursement of medical expenditure upto a limit of Rs. 400/- Rs. 500/- per annum in respect of medical treatment of Board Servants and their family members.

The item was approved and the following resolution was passed.

Resolution.

"Resolved that the Board hereby approves the proposal to amplify the Maharashtra Water Supply and Sewerage Board Medical Benefits Regulations, 1980 and to incorporate the para shown in Item note in rule 1(i) of the Regulations.

Also resolved that the Member Secretary is authorised to obtain approval of Govt. to the proposed amendment".

Table Item No.1 - Fixing of water rates for supply of water from Nhava Sheva Water Supply Scheme, Stage-I.

The Board discussed this item along with the item No.9 regarding Revision of water rates for the year 1990-91 in respect of Board's water works outside the Project area.

On a query from Chairman, the Member Secretary stated that installed capacity of Nhava Sheva Water Supply Scheme stage I is 50 mld, but it is not yet fully developed. The scheme was financed from O.M.B. At this stage, the Chairman informed that he had to leave the meeting as he was required to attend B.M.R.D.A. meeting which was already delayed. He stated that the Vice-Chairman would conduct the further proceedings and Secys. could decide further course of action in regard to

revision of water rates. Shri Mohan Gupte remarked that Board meeting should not be held during period of Assembly Session. Member Secretary explained that the Board meeting could not be convened earlier because of Assembly elections and it had to be convened before end of March 1990 for passing the Budget for 1990-91. After discussion on these two items, it was decided that the Member Secretary should prepare a comprehensive note stating the difficulties faced by the Board, the reasons for unspent balance of plan provisions, arrears position and the proposed revision of water rates suggesting two to three alternatives for coming out of the difficulties presently being faced by the Board.

A separate Board meeting should be called inviting the Principal Secretary, F.D., Secy., Planning Deptt. and members of the Board for exclusive discussions on the subject.

Table item No.2 - Quantity and Rate dispute in respect of water supplied by M.I.D.C. to M.W.S.S.Board in World Bank Project area.

The Board noted the action taken by Board officers on this issue ^{and} passed the following resolution.

Resolved that -

"Board has noted that the dispute between MIDC and MWSSB as regards the quantity of water supplied by MIDC to MWSSB has been sorted out accepting the fact that MIDC has, in fact, supplied less quantity of water than claimed and billed by them. Board, therefore, accords approval to have the water bills modified for the period from 1.12.1984 to 31.12.1988 by applying reduction factor of 25.625%.

"Board has further noted that the dispute between MIDC and MWSSB has been pursued by Board Officers continuously and this issue could not be sorted out only because of hard and strenuous efforts as well as involvement of Board Officers. The Board appreciates that it has thus been possible to save around Rs. 6 Crore on this account".

Further resolved that -

"The Member Secretary is permitted to make the

payment to MIDC at the rates given below for the periods specified.

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|-------------------------------------|----------------|
| 1. For the period 1.4.84 to 30.4.86 | Rs. 0.85/Cu.m. |
| 2. For the period 1.5.86 to 30.6.89 | Rs. 1.10/Cu.m. |
| 3. For the period 1.7.89 onwards | Rs. 1.50/Cu.m. |

Further resolved that -

"The Member Secretary is also authorised to make future payments on the same principle in respect of other minor disputes, as and when these are settled".

Further resolved that -

"Board would not levy delayed payment charges for the outstanding arrears from MIDC, due to MWSSB, in case, MIDC agrees not to levy similar delayed payment charges for the amounts payable by MWSSB to MIDC and that Member Secretary, MWSSB, is hereby authorised to take further necessary action on the lines of this proposition".