



COMMITTEE ON PUBLIC ACCOUNTS

(2009-2011)

HUNDRED AND NINETEENTH REPORT

(TWELFTH ASSEMBLY)

REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS,
ASSAM LEGISLATIVE ASSEMBLY ON THE REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA
(CIVIL) FOR THE YEAR 2005-2006 RELATING TO
AGRICULTURE, EDUCATION, HEALTH & FAMILY
WELFARE, PANCHAYAT & RURAL
DEVELOPMENT AND WATER RESOURCES
DEPARTMENTS, GOVERNMENT
OF ASSAM.

Presented to the House on 29-06-2009

ASSAM LEGISLATIVE ASSEMBLY SECRETARIAT
DISPUR :: GUWAHATI-6.

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(i)

COMPOSITION OF THE COMMITTEE

Chairman:

1. Shri Phani Bhusan Chaudhury

Members:

2. Shri Rajendra Prasad Singh
3. Shri Rameswar Dhanowar
4. Shri Gobinda Chandra Langthasa
5. Shri Abdul Khaleque
6. Shri Rajib Lochan Pegu
7. Shri Padma Hazarika
8. Shri Girindra Kumar Barua
9. Smti Kamali Basumatari
10. Shri Ranjit Dutta
11. Shri Jagat Singh Engti
12. Shri Anwarul Hoque
13. Shri Membor Gogoi

Secretariat:

1. Shri G.P.Das, Secretary
2. Shri B. Basumatari, O.S.D.
3. Shri P.K.Hazarika, Deputy Secretary
4. Shri K. Rahman, C.O.

(ii)

PREFATORY REMARKS

I, Shri Phani Bhusan Chaudhury, Chairman, Committee on Public Accounts, Assam Legislative Assembly having been authorized to submit the report on its behalf present this Hundred and Nineteenth Report of the Committee on Public Accounts on the Audit paras contained in the Report of the Comptroller and Auditor General of India (Civil) for the year 2005-2006 pertaining to the Agriculture, Education, Health & Family Welfare, P & RD and Water Resources Departments, Government of Assam.

2. The Report of the Comptroller and Auditor General of India(Civil) for the year 2005-2006 was laid before the House on 10th March,2007.

3. The Report mentioned above relating to the Agriculture, Education, Health & Family Welfare, P & RD and Water Resources Departments were considered by the outgoing Committee as in Annexure-'A' in their sittings held on 5th June,2008, 17th June,2008 and 1st July,2008 and considered this Draft Report on 28th November,2008 but could not be presented the same before the House owing to expiry of its term.

4. The 119th Report of the Committee on Public Accounts as finalized and approved by the outgoing Committee, the present Committee has approved the same in its meeting held on 23-06-2009 for presentation before the House.

5. The Committee wishes thanks to the outgoing Committee for their strenuous works. The Committee has also appreciated the valuable assistance rendered by the Principal Accountant General (Audit), Assam as well as his junior officers and staff during the examination of the Department.

6. The Committee thanks to the departmental witnesses as well as Finance Department for their kind co-operation and offers appreciation to the officers and staff dealing with the Committee on Public Accounts, Assam Legislative Assembly Secretariat for their strenuous and sincere service rendered to the Committee.

14. The Committee earnestly hope that the Government would promptly implement the recommendations made in this report.

PHANI BHUSAN CHAUDHURY
Chairman
Committee on Public Accounts.

Dispur:
The 23rd June,2009

Chapter - I

Agriculture Department Excess payment

(Audit Para 4.2.1/C & AG/(Civil)/2005-2006)/(P-136)

1.1 The audit has pointed out that a test-check, (December 2005) of records of the Director of Agriculture (DA), revealed that the DA procured various crop seeds of cereals, pulses and oil seeds worth Rs. 14.78 crore from Assam Seeds Corporation (ASC) Limited during August and October 2004, for distribution among the small and marginal farmers affected by floods. The entire amount of Rs. 14.78 crore was paid to the supplier (ASC Limited) between November 2004 and October 2005. Further scrutiny of the relevant bills and vouchers revealed that the purchase included seeds of cereals and pulses valued Rs. 12.83 crore, which were exempt from tax. The supplier, however, charged AGST on these items also and the DA paid the same to the supplier, which resulted in excess payment of Rs. 1.13 crore. The matter was reported to the Government in May 2006. In reply, the Government stated (August 2006) that on verification of records like approved price list/related bills/vouchers etc., it appeared that sale prices of the seeds of ASC Limited were exclusive of sales tax. The reply is not tenable, as the price fixation formula submitted by the ASC Limited to the Director of Agriculture on 14 October 2004 was clear that the rates charged were inclusive of AGST.

1.2 The department by their written reply has stated that as per bill submitted by the Assam Seeds Corporation Ltd. under C.R.F. 2004-05, the Directorate has released Rs. 14,78,02,807/- against supply of wheat, pea, lentil, black gram, mustard and maize. While going through the bills paid to the Assam Seeds Corporation Ltd, it is seen that Assam Seeds Corporation Ltd. had not claimed AGST against supply of wheat, pea, lentil, black gram and maize. On the other hand, AGST was deducted from the bill amount against the supply of mustard seed. Accordingly, the amount had been released by the Directorate, but as per report of C & AG, the AGST was inclusive for all the seeds in fixation of price of seeds and excess payment has been made for Rs. 1.13 crores to the Assam Seeds Corporation Ltd. against the supply of wheat, pulses & maize. From the explanation, it is clear that in calculation of prices of the seeds, AGST was

not included except on mustard seed. Hence the excess payment was not made to ASC Ltd.

OBSERVATIONS/RECOMMENDATIONS

1.3 The Committee observes that as per the Assam Sales Tax Act certain Commodities are exempted from the Assam Government Sales Tax (AGST). The Directorate of Agriculture procured seeds from the Assam Seeds Corporation Ltd. (ASC). The audit objection is that the ASC charged AGST on these items also and the Directorate of Agriculture paid the same to the supplier which resulted in excess payment of Rs.1.13 crores. The Department on the other hand has defended that the ASC Ltd. had not claimed AGST against the seeds of the exempted commodities. The Committee, therefore, directed the Department to submit all relevant records/papers/bills etc. relating to the para to the office of the A.G., Assam for their scrutiny and the A.G. will submit its report to the Committee after verifying these papers. The A.G. after verifying the records and accepted the reply of the department vide their letter No.Rep©/2006(IV)/C-25/171, dt. 17-09-2008. The Committee, therefore, decided to drop the para.

Education Department
Unfruitful expenditure on idle staff.

(Audit Para 4.2.2/C & AG(Civil)/2005-2006)/(P-136-137)

2.1 The audit has pointed out that a test-check (May 2005 and May 2006) of records of IS, Kokrajhar revealed that the PVTC remained non-functional since 1995 and no training was imparted to the trainees due to non-receipt of funds, training materials and raw material, although the employees continued to draw their pay and allowances during the entire period. Similarly, seven vocational teachers in three Vocational Institutes under the control of the same IS remained idle since the date of their joining due to non-availability of training infrastructure. The total expenditure incurred on the pay and allowances of the above mentioned staff during the last five years alone was Rs.65.38 lakh. The Government did not take any steps either to provide the requisite funds to the IS for proper functioning of the PVTC/Vocational Institutes, or to utilize the services of the idle staff alternatively and effectively, although the IS took up the matter with the higher authorities time and again. Thus, the expenditure incurred on pay and allowances of the idle staff resulted in an unfruitful expenditure of Rs.65.38 lakh. Besides, non-fulfillment of the Government's objectives of imparting training to the trainees of different trades.

2.2 The department by their written reply has stated that pay and allowance only in respect of the staff of PVTC, Kokrajhar have been released upto June, 2006. No salary has yet been released since July, 2006 due to the reasons that the school falls under BTAD area. The Inspector of Schools, Kokrajhar is instructed to utilize the services of the employees in the Directorate of Education, BTAD, Kokrajhar. (1) Since then, this Directorate has not known about function of the Institutions. (2) As regards the engagement of teachers it is to be mentioned here that the teachers (alongwith the instructor and one workshop attendant) were appointed for imparting trainees in different trades.

OBSERVATIONS/RECOMMENDATIONS

2.3 During the course of discussion with the departmental witnesses the Committee observes that presently there are four staff in the Pre-Vocational Training Centre, Shakti Ashram, one Asstt. Teacher, one Inspector, one L.D Asstt, and one workshop attendend. All the four incumbents have suitably been engaged in the office of the Inspector of Schools, Kokrajhar to avoid idle drawal of salaries by the incumbents. So, they are not sitting idle and drawing salary from the Government exchequer. The Bodoland Territorial Council, Kokrajhar has sanctioned an amount of Rs.15.00 lakh only in the recent year for construction of infrastructure development of the training centre. The construction is in the completion level. Arrangement for training will be made as soon as construction is completed. The committee therefore, decided to drop the para with an-instructions that it should not be occurred in future.

Unauthorized expenditure and injudicious procurement

(Audit Para 4.5.2/C & AG(Civil)/2005-2006/(P-158)

2.4 The audit has pointed out that a test-check (January 2006) of records of the Director of Secondary Education (DSE), Assam, revealed that the DSE on receipt of sanction (November 2003) from the State Government procured library books in place of science equipments worth Rs.1.28 crore and distributed the same to 713 schools in eight districts in violation of the GOI conditions. As a result of this irregular diversion, 142 schools were deprived of the benefits that would accrue from development of science laboratories and funds were not used for the purpose they were sanctioned. The balance Rs.4.56 crore (Rs.5.84 crore-Rs. 1.28 crore) was sanctioned (August 2004) for setting up new science laboratories in 507 schools @ Rs.90,000 for each school with the break up of Rs. 84,000 towards cost of scientific equipments and Rs.6,000 towards cost of Steel almirahs to be supplied to the schools for storing the equipments. The DSE, however, procured 900 Steel almirahs for 900 schools incurring an expenditure of Rs.43 lakh (Rs.4777.50 X 900), whereas science equipments worth Rs.4.12 crore (@ Rs. 84,000 each) were supplied to 491 schools only. As a result, expenditure of Rs.19.54 lakh incurred on purchase of 409(900-491) Steel almirahs without supply of science equipments turned injudicious and unnecessary. Thus, it was evident that the Department not only diverted Rs.1.28 crore from the funds earmarked for upgradation of science laboratories but also incurred an injudicious expenditure of Rs.19.54 lakh on purchase of Steel almirahs.

2.5 The department by their written reply has stated that the audit para relates to utilization of fund under centrally sponsored scheme "Improvement of Science Education in Schools" during 2002-03. The objections raised are : (1) Diversion of Rs. 1.28 crores for procurement of Library Books in place of Science equipments ; (ii) Unjudicious and unnecessary expenditure of Rs. 19.54 lakhs on purchases of 409 Steel Almirah. Explanation against (I) above : Under the Centrally Sponsored Scheme of "Improvement of Science Education in Schools", supply of library books was a part of the scheme and accordingly books were purchased as per Govt. approval and as such this may not be treated as diversion. Explanation against (II) above : In para (1) of the sanction order of the Govt. of India it mentions of sanction of Rs. 8,10,00,000/-.

In para (2) of the same sanction order also mentions sanction of Rs.5,84,59,000/-. Taking these two figures together the State Govt. issued a sanction for Rs.13,94,59,000/-. While doing so the technical word "sanction to payment" appearing at para (2) was perhaps overlooked. This mistake was detected only subsequently. In the meantime order for supply of Steel Almirah to 1407 schools was issued considering the amount to be Rs.13,94,59,000/- to ASIDC and subsequently when the mistake was detected, the ASIDC was stopped to issue orders to all 1407 schools. But the ASIDC had already supplied 900 Steel Almirahs in the meantime. Hence there is a difference of number of schools in respect of supply of Steel Almirah and Science equipments (900-491) = 409. In other words, 409 Schools got the Steel Almirah out of the scheme. As this was unintentional and purely technical error in reading the sanction order.

OBSERVATIONS/RECOMMENDATIONS

2.6 The Committee observes that the scheme was a centrally sponsored scheme for improvement of science education in schools. The department utilized the fund for purchasing of materials which were not related to science education. The books purchased were also not related to science education. The Committee directed the department to be very careful in future and to see that the fund should be utilized only for the purpose for which the scheme is sanctioned. The Committee, therefore, recommends that the department should initiate an enquiry into the matter and submit a detailed report to the Committee within 30 days from the date of presentation of this report before the House.

Chapter – III
Health & Family Welfare Department
Excess expenditure

(Audit Para 4.2.3/C & AG(Civil)/2005-2006/(P-137-138)

3.1 The audit has pointed out that a test-check (June 2005) of records of the Superintendent, Assam Medical College Hospital(AMCH), Dibrugarh revealed that the Superintendent locally purchased 48,365 vials of 500 mg and 52,300 vials of 250 mg Amikacin injection @ Rs.44.90 and Rs. 26.64 per vial respectively, between 30 January and 19 November 2004 without the approval of the DME. Moreover, the injections were purchased from firms other than those approved by the Purchase Committee. Purchase of injections at higher rates than those approved by the Purchase Committee from non authorized firms thus resulted in excess expenditure of Rs.17.20 lakh.

3.2 The department by their written reply has stated that audit has pointed out that the Superintendent, Assam Medical College Hospital, Dibrugarh purchased 48,365 vials of 500 mg of Amikacin injection @ Rs.44.90 per vial and 52,300 vials of 250 mg of Amikacin injection @ Rs.26.64 per vial in between 30th January to 19th November 2004 at a rate higher than that approved by DHS, Assam causing excess expenditure of Rs. 17.20 lakhs. In this connection it may be mentioned that the DHS, Assam has published the approved rates of the Medicine including the rates of Amikacin injection on 30-01-2004 vide letter no HSPB/4/2003/14-38. The copy of the said approved list was received in the office of Director of Medical Education, Assam on 26/02/2004. The same has been circulated amongst the indenting officers under this Directorate vide letter no DME/PB/205/2001/2835-41 dated 04/03/2004. As reported by Superintendent, Assam Medical College Hospital, Dibrugarh vide his letter No. MCH/2006/13835 dated 23/10/2006 that the approved list of Medicine as referred above was received by the Hospital authority on 12/10/2004. It was also reported by the Superintendent, AMCH-Dibrugarh that Japanese Encephalitis broke out in epidemic form during that period . The earlier approved rate circulated vide No.DME/207/2001/27515-17 dated 21st December 2002 does not includes the particular item i.e. Amikacin injection. Under the circumstances as stated above, the Superintendent, AMCH-Dibrugarh finding no other

alternative had to procure the Amikacin injection from local authorized distributors at a price less than MRP only to save the Human Lives. The MRP of Amikacin injection was Rs.58.83 for 500 mg vial and retailer price is Rs.47.06 and MRP was Rs.33.50 for 250 mg vial and retailer price is Rs.26.80 as per the price list of ALKEM ULTICARE. The medicines were procured at a price less than the market rate. After receiving the approved list on 12/10/2004 the Hospital authority has stopped procuring medicines locally.

OBSERVATIONS/RECOMMENDATIONS

3.3 The Committee heard the deposition of the departmental representatives and decided to drop the para with an instruction that it should not be occurred in future.

Blocking of Government funds

(Audit Para 4.3.4/C & AG(Civil)/2005-2006/(P-152)

3.4 The audit has pointed out that a test-check (January 2006 and August 2006) of records of the Director Medical Education (DME), Assam, Guwahati revealed that against the DME's proposal (December 2003) for Rs.81.45 lakh, the State Government sanctioned (March 2004) Rs. 49.72 lakh for purchase of equipment, furniture, minibus etc., under revenue component of Rs.1.10 crore. The sanction was revised to Rs.49.76 lakh and revalidated in July 2004 (Rs.16.67 lakh) and November 2004 (Rs.33.09 lakh which was released to the DME in September 2004 (Rs.16.67 lakh) and January 2005 (Rs.33.09 lakh). The DME procured equipment and furniture worth Rs.31.60 lakh between April 2004 and February 2005 though the construction of building of the proposed Institute was not completed till July 2006. In reply, the Government stated (July 2006) that the equipment were procured considering the 80 per cent progress of civil works and it was being utilized in the existing set up of the hospital and would be subsequently shifted to the new building. But in the Annexure to the same reply, it was shown that equipment worth Rs.17.49 lakh only were being utilized and the balance equipment and furniture valued at Rs. 14.11 lakh were lying idle in stock. It was, therefore, evident that the DME procured the equipment and furniture in advance of requirement, which remained idle, resulting in blocking of Government funds of Rs.14.11 lakh.

3.5 The department by their written reply has stated that NEC has accorded sanction under 9th Plan Scheme for the Establishment of Regional Institute of T.B. and Respiratory Diseases attached to the Assam Medical College & Hospital, Dibrugarh for both the Capital and Revenue Component at the same time. The Establishment of Regional Institute of T.B. and Respiratory Diseases is an integral part of the Medicine Department of AMC & H, Dibrugarh. Accordingly the Govt. of Assam has also accorded its Administrative Approval for construction of the building as well as sanction for procurement of the Equipments against the proposal submitted. DME has to procure the equipment based on Govt. sanction order within the validity period so that the NEC fund could be properly utilized within the specified time period, keeping in mind that the

Equipment so procured will be utilized in the existing set-up of AMC & H, Dibrugarh and subsequently it will be shifted to the newly constructed building. The Assam Medical College Hospital, the premier Medical Institute in the State is solely responsible to cater health care services to a greater part of the North East Region which included the neighboring States of Arunachal Pradesh and Nagaland. In such an Institute the requirement of equipment is innumerable. But due to financial constraints the required equipments could not be provided from State Non plan/Plan budget. To meet the requirement of essential equipments the DME, Assam had procured the Equipments as sanctioned by NEC and Govt. of Assam for the Regional Institute of T.B. and Respiratory Diseases in the interest of Public services so that the Hospital authority may utilize in the existing set up to fulfill the needs and subsequently to shift to the newly constructed building which was under construction and 80% of works was completed when equipments were purchased. Meanwhile Principal, AMC, Dibrugarh has taken over the building after its competitions in August, 2007 and functioning from the said building is in process, Dr. Basanta Laskar, Prof. & Head, Department of Medicine, Assam Medical College, Dibrugarh has been assigned the additional charges as Director of Regional Institute of T.B. and Respiratory Disease temporarily.

OBSERVATIONS/RECOMMENDATIONS

3.6 After threadbare discussion, the Committee was satisfied with the reply of departmental witnesses and pleased to drop the para.

Chapter – IV

Panchayat and Rural Development Department

Avoidable expenditure

(Audit Para 4.2.6/C & AG(Civil)/2005-2006/(P-140-141))

4.1 The audit has pointed out that a test-check (April 2005) of records of the Director, Panchayat and Rural Development (P & RD) revealed that two plots of land under occupation of the Demoria Development Block in Sonapur and Sonapur Daily Market were requisitioned under Requisition, Acquisition of Immovable Properties (RAIP) Act, 1952, which were subsequently released from the said requisition but possession was not handed over to the pattadar. On a petition filed by the land owner, the Gauhati High Court directed in June 1988 and July, 1988 that the land under occupation with building shall be excluded from Assam Fixation of Ceiling on Land Holding (Amendment) Act, 1971 and hence the requisitioned land stood in the name of the land owner only and the petitioner was entitled to get compensation on the requisitioned land. It was further directed that compensation was to be paid within six months of passing the verdict. The landowner also claimed that the land under occupation of the block was either to be legally acquired by the Department or the vacant possession was to be given to the landowner. Accordingly, the Additional Deputy Commissioner (ADC), Kamrup asked (May 1989) the Director, P & RD to intimate the decision of the Department in this regard but no action was taken by the Department till the landowner filed a contempt petition in April 2003. In response to the contempt petition the ADC, Kamrup submitted (April 2003) proposals to the P & RD Department to deposit Rs.26.76 lakh as total compensation up to 2002 to the Deputy Commissioner (Metro), Kamrup immediately to avoid further complication. The amount was sanctioned (December 2003) by the Government and payment of Rs.26.76 lakh was made to the landowner in February 2004. The payment was made as recurring compensation (upto 2002) only there was nothing on records to show any action taken by the Department for one time settlement of the land with the owner to avoid future liability or recurring compensation. Had the Department paid the compensation in compliance with the direction of the High Court in 1988, the Department had to pay Rs.12.65 lakh (compensation upto 1988) only instead of Rs.26.76 lakh and therefore,

could have saved Rs.14.11 lakh on payment of compensation. Further the Department had paid only the recurring cost of compensation (7.5 per cent of the cost of land per annum) and not the cost of the land. If the land was legally acquired as a one-time settlement with the landowner in 1988 the department could have settled it at Rs.8.99 lakh (value of land in 1988). Now the Department is burdened with additional liability of Rs.22.83 lakh (present value of the land plus compensation for the period from 2003 to 2006). Thus, the Department incurred avoidable expenditure of Rs.14.11 lakh and extra liability of Rs.13.84 lakh (Rs.22.83 lakh – Rs.8.99 lakh) for non settlement of the land acquisition in time.

4.2 The department by their written reply has stated that Director – It is a fact that the Department incurred avoidable expenditure of Rs.14.11 lakh and extra liability of Rs.12.65 being the compensation for requisition of land of M/s Sonapur Tea Co.occupied by the Dimoria Dev.Block for non-settlement of land acquisition case in time due to late fulfillment of official procedure. As per order of the Hon'ble Gauhati High Court and as per instruction of Additional Deputy Commissioner, Kamrup vide letter No.AC 56/71/167, dated 24-05-89 the matter was taken-up with the B.D.O., Dimoria Development Block vide this office letter No.PDDP 75/89/3, dated 13-06-1989, PDDP 75/89/4, dated 19-10-1989 and accordingly the B.D.O., Dimoria Development Block furnished the required particulars on receipt of the same from the Asstt. Settlement Officer, Sonapur vide his letter No.DDB 10/89-90/30/1241, dated 09-01-1990. Thereafter, the Directorate asked the Addl. Deputy Commissioner, Kamrup vide this letter No.PDDP 75/89/8, date 17-02-1990, to let the Department know about the present position of the matter. Due to non receipt of reply from the ADC., Kamrup as asked for vide letter No.PDDP 75/89/8, dated 17-02-1990, few reminders were also issued vide No.PDDP 75/89/9, dated 29-08-1990, PDDP 75-89/10, dated 18-12-1990 and PDDP 75/89/11, dated 04-06-1991. The Additional Deputy Commissioner, Kamrup then asked to submit a land acquisition proposal vide letter No.KRA 21/91/72/1697, dated 06-07-1991. The Government of Assam, Revenue (L.R) Directorate vide letter No.PLA/63/73/Pt-III/401, dated 16-03-1991 has also taken up the matter with the Deputy Commissioner, Kamrup. The Directorate also asked the B.D.O., Dimoria Development Block vide letter No.PDDP 75/89/14, dated 03-08-1991 to submit a details reports on the matter. In the year 1991, the Directorate also requested the Land Acquisition Officer, Kamrup, Guwahati vide letter

No.PDDP 75/89/16, dated 29-10-1991 to submit the land valuation reports against the acquired land to take-up the matter with the Government for funding. But due to non-receipt of reply, two Nos. of reminders were issued again, vide letter No.PDDP 75/89/18, dated 26-05-1995, PDDP 75/89/19, dated 06-01-1996 in the meantime, the Government vide letter No.PDB 29/95/74, dated 21-12-1998 requested the Director of Panchayat and RD to make available of fund for payment of compensation. Again the Government vide letter No.PDB 29/95/107, dated 21-11-2002 directed Director, Panchayat and RD to furnish calculation sheet to make the fund available and accordingly the matter was taken-up with the Deputy Commissioner, Kamrup vide this office letter No.PDDP 17/94/88, dated 11-12-2002 and the Additional Deputy Commissioner, Kamrup requested the Government vide letter No.LA.5/94/163, dated 28-04-2003 and LA-6/94/164, dated 28-04-2003 with a copy to Director, Panchayat and RD to deposit a sum of Rs.6,21,512/- (Rupees six lakhs twenty one thousand five hundred twelve) and Rs.20,54,112/- (Rupees twenty lakh fifty four thousand one hundred twelve) respectively to meet the recurring compensation. Accordingly, the Government sanctioned an amount of Rs.26.76 lakhs vide letter No.PDB 29/95/121, dated 29-11-2003 which was drawn & disbursed as requisition compensation. Action being taken for one time settlement of the land acquisition compensation of M/s Sonapur Tea Co. against the land already occupied by the Dimoria Development Block and in this connection and as per direction of Government of Assam, Revenue (Reforms) Department vide letter No.RRT 1838/76/431, dated 22-05-2006 budget provision for an amount of Rs.163.00 lakhs has been made in the current year's budget 2008-09 for the purpose.

OBSERVATIONS/RECOMMENDATIONS

4.3 The Committee heard the deposition of the departmental witnesses and directed the department to make one time settlement of the land acquisition, compensation of M/S Sonapur Tea Co. against land occupied by Dimoria Development Block with an intimation to the office of the A.G., Assam.

Idle expenditure

(Audit 4.3.5/C & AG(Civil)/2005-2006/(P-153)

4.4. The audit has pointed out that a test-check (March 2006) of records of the Project Director (PD), District Rural Development Agency (DRDA), North Cachar Hills revealed that the PD took up (2003-04) the scheme of setting up a Fruit Processing (Preservation) Unit as a small scale unit at Harengajao Block Campus under Swarnjayanti Gram Swarozgar Yojana (SGSY) Scheme, 2003-04. The PD incurred Rs.16.21 lakh towards construction of the building (Rs.5.91 lakh) of the Fruit Processing Unit (completed in March 2004) and procurement (April 2005) of plant & machinery (Rs.10.30 lakh) without obtaining approval of the Governing Body of the DRDA. The Principal Secretary and Executive Director of the DRDA, however, accorded ex-post facto administrative approval for Rs.17.50 lakh in February 2005. Though the construction of building and procurement of plant & machinery was completed in March 2004 and April 2005 respectively, the plant could not be made operational till the date of audit (March 2006) due to non-availability of water and power supply. The PD stated (March 2006) that water supply and electricity arrangements were in progress but could not state when the works would be completed. Thus, due to non-ascertaining of water and power requirements before starting construction and purchase of plant and machinery, the entire expenditure of Rs.16.21 lakh incurred proved to be idle. The matter was reported to Government in May 2006. In reply, the Deputy Secretary to the Government of Assam, Panchayat & Rural Development Department stated (August 2006) that the Governing Body of the DRDA in its meeting held on 23-06-2006 approved unanimously the proposal for setting up of the Fruit Processing Unit, Harengajao with financial allotment of Rs.26.77 lakh under SGSY. It was also stated that all arrangements regarding water supply and electrification have been made and only service connection to the unit was required which would be provided soon and the trial run of the machineries would be done very shortly. The plant was, however, not made operational till August 2006.

4.5 The department by their written reply has stated that N.C.Hills – The DRDA, N.C.Hills had taken up the scheme for setting up of a small scale Fruit Preservation Unit at Harengajao Block campus under SGSY during 2003-2004 with a projected cost of Rs.26,77,250.00 only; targeted

completion period within 2 (two) years i.e. 2003-2004 and 2004-2005. It is a fact that the plant could not be completed within the stipulated period due to various un-avoidable factors like disruption of road communication, non-availability of SGSY fund in the year 2004-2005. This DRDA incurred expenditure amounting to Rs.16.30 lakhs towards construction of building, procurement of machineries which was covered under AG Audit for the year 2003-2004 and 2004-2005 conducted during period from 18.02.2006 to 21.03.2006. DRDA has taken all efforts to communicate with the authority of ASEB, Haflong for electrification of the Fruit Preservation Unit. An advance payment of Rs.1.00 lakh was also paid for the same. Accordingly, the ASEB responded and the electrification of the unit was done. The Asstt. Engineer, PWD (Elect.) was directed to verify and submit report to the DRDA. Accordingly, the A.E., PWD (Elect.) reported that only service connection to the unit was required. The DRDA has written to the ASEB, Haflong for providing service connection at an early date. The ASEB, Haflong has verbally assured to provide the same within July, 2006. On completion of internal electrification of the unit experts from Kolkata had arrived 21.04.2006 for installation of machines like Water Treatment Plant, Boiler, Steam Jacketed Kettle. The Food Technologist, AHSIDC, Haflong was requested to supervise the installation process and the BDO, Harengajao was requested to make all necessary for the installation. Accordingly, Shri M.K.Dey, Food Technologist visited the Food Preservation Unit, Harangajao and supervised the installation process. Similarly the arrangement for water supply to the Fruit Preservation Unit has been completed. The Governing Body in its meeting held on 23.06.2006 approved unanimously the proposal for setting up of a small scale Fruit Preservation Unit at Harengajao under SGSY with financial allotment of Rs.26,77,250.00. Meanwhile, the SHGs are being given training at the District Agriculture Officer, Haflong. The SHGs are also involved in collection, drying and preservation of ginger in the FPU manually. The DRDA is taking all possible measures to make the plant operational and assures that the trial run of the machineries will be done very shortly and as soon as the electric service connection is provided to the unit and the Food Preservation Unit at Harengajao will be made fully functional.

OBSERVATIONS/RECOMMENDATIONS

4.6 The departmental witnesses stated that due to lack of adequate communication facility, disturbance area of extremist, the ongoing construction of the East-West corridor, the Food Processing Plant could not be made operational in time. The Committee directed the P & RD department to take necessary steps to make the Food Preservation Unit at Harengegao fully functional early for greater interest of the Public. The Committee, therefore, recommends that a detailed report may be submitted to the Committee within 30 days from the date of presentation of this report before the House stating the latest position of the Project, water supply, electrification, Fund available for the Project and amount of compensation to be received for acquisition of land for the construction of the East-West corridor.

Irregular contingency expenditure

(Audit Para 4.5.4 /C & AG (Civil)/2005-2006/(P-159-160)

4.7 The audit has pointed out that a test-check (September-October 2005) of records of the Project Director (PD), DRDA, Kokrajhar revealed that though the entire schemes were to be implemented by GPs/Zilla Parishads according to the guidelines of SGRY, the schemes under SGRY stream-II had been implemented by six blocks instead of 88 Gram Panchayats under DRDA, Kokrajhar. Test-check further revealed that the PD spent a sum of Rs.1.83 crore as contingency charges under SGRY Stream I & II and SGRY during 2003-04 and 2004-05 against the admissible limit of Rs.81.12 lakh. Thus, the PD had incurred an irregular expenditure of Rs.1.02 crore as contingency charges beyond the permissible limit under SGRY Stream I & II and SGRY.

4.8 The department by their written reply has stated that Kokrajhar – On scrutiny of records it is revealed that DRDA, Kokrajhar expended an amount of Rs.84.83 lakhs during 2003-2004 and Rs.98.11 lakhs during say Rs.1.83 crore as schematic contingency. Out of which Rs.148.41 lakhs 2004-2005 under SGRY stream – I-II which comes to Rs.182.94 lakhs, was spent for carrying of 52599 MT of rice from FCI Godown to various Blocks and GPs during the financial year 2003-2004 and 2004-2005 and Rs. 34.54 lakhs only was spent for other administrative expenditures as detailed below :

Name of Programme	Year	Expenditure incurred as schematic Contingency	Qty.of rice received (in MT)	Contingency amount spent for carrying for rice	Contingency amount spent on admn.
SGRY-I	2003-04	40.32	14240	26.31	14.01
SGRY-II	2003-04	44.51	15997	29.42	15.10
Sub total(A)		84.83	30237	55.73	29.11
SGRY-I	2004-05	12.14	-	12.14	-
SGRY-II	2004-05	42.20	22362	42.20	-
SGRY	2004-05	43.77	-	38.34	5.43
Sub total(B)		98.11	22362	92.68	5.43
Total (A B)		182.94	52599	148.41	34.54

From the above statement it is clear that Rs.34.54 lakhs (Rs.29.11 lakhs for 2003-04 and Rs.5.43 lakhs for 2004-05) only was spent for administrative contingency, which is within the permissible limit as per guideline Rs.148.41 lakhs is being the transportation cost for transporting of rice under SGRY – I & SGRY-II and this expenditures had to be made to lift the allotted foodgrains under the programme to complete the approved schemes as per Annual Action Plan. The expenditure made under Administrative Head by the DRDA, Kokrajhar consists of three parts viz. (i) For monitoring and co-ordination in respect of SGRY-I (para 4.6) (ii) Rs.7500.00 per GP on the Administrative contingency and for technical guidance in GP level (Para 4.12) and (iii) For carrying of rice from FCI godown to Blocks and then to different work sites for distribution among the workers as a part of wages under the SGRY schemes. The excess expenditures beyond the permissible limit is due to the following reasons. 1. As it revealed from the above statement the major expenditures incurred on Contingency Head was mainly for carriage of huge quantity of rice under the programme released by the Government of India as a part of the SGRY scheme. Rice released by the Government of India had to be lifted from F.C.I. godown within the stipulated time to avoid the lapses of foodgrains. On the other hand, the State Government could not release the matching share of Cash component within the concerned financial year and the contingency expenditure is calculated @ 2% on the total allocation of schematic fund including the state matching share received during the financial year. But DRDA, Kokrajhar had to lift the whole quantity of allotted rice within the respect financial year. So the excess expenditure beyond the permissible limit during 2003-2004 and 2004-2005 under SGRY – I is (Rs.11.16 lakhs + Rs.10.40 lakhs) Rs.21.56 lakhs as shown in the para is due to non-receipt of State matching share within the financial year. 2. The fund permissible for Administrative expenditure for each GP under SGRY – II is Rs.7500.00, which is fully utilized for purchase of stationery, payment of Technical Consultancy fees (para- 4.12). The DRDA, Kokrajhar is the highest allocated district in Assam being the ST dominated people and the allocation of each GP in this district is higher. As a result, cost of paper work, fees for technical consultancy etc. also goes on higher side. The total permissible amount Rs.7500.00 per GP is utilized fully to serve the above purpose. In addition to this, DRDA had to incur expenditure in excess on account of transportation cost for lifting of huge quantity of rice from FCI godown and delivery thereof at different GP Head Quarter as well as to different worksites and thus the excess expenditures on contingency Head has

beyond permissible limit. The excess expenditure during 2003-2004 and 2004-2005 under SGRY – II is (Rs.37.91 lakhs + Rs.35.60 lakhs) Rs.73.51 lakhs was incurred only for carriage of foodgrains (Rice) as per approved rate under SGRY – I. 3. The excess expenditure done on Administrative Head under SGRY during 2004-2005 is for carrying of huge quantity of rice, that the Government of India released under the rice component depending upon the total financial allocation of fund under the programme both Central share and State share. The rice released by the Government of India had to be lifted within the stipulated time to avoid the lapses of foodgrains. On the other hand, the State Government could not release the matching share of Cash component within the concerned financial year and the contingency expenditure is calculated @ 2% on the total allocation of schematic fund including the State matching share received during the financial year. But DRDA, Kokrajhar had to lift the whole quantity of allotted rice within the financial year. So the excess expenditure beyond the permissible limit during 2004-2005 under SGRY – I of Rs.6.68 lakh is due to non-receipt of State matching share within the financial year.

OBSEVATIONS/RECOMMENDATIONS

4.9 Having heard the deposition of the departmental witnesses the Committee directed the department to examine their office records regarding contingency expenditure incurred for carrying of rice from FCI Godown to various Blocks and G.Ps and to inform the Committee within 30 days from the date of presentation of this report before the House.

Unauthorized disbursement of advances and non-execution of works**(Audit Para 4.5.5/ C & AG (Civil)/2005-2006/(P-160-161)**

4.10 The audit has pointed out that after scrutiny (December 2005) of the Annual Accounts of the Project Director (PD), DRDA, Cachar revealed that Rs.1.84 crore was disbursed during 2001-05 as advances to nine of its officers and staff for execution of works under SGRY by obtaining hand receipts from them in violation of the scheme guidelines. The DRDA, however, adjusted/recovered Rs.0.68 crore during 2001-05 from the persons concerned, leaving a balance of Rs.1.16 crore (Rs.1.84 crore- Rs.0.68 crore) outstanding with four officials as of March 2005, of which, Rs.61.30 lakh and Rs.49.60 lakh were outstanding with two Assistant Project Officers of the Agency since 2001-02 and 2002-03 respectively. In addition, prior to 2001-02 an advance of Rs.15.04 lakh was disbursed against which the name of payees were neither on record nor stated to audit. Out of Rs.15.04 lakh, only Rs.2.31 lakh was adjusted/recovered during 2002-05. Thus, the total outstanding advances under SGRY aggregated Rs.1.29 crore (Rs.1.16 crore + Rs.15.04 lakh – Rs. 2.31 lakh). Similarly, Rs. 54.89 lakh was disbursed during 2001-05 to 12 officials of the Agency for execution of different works under Inland Watershed Development Project. Out of these, only Rs.3.41 lakh was adjusted/recovered leaving Rs.51.48 lakh outstanding with nine officials due to non-submission of accounts of works by the officials concerned. The PD could not furnish any details of the advances e.g., name of the officials to whom the advances were given, date of sanction, name of the works, estimated cost of the works, status of execution, amount adjusted against each work etc. In the absence of such details, the misappropriation of the advances cannot be ruled out. Thus, due to lack of responsibility on the part of the PD, DRDA, Cachar in sanctioning the advances and blatant negligence in monitoring the progress of the works, a huge amount of Rs.1.80 crore (Rs.1.29 crore + Rs. 51.48 lakh) remained outstanding against the officials resulting in non-execution of works worth the said amount under the both the schemes. It has also resulted in loss of interest of at least Rs.24.85 lakh (Rs. 18.39 lakh + Rs. 6.46 lakh) calculated at 5 per cent simple interest. The entire transaction was tantamount to temporary misappropriation of public funds.

4.11 The department by their written reply has stated that Cachar – 1) Advance so far taken by the officers of DRDA, Cachar amounting to Rs.1,29,23,000/-, out of which a sum of Rs.1,14,39,532/- was only recovered as adjustment from Shri S.A. Choudhury, Asstt. Project Officer (Tech), Shri A.H.Laskar, Ex. APO (Tech) and Shri A.S. Khandakar, Ex-Executive Engineer, DRDA, Cachar for Rs. 48,60,000/-, Rs.60,30,000/- and Rs.5,50,000/- respectively and was accordingly recorded in Cash Book page No.206 & 207 on 31.03.07 these were verified by the Chartered Accountant during the audit of accounts for 2006-2007 and A.G. Assam during their audit of DRDA account on February, 2008. The details are appended below :

Name of the officers	Advance taken	Advance recovered	Balance
1. Shri S.A.Choudhury, APO(T)	Rs. 49.60 lakh	Rs. 48.60 lakh	Rs. 1.00 lakh
2. Shri A.H.Laskar,Ex-APO(T)	Rs. 61.30 lakh	Rs. 60.30 lakh	Rs. 1.00 lakh
3. Shri A.S.Khandakar, Ex-Exe-Engr.	Rs. 5.50 lakh	Rs. 5.50 lakh	-
4. Shri B.M. Queah, Ex-P.D.	Rs. 0.15 lakh	-	Rs. 0.15 lakh
5. Not available (Prior to 2001-02)	Rs. 12.68 lakh	-	Rs.12.68 lakh

Total Rs.129.23 lakh Rs. 114.40 lakh Rs. 14.83 lakh

The balance of Rs.14.83 lakhs yet to be adjusted because of non availability of records, which had been seized by the Officers of the CM's Special Vigilance Cell.

II) As regard advance taken by the officers amounting to Rs.51.48 lakhs under IWDP, the records under IWDP have been seized by the CM's Special Vigilance Cell alongwith the relevant papers for adjustment submitted by the concerned officials. Investigation is going on. On receipt of final report the matter will be intimated to the Hon'ble Public Accounts Committee. The details of advance taken by the officers are appended below :

Name of the officers	Advance taken	Advance recovered
1. Shri S.A. Choudhury,APO(T)	Rs. 2.00 lakh	-
2. Shri A.H.Laskar, JE	Rs.18.00 lakh	-
3. Shri A.H.Khandakar, Ex-Exe.Engr.	Rs. 0.90 lakh	-
4. Shri J.Nath, Ex. P.D.	Rs. 0.40 lakh	-
5. Shri R.K.Bora, JE	Rs.17.99 lakh	-
6. Shri J.U.Laskar, JE	Rs. 3.00 lakh	-
7. Shri Sailesh Singh, JE	Rs. 1.89 lakh	-
8. Shri N.J. Chajravorty, Ex-APO(Agri)	Rs. 7.30 lakh	-

Total

Rs. 51.48 lakh.

Further, Shri N.J. Chakravorty, Rtd, APO(Agri), DRDA, Cachar has submitted statement of Rs. 7.30 lakh which may kindly be perused.

OBSERVATIONS/RECOMMENDATIONS

4.12 After consideration of the departmental reply, the Committee decided to call for a status report from the Chief Minister's Vigilance Cell on this case which is annexed with the report as Annexure-'B'. After going through the report the Committee recommends that the Department should file charge sheet against the delinquent officials and recovery of the amounts should be made. Action taken report may be intimated to the Committee after 60 days from the date of presentation of the report to the House.

Loss of store material

(Audit para 4.6.2 /C & AG(Civil)/2005-2006/(P-166-167)

4.13 The audit has pointed out that a test-check (December 2005) of records of the Project Director (PD), DRDA, Cachar revealed that as it had no godown of its own, material purchased by it for utilization under various schemes were kept in the godown of the Assam State Warehousing Corporation (ASWC) Silchar on rental basis. Material at stock was Being looked after by the Manager, ASWC and an Assistant Project Officer (Technical) of the Agency was deployed as store-in-charge. Cross verification annual statement of material account of the DRDA prepared on the basis of actual receipt and utilization for the year 2004-05 with the report of ASWC regarding actual stock balance in the godown (as on March 2005) revealed that there was shortage of 10,073 pieces GCI sheets while 4667 pieces (8 feet long 1,421 pieces and 10 feet long 3,246 pieces) valued at Rs.15.85 lakh. It was observed that DRDA had neither obtained any periodical return from ASWC showing the actual stock balance nor conducted any physical verification of store materials along with ASWC personnel at regular intervals to satisfy itself that there was no discrepancy between book and ground balance. Further, the PD, DRDA had not taken any action to reconcile the discrepancy between the book balance (10,174 pieces) and ground balance (101 pieces) even after a lapse of nine months from the date of detection (March 2005) as of the date of audit (December 2005). Further scrutiny of relevant records revealed that out of 10,073 pieces GCI sheets, while 4,667 pieces (8 feet long 1,421 pieces and 10 feet long 3,246 pieces) valued at Rs.15.85 lakh were issued by the DRDA to 34 individuals/agencies between January 1999 and December 2004 on loan basis, the balance 5,406 pieces (8 feet long 2,157 pieces and 10 feet long 3,249 pieces) valued at Rs.18.02 lakh were not accounted for. Of the 4,667 pieces issued to the individuals/agencies, not a single piece had so far been returned inspite of repeated reminders. Thus, due to laxity in supervision of stores, the Agency incurred a loss of store materials worth Rs.33.87 lakh.

4.14 The department by their written reply has stated that Cachar – As per audit report the total GCI sheets available were 10,174 nos. (6596 of 10 and 3578 of 8 ft.) and Ground Balance was 101 pieces as on date, March/2005. Out of 10,073 GCI sheets, 4667 pieces (8 ft. long 1,421 pieces and 10 ft. long 3,246 pieces) were issued to different

individuals/agencies as temporary loan and 5,406 pieces of GCI sheets were found not account for. On verification physically and Stock Book and records of ASWC by the APO(T) and PD, DRDA, Cachar on 30th March/2008, it has been revealed that the total available GCI sheets are 10174 nos out of which ground balance on date is 220 (101 is previous balance and 119 nos. refunded by the loanee concerned) and 385 nos. GCI sheets issued and utilized (8 feet long) to the construction of DRDA office building, remaining 9569 pieces (10 feet long 6376 pieces and 8 feet long 3193 pieces) issued as temporary loan to 95 nos. individuals and which are not recovered yet.

Temporary loan	Issued to construction Of DRDA office Building	Ground balance	Grand Total
9569 Nos. + (6376 10 ft. long & 3193 8 ft. long)	385 nos. + (8 ft. long)	220 nos. (101 + 119) (10 ft. long)	= 10,174 nos.

Due to the non-refund of GCI sheets by the loanee concerned, the DRDA, Cachar issued notice to all individuals and parties to refund the same vide letter No.CRDP (Store) 1/T.Loan/02/19 dated 15.05.2003. But no GCI sheets were refunded by the loanee and accordingly reminders were issued to them vide letters No.(i) CRDP (store) 1/T.Loan/02/30, dated 10.06.03, (ii) CRDP (store)1/T.Loan/02/37, dated 19.05.04, (iii) CRDP (store)1/T.Loan/02/128, dated 02.05.05 and CRDP (store)1/T.Loan/02/148, dated 09.07.05. But inspite of the repeated reminders no responses were made by the loanee concerned. It may be mentioned here that on 08.12.2005, the CM's Special Vigilance Cell, Assam seized the concerned Stock Book of godown materials from this DRDA.

OBSERVATIONS/RECOMMENDATIONS

4.15 In respect of this para too the Chief Minister's Vigilance Cell submitted a report to the Committee which is in the same nature as that of para 4.5.5. After going through the report the Committee recommends that the Department should file charge sheet against the delinquent officials and recovery of the amounts should be made. Action taken report may be submitted to the Committee within 60 days from the date of presentation of the report to the House.

Chapter – V
Water Resources Department
Wasteful expenditure

(Audit Para 4.1.1/C & AG (Civil)/2005-2006/(P-135-136))

5.1 The audit has pointed out that a test-check (August-September 2004) of records of the Executive Engineer (EE), West E & D Division, Guwahati revealed that the contractors had to suspend the work from 14 June 2000 due to submergence of burrow areas by flood water overflowing the embankment, 37,304.15 cubic metre of earthwork executed at a cost of Rs.15.84 lakh was also washed away by floods. To redo the earthwork and to take care of the change in labour rate etc., the division submitted a revised estimate of Rs.5.42 crore to the Government in May 2001. The same contractors were engaged in redoing the work instead of retendering. Despite non-receipt of administrative approval to the revised estimate till March 2006, the division made payment of Rs.1.52 crore (Rs.15.84 lakhs + Rs. 1.36 crore) as of March 2006, leaving a liability of Rs.4.07 crore against the completed work. Execution of work worth Rs.5.59 crore (payment : Rs.1.52 crore + liability : Rs.4.07 crore) without revised administrative approval was unauthorized and irregular. The matter was reported to the Government in June 2006. In reply, Government stated (October 2006) that the work had to be started on emergent basis keeping in view the fact that the work can protect the area from normal flood level. The Government added further that the monsoon started immediately during execution of the work and crossed the normal flood level and thereby washed out the half done portion of the earthwork. If the Government considered the work to be of urgent nature, it should have given revised administrative approval immediately and accordingly. Also, execution of earthwork during monsoon without any palliative measures resulted in wasteful expenditure of Rs. 15.84 lakh

5.2 The department by their written reply has stated that the revised Administrative Approval for the scheme "Construction of retirement from ch.27800 m to 31150 m of B/dyke on L/B from Gumi to Kalatoli to link the breached portion of embankment at Alikash" could not be accorded for non-inclusion of the scheme in the Annual plan of the year 2007-08, due to insufficiency of fund provision under C.S.S. However, now there is fund provision for the scheme against the balance amount i.e. Rs. 299.20 L

(Rs.542.20 L Rs.243.00 L) in the Annual plan. For the year 2008-09 under C.S.S. and the Administrative Approval is also under process. Regarding, execution of earth work without palliative measures, it is mentioned here that, the work had to be started before A.A. due to extreme emergency and also due to public pressure of the area with a view to complete the closing of the breach before the on set of high flood and palliative works was not considered so important at that point of time. But, unfortunately due to early on set of flood in the month of June of that year the flood water over topped the on-going works and some portion of the earth work was washed away. However, the remaining portion of the executed earth work could cover certain height of flood and could some how protect the area of Goraimari, Gumi, Kalatoli and so many villages alongwith numbers of schools, collèges and other public buildings besides cultivated land and the Lampara Garumari Road etc. from heavy flood devastation. Subsequently the entire length of breach could be closed before the next high flood of that year. As such the expenditure against the washed portion of work as pointed out by the Audit, due to unpredictable flood may not be treated as: "Wasteful expenditure." The finance department initiated the committee that the work was stated in May, 2000, but the work order was issued in July, 2007. The work was done without any tender. Administrative Approval was not given for the revised estimate. The original estimate was for Rs. 5 crore, subsequently revise estimate was submitted by the department which was not approved.

OBSERVATIONS/RECOMMENDATIONS

5.3 The Committee asked the Water Resources Department to submit a list of officers right from SDO,EE, SE to CE level and also the list of contractors who were involved in the implementation of the work. The department accordingly submitted the list which is placed at Annexure "C". The Committee observes that the Finance department as well as the A.G.(Audit), Assam have opined that there is gross irregularities and violation of Government Rules and Procedure. The Committee also observes that the work which was implemented in monsoon period could have been implemented in January or February i.e. during dry season, if the department had in mind public interest. The Committee, therefore, recommends that the department should undertake any repairing/construction of embankments only in dry season and not to undertake such work in monsoon period which causes huge wasteful expenditure. The Committee also recommends that the department should strictly follow established Government Rules and Procedure in future.

Avoidable extra expenditure

(Audit para. 4:2.12/C & AG(Civil)/2005-2006/(P-148-149)

5.4 The audit has pointed out that a test-check (November-December 2005) of records of the Executive Engineer (EE), Dibrugarh Embankment and Drainage Division revealed the following: (a) The division collected 40,100 cubic metre of blasted boulders during the period from December 2001 to December 2002 from Bihora quarry at a tendered rate of Rs.1,259.02 per cubic metre. The tendered rate of Rs.1,259.02 per cubic metre for collection, supply and stacking of blasted boulders included 10 per cent contractor's profit and was based on a quarry distance of 259 km. But according to the original approved estimate, the distance of the Bihora quarry was 233 km from the work site. Taking into account the quarry distance as 233 km and allowing 10 per cent contractor's profit, the rate of collection, supply and stacking of blasted boulders worked out to Rs. 1,159.26 per cubic metre. Thus, fixing of rate on increased quarry distance led to an extra expenditure Rs.40 lakh $\{(1,259.02 - 1,159.26) \times 40,100\}$ (b) Moreover, out of 40,100 cubic metres, 28,100 cubic metres of blasted boulders were stacked at a distance of 5 km from the work site, which were subsequently locally carried by 10-ton capacity truck at the rate of Rs.93.21 per cubic metre. As the site of the work was approachable by a 10-ton truck, there was no justification for stacking the boulder at a distance of 5 km and re-transporting the materials by local carriage, which resulted in an avoidable expenditure of Rs.18.90 lakh. The matter was reported to the Government in May 2006. In reply, the Government stated (October 2006) that due to severe bank erosion in the original approach road, an alternative road via Dikom was considered in the working estimate thereby increasing the total carriage distance by 26 km from 233 km to 259 km. The Government added further that due to non-availability of open space in the construction site, separate open stack yard within a reasonable distance of 5 km was arranged for speedy unloading and stacking of boulders. The reason attributed for adopting longer route was not supported by road closure certificate of the shorter route or any other supporting records. Regarding re-transporting of boulders, the site accounts disclosed that the transportation was done over a protected period of more than six years (September 1999 to November 2005). This indicates that speed was not imperative and boulders could have been taken direct to the work site instead of stacking and thus, the expenditure of Rs. 18.90 lakh on local carriage also could be avoided.

5.5 The department by their written reply has stated that the C.W.C. New Delhi approved the work "Protection of Nagaghuli Maijan area upstream of Dibrugarh Town along river Brahmaputra" for Rs.10.74 crore in March 1991 with 3-land spurs and 14 Nos. of dampeners. But due to non inclusion of the scheme in the Annual Plan under any head of accounts i.e. Non-lapsable/Grant-in Aid/A.C.A. etc. till early part of 1998, the scheme could not be accorded Administrative approval. However, the scheme got Administrative Approval by the Govt. for Rs.10.74 crore during March 1998. But, due to heavy price escalation, the scheme could not be started with 3 Nos. land spurs. In the meantime the 8th Monitoring Committee visited the site on 04.01.2001 and suggested to take up the work immediately with a single land spur. Accordingly the estimate was re-casted for Rs.9.65 crore consisting a single land spur and the estimate was accorded technical sanction by the Addl.Chief Engineer, Upper Assam Zone, Water Resources Department for Rs.9.65 crore during November 2001. Due to the constraint of fund, the work could not be completed in due time. However the work has been completed by March 2007. As per approved estimate of single spur the payment was made to the contractors. During the preparation of original estimate of Rs.10.74 crore the analysis was made considering the distance of black topped road of 215 KM distance upto Dibrugarh and 8 KM gravel road via Maijan T.E. along Dibrugarh Rangagora Tinsukia Road. But in due course after a gap of 6(six) years due to severe bank erosion, the gravel road via Maijan T.E. along Dibrugarh Rangagora Tinsukia road was eroded away and there was no alternative suitable communication link to carry boulder via Dibrugarh to Nagaghuli work site. In this connection Breached Certificate of Dibrugarh Rongagora Tinsukia Road from P.W.D. Dibrugarh Rural Road Division. So, during the preparation of working estimate, P.W.D. black topped road via Nadua (Dikom) was considered to carry the boulder for which a total distance increased by 26 KM more. Hence the difference is observed in 2(two) estimates in the carriage rate for boulders. Moreover there were very little open space in the Nagaghuli construction site to stack and store such a huge quantity of 40.700 M of boulder, so separate open stack yard within a reasonable distance of 5 KM was arranged for unloading and stacking of boulder by carrying trucks and properly get it measured, checked and verified by competent authority in a convenient way as per normal procedure. After this, the boulders were carried to the work site for utilization in the land spur by local carriage of boulder which

was inevitable in the construction process of the land spur at Nagaghuli area and hence the expenditure may be considered justified.

OBSERVATIONS/RECOMMENDATION

5.6 The Committee heard the deposition of the departmental witnesses and observes that the department could have brought the boulders directly to the works site instead of unloading and stacking in between and thereby the excess expenditure of Rs.18.90 lakh on local carriage could have been avoided. Regarding re-transporting of boulders, the site accounts disclose that the transportation was done over a protected period of more than six years (September 1999 to November 2005). A route could not be in such a bad condition for a period of six years. The Committee, therefore, recommends that the department should avoid causing such wasteful expenditure in future.

Annexure-'A'

COMPOSITION OF THE OUT GOING COMMITTEE

(2006-2008)

Chairman:

1. Shri Brindaban Goswami

Members:

- 2. Shri Sarat Borkotoky**
- 3. Shri Rameswar Dhanowar**
- 4. Shri Gobinda Chandra Langhasa**
- 5. Shri Abdul Khaleque**
- 6. Shri Rajib Lochan Pegu**
- 7. Shri Padma Hazarika**
- 8. Shri Phani Bhusan Choudhury**
- 9. Smti Kamali Basumatari**
- 10. Shri Parimal Sukla Baidya**
- 11. Shri Jagat Singh Engti**
- 12. Shri Anwarul Hoque**

Annexure - 8

1	2	3	4	5	6	7	8	9	10	11
Part	Amount	Date	Remarks	Advances Disbursed	Name & Designation	Completion of work	Value of goods done	Value of goods done if not completed	Adjusted in full	Date of recovery
1 Land dev. activities under D.W.D.P. by watershed associations	Rs. 45,000 per association	14.12.01	Does not advise Cooper. Soc. D.W.D.P. Guide line. Rego. Disposal are authorized to approve the scheme in their meeting by the Presdt.	45,000	(1) Balighat W/S/Assocnt	18/12/01	25/12/01	Date of loan amount = 6/11/01	yes, Account submit	Nil
					(2) A. L. Lakkar - Presdt.	18/12/01	-	Date of completion	with full adjustment of advance.	
					(3) A. L. Lakkar - Presdt.	18/12/01	-	14/12/01	-	
					(4) A. L. Lakkar - Presdt.	18/12/01	-	19/12/01	-	
					(5) B. V. Babbar - Presdt.	18/12/01	-	-	-	
					(6) B. V. Babbar - Presdt.	18/12/01	-	-	-	
					(7) B. V. Babbar - Presdt.	18/12/01	-	-	-	
					(8) N. R. Day - Presdt.	18/12/01	-	-	-	
					(9) M. S. M. M. - Presdt.	18/12/01	-	-	-	
					(10) A. M. M. - Presdt.	18/12/01	-	-	-	
					(11) J. K. S. - Presdt.	18/12/01	-	-	-	
					(12) B. K. S. - Presdt.	18/12/01	-	-	-	
					(13) M/R from	20/12/01	-	-	-	
					(14) Local leads	-	-	-	-	
G/Totl				Rs. 5,85,000						

2) Frainity of water shed association: morba under D.W.D.P. Guide line.	Rs 50,000	DRDC-31/2001 dt 17/6/01	Does not advise as per guide line of D.W.D.P.	Rs 50,000	N. J. Chakrabarti A.P.O. (Agri) DRDA, Gu.	17/6/01	Sept-01	September 2001	yes, adjustment into full utilization submit on 16/10/01	Nil
3) - DO -	Rs 95,000	vide no/ P.O/2001 dt 29/4/02	-	Rs 95,000	N. J. Chakrabarti A.P.O. (Agri) DRDA, Gu.	9/5/02	June 02	June 02	yes, adjustment submit with full utilization on 19/7/02	

G/Totl Rs. 7,80,000
 (Seven lakhs and eighty thousand only)

Statement prepared & submitted by
 N. J. Chakrabarti A.P.O. (Agri) sub 8106

Annexure- 'C'

List of officials and contractors, involved in implementation of scheme contained in the C & AG Report for 2005-2006 under para 4.1.1.

Officials

1. Shri Ratul Sarma
Assistant Executive Engineer,
2. Shri Manik Ch. Konwar
Executive Engineer,
3. Shri Ishan Ch. Brahma
Suprintending Engineer,
4. Shri P.C.Hazarika
Chief Engineer.

Contractors

- | | |
|------------------------------|----------------------------|
| 1. Shri Khalil Ahmed | 17 Shri Budhen Phukan |
| 2. Shri Phatik Saud | 18. Shri Tomser Ali |
| 3. Shri Somadhar Barpatra | 19. Shri Abul Malek |
| 4. Shri Diganta Das | 20. Shri Kamaleswar Kalita |
| 5. Shri Munin Kalita | 21. Shri Akhil Roy |
| 6. Shri Rohit Ch. Boro | 22. Shri Rajen Thakuria |
| 7. Shri Upen Kalita | 23. Shri Arun Kalita |
| 8. Shri Khabiruddin Ahmed | 24. Shri Manjur Alam |
| 9. Shri Era Das | 25. Shri Dilip Sarma |
| 10. Shri Ashok Kr. Agarwalla | 26. Shri Hiranmoy Mazumdar |
| 11. Shri Ashok Kr. Jain | 27. Shri D.P.Dutta |
| 12. Shri Ashok Kr. Seraugi | 28. Shri Anil Das |
| 13. Shri Sankar Sangkakoti | 29. Shri Kartik Deka |
| 14. Shri Sunit Kr. Sarma | 30. Shri Nuruddin Ahmed |
| 15. Shri Abul Baser | 31. Nasiur Rahman |
| 16. M/s Kalyani & Associates | 32. Shri Safikul Islam |