

PAC - 129

**COMMITTEE ON PUBLIC ACCOUNTS**  
**(2009-2011)**

**HUNDRED AND TWENTY NINTH 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 YEARS 2007-2008,  
RELATING TO  
PUBLIC HEALTH ENGINEERING AND PUBLIC WORKS  
DEPARTMENTS, GOVERNMENT OF ASSAM.**

**Presented to the House on 08-02-2011.**

**ASSAM LEGISLATIVE ASSEMBLY SECRETARIAT,  
DISPUR : GUWAHATI-781006.**

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## COMPOSITION OF THE COMMITTEE

### Chairman :

1. **Shri Phani Bhusan Choudhury**

### 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 Sing Engti**
12. **Shri Anwarul Hoque**
13. **Shri Membor Gogoi**

### Secretariat:

1. **Shri G.P. Das, Principal Secretary**
2. **Shri B. Basumatari, Additional Secretary**
3. **Shri P.K. Hazarika, O.S.D.**
4. **Shri K. Rahman, Protocol Officer.**

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### **PREFATORY REMARKS**

I, Shri Phani Bhusan Choudhury, Chairman, Committee on Public Accounts, Assam Legislative Assembly having been authorized to submit the report on its behalf present this Hundred and Twenty Ninth 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 2007-2008 pertaining to the Public Health Engineering and Public Works Departments, Government of Assam.

2. The Report of the Comptroller and Auditor General of India (Civil) for the year 2007-2008 was laid before the House on 7<sup>th</sup> March, 2009.

3. The Report mentioned above relating to the Public Health Engineering and Public Works Departments were considered by the Committee in their sittings held on 25<sup>th</sup> August, 2009 and 1<sup>st</sup> October, 2009.

4. The Report of the Committee on Public Accounts as finalized and approved by the Committee in its meeting held on 28-01-2011 for presentation before the House.

5. The Committee has 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 Departments.

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.

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

**PHANI BHUSAN CHOUDHURY**  
Chairman  
Committee on Public Accounts.

Dispur:  
The 28<sup>th</sup> January, 2011

### Undue financial benefit

(Audit para 4.3.2/C& AG(Civil)/2007-2008/P-104-105)

1.4 The audit has pointed out that after scrutiny (March 2008) of the records of the Executive Engineer, Stores and Workshop Division (PHE), Guwahati revealed that the Division procured 21,50,408 running metre unplasticised poly vinyl chloride (UPVC) pipes of different specifications during the year 2003-08 for ARWSP scheme from local manufacturing units and paid Rs. 4.12 crore as central excise duty. Since the suppliers are exempted from paying central excise duty, payment of Rs. 4.12 crore in addition to the value of goods was unjustified and resulted in undue financial benefit to the suppliers.

1.5. The department by their written reply has stated that on receipt of the audit objections regarding payment of excise duty to local UPVC pipe manufacturers, Chief Engineer (PHE) Assam, Hengrabari sought clarification from the Central Excise Department, G.S Road, Bhangagarh vide his letter No. PHE 529/PB/87/Vol-1/18845 dtd. 02.09.08. In reply, Deputy Commissioner, Central Excise Department, G.S Road, Bhangagarh vide his letter NO. V (30)/MISC/TECH-1/ACG/2007/11086 dtd.18.09.08 has clarified that the Govt. of India announced several subsidies & incentives for industrial growth of North Eastern Region vide Notification No. 32/-CE&33/99-CE both dtd.08.07.99 as amended. In terms of the said notification it has been envisaged by the Govt. of India that the benefit of exemption of Central Excise Duty so paid on value addition undertaken by the manufacturers of excisable commodities in the N.E. Region shall be refunded back to the manufacturers subject to their claim of such duty deposited to the Central Excise Department and admissibility of refund as per the aforesaid notification as amended. However, there is no provision for refund of entire amount of duty paid by the manufacturers. It is further clarified that there is no provision under the Central Excise Acts & Rules to extend the benefits of exemption of refund of central Excise duty to the buyers/consumers/end users of excisable commodities. As such, the Central Excise Duty, so paid to the firms/manufacturers of UPVC Pipes and casing pipes by the buyers/consumers/end users, cannot be claimed back from the Central Excise Department as the benefit of exemption is extended as incentive by way of refund of Central Excise Duty to the manufacturers of excisable commodities in N.E. Region only. Further, the local manufacturers of UPVC pipes clarified that their product is not exempt from payment of Excise Duty. In fact, they have to charge & pay

Excise Duty to the Central Excise Departments & only a part duty so paid, (i.e. on value addition) is refunded only to those units who came into production after 1997 or undertook substantial expansion after 1997 and are located in notified areas only according to Industrial Policy. It may be seen from the above that the Excise Duty is refunded only on value addition done by the manufacturers and not the entire Excise Duty paid. Moreover, this refund is made to only those entrepreneurs who have set up units after 1997 or to those units who have undertaken substantial expansion of their units and are located in notified areas only. In view of the above, the Excise Duty amount of Rs. 4.12 crores paid to the local manufacturers against purchases of UPVC valuing Rs. 25.75 crores seems to be in accordance with the provision and for which the objection may be reviewed.

#### OBSERVATIONS/RECOMMENDATIONS

1.6 The Committee observes that the State Govt. actually get a benefit from the exemption of payment of central excise. So the rate are to taken without taking into account the Excise Duty. Here the contractors gained because he was not required to pay the Central Excise. It has to be ascertained whether the contractor has paid the Central Govt. which he was required to pay. But the reply of the department does not say this clearly. The Committee, therefore, directed the deptt. to furnish the Challan copies for payment of Central Excise Duty by the contractors within 30 days from the date of presentation of this report before the House.

## The Report

### Chapter - I

## PUBLIC HEALTH ENGINEERING DEPARTMENT

### Avoidable expenditure

(Audit para 4.3.1/C & AG (Civil)/2007-2008/P-104)

- 1.1. The audit has pointed out that after scrutiny (March 2008) of the records of the Executive Engineer, Stores and Workshop Division (PHE) revealed that in addition to procuring 625 hand pumps @ Rs. 6,786, the Division also procured 10,686 @ Rs. 7,272 from the Delhi based firm and 2,983 sets @ Rs.7,329 (Rs.6,786 plus 8 per cent Central Excise Duty) of the same specification from local SSI units during December 2003 to August 2004. Central Excise Duty allowed on the purchase price of 2,983 sets was, however, inadmissible. Thus, non-procurement of hand pumps at the lower available rate of Rs. 6,786 resulted in extra expenditure of Rs. 68.13 lakh.
- 1.2. The department by their written reply has stated that 1. The Chief Engineer (PHE) Assam called tenders for procurement of required Direct Action Hand Pumps (DAHP)(Tara Pump) and accepted the lowest rate of Rs. 7,272/- per set of Delhi based firm on February 2002. 2. Meanwhile, DAHP (Tara Pump) was brought under the purview of the APSP Act on 2.06.2003 and the Technical Committee under the APSP Act fixed the rate of Rs. 6,786/- per set inclusive of 4.4% AGST (Rs.6,500/- + 4.40% AGST. 3. The local manufacturers, aggrieved by such rate fixation by the Technical Committee, appealed to the Government as per APSP Act to review the rates of DAHP. 4. However, the local units supplied 625 nos. of DAHP to the department at provisional rate i.e. Rs. 6,786/- per set inclusive of 4.4% AGST. 5. Subsequently, the former lowest quotation obtained an injunction from the Hon.ble Guwahati High Court staying promulgation of APSP Act for this item and local SSI units expressed their inability, to supply such a quantity of material to meet the demand of PHED during that period of time. 6. It may be pertinent to mention here that after considering the appeal of local manufacture of DAHP, the Secretary to the Government of Assam, Industries & Commerce Department refixed the rate of DAHP at Rs. 8,200/- per set excluding, taxes and duties. 7. In the meantime, the Hon.ble Guwanati

High Court also passed an order to pay the local manufacturers at the rate of Rs. 8,200/- per set exclusive of taxes and duties and the earlier rate of Rs. 6,786 per set fixed by the Technical Committee was over ruled. As such, PHED had to accept this rate as directed by the Hon,ble Guwahati High Court.

### OBERVATIONS/RECOMMENDATIONS

1.3 The Committee observes that during the course of discussion the department stated that the Hon'ble Gauhati High Court passed an order to pay the local manufacturers @ Rs.8200/- per set exclusive of Taxes and duties and the earlier rate of Rs. 6786/- per set fixed by the Technical Committee was over ruled and the Committee is satisfied with the reply of the departmental representatives and pleased to drop the para.



## CHAPTER – II

## PUBLIC WORKS DEPARTMENT.

Under financial aid and extra expenditure .

(Audit para 4.3.3 /C&AG (Civil)/2007-2008/P-105-106)

2.1 The audit has pointed out that after scrutiny (January 2008) of the records of the Executive Engineer, Permanent Capital Construction Division revealed the following:- The CPWD Works Manual 2003 provides for Mobilisation Advance (MA) to the contractor at 10 per cent of the estimated cost or tendered value or Rupees one crore, whichever is less, at 10 per cent simple interest. The Division paid (January 2004) Rs. 3.69 crore as MA to the contractor i.e. an excess of Rs. 2.69 crore in contravention of rules. The Division adjusted the MA during January, 2004 to September 2005 in 24 installments without recovering any interest. Failure of the Department to restrict the MA to Rupees one crore as admissible and recover 10 per cent simple interest thereon resulted in temporary financial benefit of Rs. 2.69 crore and loss of interest of Rs. 27.91 lakh. The Division paid (July 2007) Rs. 2.71 crore for the execution of 22,584 m of RCC piles @ Rs. 1,200 per m. The rate of Rs. 1,200 per m was admissible for the initial length of 7 m and the rate of additional length beyond 7 m was Rs. 350 per m. Scrutiny of the records, however, revealed that the Division executed 11,658 m of pile works beyond the initial length of 7 m and paid @ Rs. 1,200 per m resulting in an extra expenditure of Rs. 99.09 lakh.

2.2. The department by their written reply has stated that the tender for the work " construction of New Sectt. Building at Dispur (Balance work) has been invited as per APWD Norms through standard bidding system and the work was awarded by Chief Engineer, P.W.D (Bldg). to M/S Unity Infra Project Private Ltd. Mumbai at Rs. 73.86 crore. Interest free Mobilisation Advance equivalent to 5% of contract price amounting to Rs. 3.69 crore was released to the contractor as per special conditions of contract attached to the Tender Agreement vide clause 12 at page 30. As the work was executed as per above tender and not as per CPWD works manual, 2003 the payment of interest free Mobilisation advance is given as per special conditions of contract. clause No. 12 and may not be termed as undue temporary financial aid of Rs. 2.69 Cr. As regards execution of pile works payment made to the contractor is due and correct No any

extra expenditure has been incurred ; because the cost involved for providing pile beyond 7 m is the cost of providing pile for length 5 m to 7 m plus extra for addl. length of piles for length exceeding 7m. i.e. Rs. 1200/-+Rs. 350/- and hence payment made for pile works beyond 7 m. is not an extra expenditure. Practically the cost of pile work beyond 7 m is more because the contractor must have to bore more depth and reinforcement, & concrete are also to be placed in more depth.

### OBSERVATIONS/RECOMMENDATIONS.

2.3 Having heard the deposition of the departmental representatives the Committee observes that there is no uniformity in fixing mobilization advance in the manual of Assam PWD as such there is scope of varying of the mobilization advance from case to case. There should be uniformity in fixing the mobilization advance. The Committee decided to drop the para with the recommendation that APWD should amend the manual for fixing of mobilization advance before executing future work.

### Undue Financial aid

(Audit para 4.3.4/C.& AG(Civil)/2007-08/P-105-106)

2.4. The audit has pointed out that Bodo Territorial Council (BTC) accorded (January 2005) administrative approval (AA) to the "Construction of BTC Assembly and Secretariat Building" for an amount of Rs. 17.00 crore. The work was awarded (March 2005) by the Director BTC to a contractor at a tendered value of Rs.15.46 crore with the stipulation to complete it within March 2007. Due to increase in floor area of the work, the estimate was revised (May 2006) to Rs.34.28 crore and the tendered value was enhanced to Rs. 25.24 crore. An expenditure of Rs.26.12 crore was incurred on the work with a physical progress of 88 per cent as of March 2008. The CPWD Works Manual 2003 provides for mobilisation advance (MA) to the contractor in respect of certain specialized and capital intensive works costing not less than Rupees two crore, to 10 per cent of the estimated cost or tendered value or Rupees one crore, whichever is less, at 10 per cent simple interest. Scrutiny of the records (September 2007) of the Executive Engineer, Kokrajhar Building Division revealed that the Division paid (March, August and December 2005) interest free mobilisation advance Rs. 3.09 crore to the contractor thereby providing an undue financial benefit of Rs. 2.09 crore. The Division adjusted the amount during the period from December 2005 to September 2006 in three installments. Thus, due to violation of codal provisions, apart from undue temporary financial benefit of Rs. 2.09 crore over admissible amount, the Government sustained a loss of Rs. 32.47 lakh as interest.

2.5 The department by their written reply has stated that for the work "Construction of Bodoland Territorial Council Assembly and Secretariat Building" at Kadamtola, Kokrajhar, Administrative Approval has been accorded for an estimated amount of Rs. 17.00 crore (Rupees Seventeen crore) only. Later on, the estimate has been revised amounting to Rs. 34,27,88,868.00 (Rupees Thirty four crore twenty seven lakhs eighty-eight thousand eight hundred sixty eight) only and accordingly Revised Administrative Approval was also accorded. The work mentioned above has been awarded to M/S S.M. Apartment Pvt. Ltd. and Tender Agreement have been executed between M/S S.M Apartment Pvt. Ltd. and Director, PWD Bodoland Territorial Council, vide Bld. No.977 B dated 14.02.2005 with original tender value of Rs. 1546.06 lakhs. The above work has been executed as per this tender and not based on the CPWD works Manual, 2003 as stated by Audit. The Tender Committee constituted

by B.T.C recommended 20% Mobilisation Advance vide Minutes of the meeting B.T.C Tender Committee Memo No. BTC/PWD@ 63/2004/11 dated 09-03-2005 and Mobilisation advance comes to Rs. 309.212 lakhs which was paid to the contractor and the amount of the Mobilisation advance (Rs. 309.212 lakhs) has been recovered strictly in three installments in full vide Vr. No.63 of 12/05.63 of 03/06 and 42 of 12/06. The Director PWD, Bódoland Territorial Council has made an agreement with M/S S.M. Apartment Pvt .Ltd for making advance payment (Mobilisation Advance) without charging interest. Thus no undue temporary financial benefit has been extended to the contractor through mobilization advance.

#### **.OBSERVATION/RECOMMENDATION.**

2.6 The Committee observes that the case is similar to para 4.3.3 as such the Committee decided to drop the para with the same recommendation.

**Irregular payment of Advance**  
(Audit para.4.4.6/C& AG(Civil)/2007-08/P-110)

2.7 The audit has pointed out that after scrutiny (January 2008) of the records of the EE, Permanent Capital Construction Division, Dispur, Guwahati revealed that the Division made an advance payment of Rs. 5.33 crore between April 2004 and March 2006 against an estimate of Rs.7.45 crore preferred by the Assam State Electricity Board (ASEB) towards the cost of construction of two Sub-Stations at permanent Capital Complex, Dispur. The advance payment was made as per the decision of the Monitoring Committee of the Government. Administrative Approval technical sanction and expenditure sanction were not obtained for the work and no contract or MOU was signed with ASEB, specifying the details of work and the time limits. Even the site was not handed over to the ASEB as of January 2008 and therefore, the work could not be started. Thus, advance payment without obtaining the necessary approvals, without handing over the site and without entering into any agreement/MOU etc. for safeguarding the interest of the Government and even without a formal order to start the work was irregular and led to blocking of funds of Rs. 5.33 crore for a period ranging from 24 months to 52 months (September 2008).

2.8. The department by their written reply has stated that the Construction of 132 K.V Sub Station for the Sectt. Complex at Dispur was a part work of the whole project i.e. construction of Multistoried Sectt. Bldg. at Dispur. Necessary revised A.A. was accorded for the whole project vide No. GDD/15/2001/Pt/503 dt. 30.12.05 & No. GDD/15/2001/Pt/518 dt. 22.02.06 accordingly. Revised T/S has been accorded vide No.SMC/PCC/Ts/1069/98/26 dt.27.03.09 for Rs.114.98 crore. The work was allotted to ASEB as deposit work as per decision of the construction and monitoring committee chaired by the Chief Secretary, Govt. of Assam. ASEB agreed to execute work after payment is made to them as per their bill. As ASEB is a Government undertaking and there is no precedent for payment to ASEB by signing MOU with PWD or State Government. The advance payment of Rs. 5.33 crore was made to ASEB as per prevailing office procedure for execution of work. The site earmarked for construction of the 132 KV Sub-station was occupied by the Dispur Police Station. The handing over of the site, although delayed for some administrative reasons, has been completed in January, 08. The ASEB has taken action for starting of the Civil works of the Sub-station & the same is in progress. They also informed that the

Transformer & the terminal equipments have also been procured. The expected date of completion of the above work as intimated by M.D. Assam Electricity Grid Corporation Ltd. Vide their letter No. AE.GCL/MD/SS-102/Pt-1/115 dt.13.7.09 is 31.3.2010.

#### OBSERVATIONS/RECOMMENDATION

2.9 The committee observes that the blockage of fund amounting to Rs. 5.33 crore for a period ranging from 24 months to 52 months occurred due to failure to handing over the site for construction of the ASEB sub station at Dispur to the ASEB authority. The Committee also observes that the deptt. should be careful in future to take into consideration all the relevant aspects of the matter before releasing fund for execution of any work. However, as the ASEB has now taken over the site and has started civil works of the sub station and the same is in progress, the Committee, therefore decided to drop the para.

## Diversion of Central Road Fund

(Audit para 4.4.7/C&AG/(Civil)/2007-2008/P.110-111)

2.10. The audit has pointed out that after scrutiny (January 2005) of the records of the EE, Guwahati Rural Road Division and further information collected (May 2007) revealed that the Division diverted Rs. 18.36 lakh out of the project funds, to execute various works in the CE's residence/office. The EE admitted (March 2007) to diverting the funds and justified it as being necessitated by paucity of funds for the works to be taken up in the CE's office. Thus, the diversion of Rs. 18.36 lakh out of CRF to facilitate execution of unauthorised works is irregular.

2.11. The department by their written reply has stated that the work "Improvement by Metalling and Black topping of Palashbari Loharghat Rajabari P.W.D. road" under CRF was completed in January, 2006 in all respect at an expenditure of Rs.3.08 Crore against the sanctioned amount of Rs. 3.50 Crore. As regards diversion of Rs. 18.36 Lakhs as objected by Audit. It is worth mentioning that the above expenditure has been incurred in execution of some works of utmost necessity in the Chief Engineer, P.W.D. (Roads) Office Complex. The expenditure for execution of the said works have been met up from the sanctioned contingency amount (Rs. 14.33 Lakhs) and overall savings of the above named sanctioned work without exceeding the sanctioned amount and it was done due to State Govt. fund constraint at that time. The construction of a canteen at the office complex of C.E., P.W.D.(Roads). Chandmari, Guwahati was a long pending demand of "Union and Welfare Committee of the employees of C.E.'s office and they have submitted Memorandum to the Minister, P.W.D. with their certain demand. After discussion with the employees association and finding no other way to avoid friction with the employees and in the interest of work, finally the canteen was constructed by incurring an expenditure of Rs.10,49,790/- including providing minimum accommodation facility in C.E.'s office at a cost of Rs.7,86,287.00 charging the expenditure to the aforesaid work under CRF. The expenditure thus incurred Rs.18.36 Lakhs was for providing basic minimum facility to the employees of C.E., P.W.D., (Roads) Office. Hence, the expenditure may kindly be treated as regular.

## OBSERVATIONS/RECOMMENDATIONS

2.12 The Committee observes that the department diverted an amount of Rs.18.36 lakhs out of the amount sanctioned for the work "Improvement by matting and blacktopping of Palashbari Lohar Ghat-Rajabari P.W.D Road" under CRF for construction of a Canteen at the office Complex of Chief Engineer, P.W.D. (Road), Chandmari, Guwahati which is a gross violation of existing norms as such the deptt. should ensure that such diversion of fund does not occur in future. The Committee directed the department to furnish all the relevant papers/documents to the office of the Principal A.G.(Audit), Assam for his scrutiny within 30 days from the date of presentation of this report before the House.



## Cost overrun

(Audit para 4.5.7/C&AG/(Civil)/2007-08/P-116)

2.13 The audit has pointed out that after scrutiny of the records (February-March 2007) of the EE, Bakuli NH Division, Diphu revealed that the work was originally sanctioned (March 1992) by the GOI for Rs. 1.79 crore. Though the tender for the bridge proper was first invited in July 1992, the work was finally awarded only in October 2000 after re-tendering for the seventh time (June 2000). This was mainly due to delay in processing the tenders ranging from three months to eighteen months on six occasions and corresponding delay in obtaining sanction. By the time sanction arrived, the validity of the tender either expired or the lowest Tenderer refused to sign the tender agreement due to increased cost of material and labour etc. In its sanction (July 2004) to the revised estimate of the work for Rs. 4.90 crore, the Ministry of Road Transport & Highway (MORTH) also opined (July 2006) that inordinate delay of more than eight years in awarding the work resulted in avoidable time/cost overrun in the execution of the project. Thus, failure of the Department in finalizing the tenders and awarding the work in time, delayed the progress of the work by at least eight years involving a cost overrun of Rs. 2.83 crore.

2.14 The department by their written reply has stated that (1.1) the work construction of Lung it Bridge No. 48/4 and its approaches on NH-36 was approved by Ministry of Shipping Road Transport and Highways, Govt of India for an amount of Rs. 1,78,87,000.00 vide Ministry's letter No. RW/NH-12014/14/50/NE-II/87-AS dtd. 31.3.92 (1.2) Accordingly Tender for the work of Bridge proper was invited and received on 17-8-1992. As per recommendation of the Tender Committee the work was allotted to M/S.D.D.Sarma at 39% above the S.O.R of 1990-91 subject to receipt of sanction of the Revised estimate from the Ministry. Executive Engineer was requested to submit estimate. By this time validity of the tender was expired and was extended twice; but the contractor finally refused for extension of the validity period without price escalation. Matter was intimated to the Ministry and Ministry asked this Deptt. for re-tendering with rectification of some tender clauses. (1.3) On receipt of Ministry's directives for re-tendering tender process for 2<sup>nd</sup> time was initiated and received on 27.6.94. In this time, negotiated rate (50% above the S.O.R) was found to be inordinately high and hence the work could not be allotted. (1.4) Afterwards, tender invited for 3<sup>rd</sup> time and received

on 16.02.96 and the lowest quoted rate found to very high and accordingly tender committee returned the papers to obtain A.A. & F.S from Ministry prior to allotment. During this period the validity of the tender expired and contractor refused to extend the validity period. (1.5) Accordingly tender was called for 4<sup>th</sup> time and received on 06.08.1997. The work was allotted at the lowest rate i.e. 139% above the S.O.R for 1990-91. Accordingly, one revised estimate based on lowest negotiated rate submitted to Ministry for approval. But Ministry returned the estimate and suggested for floating of fresh tender. (1.6) Tender invited for 5<sup>th</sup> time and received on 06.10.1998. But the selected lowest tender refused to sign the tender agreement on the plea of increase of price of construction materials/labours etc. for which again tender had to be invited. (1.7) For sixth time tenders received on 12.04.2000. But Govt. suggested for re-tendering due to high rate quoted by the lowest bidder on 13/6/2000. (1.8) As directed by Govt. tender invited for 7<sup>th</sup> time on 22/6/2000. In this time, as per recommendation of the tender committee the work was allotted on 18/10/2000 at the lowest tender rate i.e. @ 221% above the S.O.R for 1990-91. Which was 12.87% above the then current S.O.R. 1998-99 and it was within the permissible limit for allotment of the work as per Ministry's letter No. RW/NH-12014/342/E/90/AS dtd February, 93. Accordingly the revised estimate was sanctioned by Ministry for an amount of Rs. 490 lakhs and the work had been completed in all respect. In view of above, the delay in completion of the work is mostly due to some technical problems raised during tender process and hence cost overrun as objected may not be termed as Extra Expenditure.

### OBSERVATIONS/RECOMMENDATIONS

2.15 After threadbare discussion, the Committee is satisfied with the reply of the departmental representatives and decided to drop the para.

**Doubtful expenditure**  
(Audit para 4.5.8/C&AG/(Civil)/2007-2008/P-117)

2.16. The audit has pointed out that after State Government accorded (September 2004) Administrative Approval (AA) for 'Construction of RCC Br.No.2/1 on Lakhipur Chunari Road including approaches and protection works under RIDF-IX of NABARD' for Rs. 2.89 crore. The Chief Engineer (CE),PWD,(ARIASP & RIDF),Assam awarded (December 2004) the work to a contractor at a tendered value of Rs. 2.88 crore with the stipulation to complete the work within December 2006. Against 95 per cent physical progress of the work (August 2007)the contractor was paid Rs.1.66 crore (January 2007).Scrutiny (August 2007) of the records of the EE, Goalpara Rural Roads Division revealed that the Division prepared the abstract of three items valued at Rs. 36.72 lakh 10p without recording any detailed measurement in the relevant Measurement Book (MB).Further, the Division prepared the bill and made payment though the EE did not authenticate the execution. Payment without detailed measurements and authentication rendered the expenditure of Rs. 36.72 lakh doubtful.

2.17. The department by their written reply has stated that it appears from page 21 of MB No. 2785 that the measurement of Bearing has been recorded as 6 (Six) Sets as the unit of bearing for payment in the Tender is 'set' and one set comprising of one Roller bearing and one Rocker bearing. There are two spans in the R.C.C. Bridge, each span having 3 (three) Nos of Girders over 3 (three) Sets of bearing. Thus for the both span total No. of bearings comes to six sets. The measurement of this item of work was duly checked by the Asstt. Executive Engineer, Goalpara Rural Road Sub- Division. 2. The measurement of Earth work records from page No. 32 to 36 of MB No. 2785 was 'subject to re-measurement'. The payment made against this Earth work in 2<sup>nd</sup> running Bill for an amount of Rs. 9,81,842/- against 12,273,025 cum of Earth work. Subsequently detailed measurement of Earth work for 22,974,032 has been recorded and payment there of has been made based on the detailed measurement of 6<sup>th</sup> Running Bill for a quantity of (22,974,032-12,273.025 =10,701.007 cum. Now Earth work for both the approaches has been completed and balance payment of Earth work will be made in the final bill. 3. The detail measurement for providing pre-stressed cable has been recorded at page No. 39 to 41 & P No. 67 to 70 of M.B No.2785. The measurement has been duly checked by the Asstt .Executive Engineer, Goalpara Rural Road Sub-Division.

**OBSERVATIONS/RECOMMENDATIONS**

2.18 The Committee observes that the Principal A.G. (Audit), Assam who was present in the meeting held on 25<sup>th</sup> August, 2009 pointed out that at the time of audit it was found that there was no any detailed recording in the M.B and the same had not been authenticated by any competent authority and hence the audit had raised the objection. The Committee after threadbare discussion directed the department to furnish all the relevant documents relating to the para to the office of the Principal A.G.(Audit), Assam for his scrutiny within 30 days from the date of presentation of this report before the House.