

COMMITTEE ON PUBLIC ACCOUNTS
(2009-2011)

HUNDRED AND TWENTY EIGHT REPORT



(TWELFTH ASSEMBLY)

REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS,
ASSAM LEGISLATIVE ASSEMBLY ON THE REPORTS OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA (CIVIL)
FOR THE YEARS 2005--2006 AND 2006-2007 RELATING
TO R & R, ANIMAL HUSBANDRY & VETERINARY
HEALTH & F. W. 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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(i)

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.**

(ii)

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 Eight Report of the Committee on Public Accounts on the Audit paras contained in the Reports of the Comptroller and Auditor General of India (Civil) for the years 2005-2006 and 2006-2007 pertaining to the Relief & Rehabilitation, Animal Husbandry & Veterinary, Health & Family Welfare and Public Works Departments, Government of Assam.

2. The Reports of the Comptroller and Auditor General of India (Civil) for the years 2005-2006 and 2006-2007 was laid before the House on 10th March,2007 and 3rd March,2008.

3. The Reports mentioned above relating to the Relief & Rehabilitation, Animal Husbandry & Veterinary, Health & Family Welfare and Public Works Departments were considered by the out going Committee as in Annexure-'A' in their sittings held on 24th September,2008 and 16th October,2008 but could not be presented the same before the House owing to expiry of its term.

4. The 128th Report of the Committee on Public Accounts was finalized and approved by the present Committee in its meeting held on 28-01-2011 for presentation before the House.

5. The Committee wishes thanks to the out going 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 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.

Dispur:
The 28th February,2011

PHANI BHUSAN CHOUDHURY
Chairman
Committee on Public Accounts.

Chapter-I

Relief and Rehabilitation Department Diversion and blocking of funds

(Audit para 4.4.2/C & AG(Civil)/2005-2006/(P-155)

1.1 The audit has pointed out that a test check (September 2005) of records of the DC, Karbi Anglong revealed that out of the undisbursed amount of Rs.23.42 lakh, the DC unauthorisedly utilized (June, July and October 2004) Rs. 8.45 lakh for payment of GR to the people affected by flood etc., for which separate provision existed in the budget in Grant No.41 (Natural Calamities) under "2245-Relief on account of Natural Calamities". Thus, the DC, Karbi Anglong diverted Rs. 8.45 lakh from one grant to another violating the cardinal principle of appropriation and expenditure from grants as passed by the Legislature. Further, the DC had not refunded the unutilized fund of Rs.14.97 lakh lying in his bank account to the Government account till the date of audit (September 2005) as required under financial rules resulting in blocking of Government funds. The matter was reported to the Government in April 2006. In reply Government admitted (October 2006) the diversion of Rs.8.45 lakh for GR to the people affected by flood and stated that the balance Rs.14.97 lakh was spent (October 2005) for clearing pending GR bills of another ethnic clash (Karbi-Kuki clash).

1.2 The department by their written reply has stated that Relief and Rehabilitation Department, Assam had sanctioned Rs.30.00 lakhs on 08-04-2004 to Deputy Commissioner, Karbi Anglong under major Head of Account "2235-Social Security & Welfare etc." to meet outstanding liabilities and gratuitous Relief to inmates taking shelter in Relief Camps following ethnic clash which Brock out during November 2003 to January 2004. Relief & Rehabilitation Department has been merged with the Revenue & Disaster Management Department with effect from 2nd April, 2007 and became a branch of the Department. Out of this an amount of Rs.6,57,924/- was spent for the purpose for which it was meant leaving a balance of an unspent amount of Rs.23,42,076/-. During the year 2004, 3 nos of consecutive weaves of severe flood swept the District wherein more than 1,00,000 peoples were badly affected. Though there were Staffed & F.C.I. Godowns at Diphu, during that period no stock of essential commodities were ever made available there. Moreover road communication between Hamren & Hojai Sub-Division were totally cutoff due to flood. Hence the imperative on the part of DC was to resort to emergent procurement of Rice, Dal, salt from the open market. The

Deputy Commissioner as such diverted and utilized Rs.8,45,049/- towards meeting such emergent expenditure for providing relief to flood affected people. However, subsequently the Deputy Commissioner vide letter No.KGRR.8/2004/364 dtd. 15-10-04 requested Relief & Rehabilitation Department to accord ex-post facto approval for diversion of an amount of Rs.8.50 lakhs under Head of A/C" 2235-Social Security Welfare etc." to Head of A/C"2245-Relief etc.". For the remaining Rs.14,97,027/- which was not refunded till the date of audit (September 2005), the Deputy Commissioner, Karbi Anglong submitted proposal for payment of outstanding bills pertaining to ethnic violence under the Head of A/C"2235-Social Security & Welfare etc." to which the Government issued no objection for clearing pending G.R. bills of S.D.O.(Civil), Bokajan.

OBSERVATIONS/RECOMMENDATIONS

1.3 The Committee heard the deposition of the departmental representatives and decided to drop the para with a stricture that diversion of fund from one Grant to another Grant must be stopped in future which is violation of financial norms.

Chapter-II

Animal Husbandry and Veterinary Department

Blocking of funds

(Audit Para.4.3.1/C & AG(Civil)/2005-2006/(P-149-150)

2.1 The audit has pointed out that a test-check (April 2005) of records of the Director, Animal Husbandry and Veterinary Department revealed that the State Government did not release the amount within the financial year 2002-03 and got the sanction revalidated by the GOI for use in the year 2003-04. Though the State Government released the entire amount of Rs.85 lakh in December 2003, the Director drew the same only in March 2004 without setting up any technical Monitoring Committee or preparing any action plan as envisaged in the scheme guidelines. Out of Rs.85 lakh, as of March 2006, the Department could utilize only Rs.40.77 lakh leaving a balance of Rs.44.23 lakh lying in Deposit-at-call Receipts. The component-wise utilization of fund was as under.

Sl. No.	Component	Allocation Rupees in lakh	Expenditure	Percentage of expenditure
1.	Strengthening of infrastructure	52.35	40.13	77
2.	Feed mixing plant and equipment For Feed Analytical Laboratory	7.19	-	-
3.	In-house disease diagnosis Laboratory	2.33	-	-
4.	Revolving Fund	15.00	0.64	4
5.	Extension and training	3.25	-	-
6.	Marketing	4.50	-	-
7.	Consultancy	0.38	-	-
	Total	85.00	40.77	48

Against seven components of the scheme, achievement was partial for two and nil in respect of five components. Non-achievement of the physical

and financial target in time not only delayed the benefit derivable from the scheme with the liability of cost overrun but also resulted in blocking of Government funds of Rs.44.23 lakh. Thus, due to lack of initiative and improper financial management, the Department failed to utilize 52 per cent of the Central funds even after two years of release by the Government of India resulting in blocking of Government funds of Rs.44.23 lakh.

2.2 The department by their written reply has stated that an amount of Rs.85.00 (L) has been sanctioned by G.O.I. during 2002-03 under 100% Central Assistance as Grants-in-Aid under Integrated Poultry Development Programme for strengthening of Government Duck & Poultry farm, Silcoorie vide letter No.43-173/2002-LDT(P) dt.07-02-03, which was subsequently revalidated during 2003-04. The amount was sanctioned by Government of Assam during 2003-2004 vide Govt's letter NHo.VFV.210/2003/30 dt. 15.12.03, which was drawn by this Directorate as Grants-in-Aid during 20th March, 04 against the ceiling issued by Govt. Vide No.292/2003/22-A dt. 26.02.04 and kept in the Bank in the form of DCR no.DD-232616 dt. 20.03.04 for want of DDOs account of the Department at that time to avoid retention heavy cash in hand. After utilization of Rs.40.77(L) the balance amount of Rs.44.23(L) out of release amount of Rs.85.00(L) was kept in Bank in the form of Deposit at Call Receipts for want of Bank Account of the department at that time to avoid retention of heavy cash in hand. Till date out of Rs.44.23(L) the Department utilized Rs.31,20,798.00 (L) as detailed below by encashment of DCR after observing Govt. rules and procedures.

(1) Civil Works	-	Rs. 2,46,769.00
(2) Feed Mill & Accessories	-	Rs. 4,15,265.00
(3) D.D.L. & Accessories	-	Rs. 1,65,214.00
(4) Poultry Equipments	-	Rs. 8,57,550.00
(5) Revolving Fund	-	Rs. 14,36,000.00

Rs. 31,20,798.00

Thus, out of Rs.85.00 (L) the total expenditure made in this regard is Rs.71.97 (L) (40.77 (L) + Rs.31.20 (L)) leaving a balance amount of Rs.13.79(L). It may be mentioned that process for utilization of the balance amount is going on. As per proposal of this Department letter No.PD/2/Misc/220/2566 dt. 02.09.04 Government has approved for constitution of a Technical Management Committee vide Govt. letter

No.VFV.210/2003/Pt/15 dt. 25.05.05 and accordingly TMC was constituted. Till date three sittings of TMC have already been held to discuss about development of the farm and activities taken from time to time.

OBSERVATIONS/RECOMMENDATIONS

2.3 Having heard the deposition of the departmental representatives, the Committee observes that the GOI sanction an amount of Rs. 85.00 lakh under Integrated Poultry Development Programme for strengthening of Government Duck and Poultry Farm Silcoorie. The Veterinary department utilized an amount of Rs. 40.77 lakh and balance amount of Rs.44.23 lakh was kept in the Bank in the form of deposit at call-Receipt. Therefore, the department failed to utilize 52% of the Central fund even after two years of release by GOI. Due to lack of initiative and improper financial management the department failed to derive the benefit from the scheme for which the Central Government have sanctioned the amount. The Committee therefore, expresses its concern at the failure of the department to utilize the fund sanctioned by the GOI in time and directed the department to be more sincere so that such type of cases do not recur in future. The Committee also directed the department to furnish the latest position of component wise utilization of fund to the Committee within 30 days from the date of presentation of this report before the House.

Delay in release of Central assistance

(Audit Para 4.5.1/C & AG(Civil)/2006-2007/(148-149)

2.4 The audit has pointed out that after scrutiny (April-May 2006) of records of the Director, Animal Husbandry and Veterinary Department (DAH&V), revealed that the State Government after two years released (August 2005) Rs.1.39 crore. (Central assistance Rs.1.04 crore and State share Rs. 34.71 lakh). The DAH&V drew (February 2006) Rs.1.04 crore and Rs.34.71 lakh (March 2006) and kept the entire amount in DC R till the date of audit. Further, another Rs.26.45 lakh being State share released by the State Government was also drawn by the DAH&V during 2006-07. Neither the balance amount of Central assistance for Rs.2 crore nor the State share of Rs. 40.34 lakh was released by the State Government as of June 2007. Thus, as a result of delay in release of Central funds and subsequent non-utilization of the funds by the Department, not only were the objectives of the programme undermined, the State also could not benefit from improved animal health facilities. The Director stated (July 2007) that out of released amount of Rs.1.65 crore (Central: Rs.1.04 crore: State:Rs.0.61 crore) the Central share of Rs.1.04 crore drawn in February 2006 has since been spent. However, no details of expenditure were provided for verification by audit. Thus due to delay in release of funds, the purpose of control of animal diseases was defeated.

2.5 The department by their written reply has stated that the Govt. of India released an amount of Rs. 74.80 (L) as 1st installment vide letter No.23-10(C)/2003 AHT (LH) dt.26.05.03 and Rs.172.44(L) as 2nd installment vide letter No.23-10 (NER) 2003-AHT (LH) dt. 07.08.03. The above mentioned amount could not be proposed for sanction due to non-availability of budget provision in plan budget during 2003-04 . A proposal for Supplementary Demand was submitted to the Govt. for the 1st installment for Rs. 74.80(L), which was not approved, and the Supplementary Demand proposal for the 2nd installment of Rs. 172.44 (L) could not be submitted to the Govt. The GOI revalidated a total amount of Rs. 247.24(L) (1st installment +2nd installment) along with three other revalidated amounts of Rs.30.00(L) and Rs.7.00 (L) released by GOI for implementation of systematic control of Livestock Disease, F.M.D. and Animal Disease Surveillance respectively during 9th Five Year Plan under 50:50 pattern of Central Assistance which made a total of Rs.304.24(L) i.e (247.24(L)+57.00(L) (vide Govt. of India's letter No. 23-10(C)/2004-AHT (LH) dt. 02.08.04. The State Govt. accorded sanction of Rs 304.24(L)

being the Central Share vide letter No.270/2004/88 dt.29.03.05 during 2004-05. But could not be drawn due to non-receipt of FOC. After that an amount of Rs.104.13(L) as Central Share and Rs.34.71(L) as State Share were sanctioned and released during the year 2005-06 vide letter No.270/2004/118 dt.04.08.05. The amount were drawn and kept in the DCR on 30.02.06 and 30.03.06 respectively vide No. D.C.R. D.H./1/600171 dt.03.02.06 and DCR No. 600249 dt.30.03.06. Again during 2006-07 State Govt. released Rs. 26.45 (L) as State Share. The amount were drawn on 31.03.07 and kept in DDOs Account for future expenditure. Out of the drawn amount of Rs. 138.84(L) Central Share Rs. 104.13 (L)+State Share Rs. 34.71 (L) an amount of Rs. 108.85(L) has been utilizing between April'05 to 30th July'08 and Utilization Certificate submitted against Central Share of Rs. 104.13(L). The balance amount Rs. 29.99(L) is committed liabilities for the modernization & renovation of the laboratories & for vaccination programme under the scheme. Out of Rs. 29.99 (L) an amount of Rs. 14.98 (L) and Rs.0.07 (L) are kept in DCR No. DD-233902 dt. 07,08,08 and DD-233757. dt,15.03.08 respectively and Rs.14.94(L) in DDOs account for future expenditure. The balance amount of Rs. 200.11(L) as Central Share out of Rs.304.24(L) was revalidated by GOI. Accordingly, sanction proposal for a amount of Rs. 105.80(L) was moved to Govt. of Assam as per budget provision during 2006-07. The State Share Rs. 26.45(L) was drawn and utilized Rs. 17.49 (L) leaving a balance amount of Rs. 8.96(L) which is committed liabilities for the modernization and renovation of IVB.

OBSERVATIONS/RECOMMENDATIONS

2.6 Having heard the deposition of the departmental representatives, the Committee observes the there was considerable delay in release of Central Share and State Share which resulted in delay in implementation of systematic control of Live-Stock Diseases. Besides, even after drawal of amount the department instead of utilization of the amount kept the money deposited in DCR and in DDOs account for future expenditure. The fund should be utilized in due time for the purpose for which it is sanctioned. In this case the department failed to obtain its objectives of improvement of Animal facilities. The Committee therefore, recommends that in future the department should show more sincerity in implementing the schemes in time and also directed the department to furnish a report on the present status of the implementation of the scheme within 30 days from the date of presentation of this report before the House.

Chapter-III

Health and Family Welfare Department
 Extra Expenditure
 (Audit para 4.2.3/C & AG(Civil)/2006-2007/(P-127))

3.1 The audit has pointed out that after scrutiny (January 2007) of records revealed that the work was completed (August 2003). The contractor was paid Rs.2.94 crore upto XII running account and final bill (September 2003). The delay in completion of the work was due to delay in handing over clear site for construction to the contractor. The contractor submitted (April 2003) escalation claim for Rs.36.31 lakh to the hospital authorities through the PWD. As the hospital authority failed to make the payment of price escalation bill, the contractor filed (March 2004) a writ petition in Gauhati High Court (HC). The HC in its order (April 2004) directed the Department to pay the escalation charges if the claim was admissible. The hospital authorities paid Rs. 36.31 lakh to the contractor between August and December 2004. Thus, failure on the part of the hospital authorities in handing over clear site for construction to the contractor in time resulted in extra expenditure of Rs.36.31 lakh.

3.2 The department by their written reply has stated that M/S Arunodai Construction Co. (P) Ltd. was entrusted to construct the New Hospital Building by PWD at a tender value of Rs.2,94,23,962/- (Rupees two crores ninety four lakhs twenty three thousand nine hundred sixty two) only against the estimated amount of Rs.3,82,34,000/(Rupees three crores eighty two lakhs thirty four thousand) vide formal work order dated 20.01.99. Time for completion of the work was 24 month from issue of the work order. Accordingly the company started the piling works w.e.f. March,1999 in the partially construction site. The P.W.D. vide its letter dated 07.10.99 addressed to Director, BBCI informed that the work will be delayed for non-availability of the complete site for construction due to non-shifting of the temporary old Grade-IV quarters. The 4th Grade employees in the temporary quarters could not be shifted to the new Grade-IV quarters due to non-completion of the same by the PWD department as per scheduled time. The complete site for construction of New Hospital building could not be cleared till 23rd of April,2001. The contractor intimated vide letter dated 30.04.2001 that they are not willing to start the balance work due to non availability of complete working site. The matter was discussed in the Project Co-ordination Committee meeting held on 07.06.2001. The Committee in the meeting decided to work out

the escalation and to short out the problem in discussion with P.W.D. and BBCI official vide resolution No.2 of the meeting. The matter for price escalation was agreed upon in the meeting held between the officials of BBCI and P.W.D. on 22.06.2001 vide resolution No.1. Accordingly, the decision of the meeting was conveyed to the contractor vide P.W.D.'s letter dated 16.08.2001. Ultimately the site was made vacant after taking over of the new Grade-IV quarters on 20.06.2001. In view of the facts as stated above, the delay in construction was virtually not attributable to the contractor and consequently the question of payment of escalation amounting to Rs.28,14,529/- (Rupees twenty eight lakhs fourteen thousand five hundred twenty nine only) had arisen as per clause of the agreement as entered into by the P.W.D. and the contractor. Under this circumstance, the Management Council in its meeting held on 04.12.03 decided that P.W.D. should be made accountable for the lapse on their part. Director BBCI was advised to take clarification from PWD as to why the work order was issued to M/S Arunodai Construction Co. (p) Ltd even before the completion of Grade-IV staff quarters which was to be placed in the next Project Co-ordination Committee meeting. The recommendation of the Project Co-ordination committee along with opinion of Legal Adviser was also to be placed in the Management Council Meeting for taking a final decision on the matter. As per decision of the Management Council held on 04.12.2003 the matter for escalation Bill of M/S Arunodai Construction Pvt. Ltd. amounting to Rs. 28,14,529/- and Rs.8,20,946/- (received subsequently) was placed in the Project Co-ordination Committee Meeting. The Project Co-ordination Committee in its meeting held on 13.02.2004 after threadbare discussion decided that the matter for claim of both the escalation bills pertaining to construction of the New Hospital Building by the aforesaid contractor were to be examined by the NEC. Accordingly, Secretary, NEC requested vide letter No.BBCI/Misc-106(E)/pt-II/1083/2004 dtd. 19.05.04 to nominate one official to ascertain the admissibility of the escalation bill. The opinion of legal Adviser was also obtained. The Adviser (T&C), NEC Mr.P.K.Deb examined the matter and submitted his report dtd. 14.06.2004 with a direction to pay the escalation bill without any further complication. It also suggested that the escalation calculated from October 2002 to January 2001 the amount during the period should be deducted. The PWD after recalculating the bills as suggested submitted the total bill amounting to Rs.36,31,429/- in place of Rs. 36,35,475/- as originally billed for. In the meantime, M/S Arunodai Construction Co. Ltd. filed a writ petition in the Hon'ble Gauhati High Court claiming payment of this bill. The Court on the Writ Petition

passed an order to settle the case within 4 months from the date of passing order. In order to comply with the order of the Hon'ble Gauhati High Court and on the basis of the report of NEC, the Institute paid an amount of Rs. 18.00 lakhs against their total bill of Rs. 36,31,429/- with approval from the chairman of the Local Committee and the Project Co-ordination Committee, during August 2004. The matter was again placed in the Management Council Meeting held on 06/12/04. after threadbare discussion the Management Council finally approved the payment of the escalation bill amounting to Rs. 36,31,429/- in consideration of the direction of Hon'ble High Court, recommendation of PWD, Govt of Assam and the report of adviser (T &C) of NEC. Accordingly the balance payment was made to Arunodai Construction Co. (P) Ltd. Hope this will clarify the situation why the site for construction of the Hospital Building could not be handed over to the contractor in time resulting in payment of extra expenditure amounting to Rs.36,31 lakhs.

OBSERVATIONS/RECOMMENDATIONS

3.3 The Committee heard the deposition of the departmental representatives and observes that due to delay in handing over clear site for construction of the new hospital building to the contractor in time resulted in extra expenditure of Rs. 36.31 lakh. The PWD should not have issued work order to the contractor before completion of the Grade-IV Staff Quarter and clearing of the site for construction of the new hospital building. The Committee therefore, recommends that the persons for whose fault the extra expenditure of Rs. 36.31 lakh occurred shall be brought into book and necessary action should be taken against them. In future the department before execution of work shall look into the matter so that such extra expenditure is not incurred. Action taken in this regard may be intimated to the Committee within 30 days for the date of presentation of this report before the House.

Unauthorized utilization and retention of departmental receipts

(Audit para 4.5.3/C & AG(Civil)/2006-2007/(P-150)

3.4 The audit has pointed out that a test-check of records (January 2006) of the Director of Medical Education (DME), revealed that during 1991-92 to 2004-05, the DME received Rs.95.95 lakh in the form of bank draft/cheque/postal order from three Medical Colleges of Assam being the application fees of students for admission into different medical and paramedical courses. The amount was deposited from time to time into a current bank account with State Bank of India, Dispur Branch from April 1991 instead of crediting the same into Government account as per the rule *ibid*. The DME withdrew Rs.77.73 lakh up to 2001-02 of which Rs.57.58 lakh was spent towards holding of examination, interviews, meeting contingent expenditure etc. and the remaining Rs.20.15 lakh was deposited in Government account leaving a balance of Rs.18.22 lakh lying in the bank account as of January 2006. Thus, failure of the DME, to comply with the Constitutional and codal provisions led to unauthorized expenditure of Rs.57.58 lakh and irregular retention of revenue of Rs.18.22 lakh in bank current account in contravention of rules. The Government of Assam, Finance Department directed (June 2002) the Commissioner & Secretary, Health & Family Welfare Department to stop such irregular operation of bank account by the DME. The DME, however, continued to deposit Government revenues in the bank account till the date of audit (January 2006), which is also violative of Government rules and directives.

3.5. The department by their written reply has stated that the Directorate of Medical Education, Assam had two Bank Accounts (Current Account) at State Bank of India, Dispur Branch during the period of audit. One in the name of the Registrar, Board of Homoeopathic System of Medicine, Assam and another one in the name of the Director of Medical Education, Assam. From the record it has been found that Bank Account were opened at SBI, Dispur Branch by the then Director of Medical Education, Assam with out the approval of the Govt. Finance Deptt. Vide letter No. BB.632/99/8(B/S), dtd. 26th June, 2002 directed Director of Medical Education, Assam to stop operation of Bank Account forthwith. DME vide letter No. DME/Accounts/228/2002/11289, dtd. 12th July, 2002 requested Finance Deptt. to allow operation of the 2(two) current Bank Accounts with full justification. Finance Deptt. Vide letter No. BB.63/99/23, dtd.

10th October 2002 has allowed the Registrar, Board of Homeopathic System of Medicine, Assam to operate Bank Account maintained at SBI, Dispur Branch. Permission to operate the current account No.01000050183 in SBI, Dispur Branch for conducting selection procedure of MBBS/BDS, Post-Graduate (MD/MS) etc. was sent to Govt. vide letter No.DME/19/2002/1295, dtd. 28th February 2002. Govt. letter on the same subject vide letter No.HI.B.5/99/136, dtd. 12th Sept./2002, DME's reply vide letter No.DME/Accounts/228/12485, dtd.22-10-2003, and letter No.DME/Accounts/228/1845, dtd.23-02-2005, Govt. letter No.HI.B.5/99/9, dtd. 5th November, 2005 and reply of the Director of Medical Education, Assam vide letter No.DME/Acctts/228/2002/4580, dtd. 19-05-2006. The reply to D.O.No.Rep©/2007(IV)/C-I/466,dtd. 28-02-2002 sent by the Principal, Accountant General (AUDIT) Assam was submitted to Govt. vide letter No.DME/Acctts/228/2002/3833, dtd. 14-03-2007. Govt. vide letter No.HIB:123/99/362, dtd. 6th July, 2007 directed to withdraw the amount from the current account and deposit the same to the Govt. Account, As directed by Govt. the amount of Rs.20,29,538/- was deposited vide challan No.10/237,dtd. 1-10-2007 and the Account was closed vide letter No.DME/Acctts/228/2002/11522, dtd. 4-10-2007. Director of Medical Education, Assam has not violated any Govt. order and taken every steps to follow each and every Govt. orders and rules.

OBSERVATIONS/RECOMMENDATIONS

3.6 The Committee is satisfied with the reply of the department and decided to drop the para.

Chapter - IV

Public Works Department

Loss of bitumen

(Audit para 4.1.3/C & AG(Civil)/2006-2007/(P-124-125)

4.1 The audit has pointed out that a test check (December 2004 – January 2005) of records and further collection of information (June 2005) revealed that the CE procured (May 2003 to January 2004) 1745.87 Metric Tonne (MT) bitumen from a private supplier valued at Rs.3.20 crore against two supply orders for immediate repair of damaged roads and placed the same at the disposal of EE, Guwahati Rural Road Division. The supply orders were placed with the private supplier, as the Department did not have enough funds for advance payment to IOC/HPCL. The E.E, issued (June 2003 and August 2004) 1,305.221 MT of bitumen to 23 indenting Divisions against the CE's allotment of 546.562 MT for utilization in the works. The EE stated (March 2007) that the issue of bitumen in excess of allotment had been regularized by CE, but could not produce any documentary proof to substantiate the same. In the absence of approval from the documentary proof to substantiate the same. In the absence of approval from the competent authority, the excess issue of 758.659 MT of bitumen worth Rs. 1.39 crore remained unauthorized. A comparison of records of the EE, Guwahati Rural Road Division for the period from September 2003 to October 2004 with those of 23 consignee Divisions, revealed that, five Divisions received full quantities as per allotment order, five Divisions furnished no reply. 13 division admitted receipt of only 312.596 MT bitumen against allotment of 612.797 MT bitumen resulting in short receipt of 300.201 MT valuing Rs. 55.20 lakh. Records in support of supply of full quantity of bitumen by the carriage contractors to the consignee divisions were not produced to audit. The issuing Division had not reconciled the quantity of bitumen transferred with quantity received by the consignee Divisions. The EE, Guwahati Rural Road Division stated (June 2005) that the bitumen was generally issued to different Divisions on proper acknowledgement on the RT challans from the authorized carriage contractors. The reply of the EE is not tenable as the quantities in RT challans did not tally with the quantities acknowledged as received by the consignee divisions. The Division had no knowledge of short delivery of bitumen. The issuing Division had neither reconciled the quantity of bitumen transferred with that received

by the consignee divisions nor was any action initiated against the carriage contractors for short delivery of bitumen. Although the Division had initiated (June 2005) an investigation into the matter, further, development is awaited. However, the fact remains that due to short receipt of bitumen by the consignee divisions, the Department had to suffer loss of Rs.55.20 lakh. Besides, probable mis-appropriation/mis- utilization cannot be ruled out.

OBSERVATIONS/RECOMMENDATIONS

4.2 No written reply on the above para is made available to the Committee. In absence of a reply, the Committee finds it very difficult to know the actual position of the matter. The Committee, however observes that the Executive Engineer, Guwahati Rural Road Division had committed irregularities, while issuing bitumen to 223 indenting Divisions. Out of them five Division received full quantities as per allotment orders, five Divisions has furnished no reply, 13 Divisions admitted receipt of only 312.596 MT bitumen against allotment of 612.797 MT bitumen resulting in short receipt of 300.201 MT valuing Rs. 55.20 lakh. There is every probability of mis-appropriation and mis-utilisation involved in this case. Therefore, the Committee directed the department to make a thorough departmental enquiry into the activities as raised objection in the Report of the C & AG of India and action taken on the findings of the report may be intimated to the Committee within 60 days of this report presented to the House.

In fructuous and wasteful expenditure

(Audit Para 4.2.6 C & AG(Civil)/2006-2007/(P-129-130)

4.3 The audit has pointed out that a test-check (December – January 2005) of records and subsequent collection (May 2006) of information revealed that M/s. Nizara Constructions renovated (July-August 2002) the bridges 13/1 and 15/1 at a cost of Rs.6.92 lakh and completed (December 2002) collection, supply and spreading of broken stone metals and screening type B from 5th to 15th km, at a cost of Rs.51.68 lakh. Subsequently, M/s Shivam executed earthwork in core of embankment sub grade and WBM worth Rs.2.95 crore from 1st km, to 15th km. over already laid broken stone metal and screening type B. M/s Shivam also dismantled (April 2003) and reconstructed (June – July 2003) the already renovated SPT Bridges to RCC bridges at a cost of Rs.1.68 crore. The Division made final payment of Rs.1.08 crore to M/s Nizara Constructions in February 2005 and Rs.4.63 crore to firm M/s Shivam in November 2005 against the completed work. As the estimate under CSS covering all aspects of road formation and conversion of SPT bridges into RCC bridges was already approved, there was absolutely no necessity to enter into agreement with M/s Nizara Constructions under ACA. Thus, continuing the execution of work under ACA even after getting approval of comprehensive estimates of work under CSS had resulted in wasteful expenditure of Rs. 51.68 lakh towards collection supply and spreading of broken stone metals and screening type B, and Rs.6.92 lakh on renovation of SPT bridges.

4.4 The department by their written reply has stated that the Borkhat Borni Road started from NH.37 become deteriorated since couple of year due to lack of maintenance fund. On public demand of locality, the then Minister, PWD had verbally directed to repair the road immediately to make it trafficable. During the period there was no budget provision under repair head of account. As such an estimate amounting to Rs.1.00 crore was prepared under Additional Central Assistance (ACA) during annual plan 2001-02. As there are limited scope of execution, the estimate was prepared incorporating minimum need of repairs consisting earth work, collection/supply of metals, screening type 'B' including spreading, repairing of culverts and repairs of two numbers of SPT bridges from 5th to 15th km, and administrative approval was received from Government

Scheme (CSS) for Inter State connectivity for the year 2001-02 was forwarded to the MORT & H for Rs.443.00 Lakh vide Government letter No.RBPC.44/2002/15, dtd. 9-7-2002. The estimate consist of permanent construction from 1st km to 15th km by widening, strengthening, raising and blacktopping with replacement of 3 Nos. of SPT bridges by RCC bridge. But while the work under ACA was nearing completion, MORT & H accorded administrative approval vide Govt. letter No.NH.12031/28/2002/AS/S & 1/NH-10, dtd. 5-11-2002 under CSS for Inter State Connectivity. Accordingly tender was called for and the work was allotted to M/s Shivam after observing all formalities and execution of works started from March/2003. As regards SPT bridges it is to clarify here that during execution under ACA only the repairing works were done for the two nos. of SPT bridges, while improvement works were executed under CSS all the 2 Nos. of SPT bridges has been replaced by RCC bridges and 1 no of SPT Bridge replaced by H.P. culverts. In respect of earth work in core embankment, sub-grade and WBM as objected in the Audit Para it is elucidate here that the said work was executed against the widening portion from 0 to 15th km only which was not covered under ACA estimate. From the fact stated above it is evident that both the estimates sanctioned under different scheme are of separate nature and no overlapping was done in this respect.

OBSERVATIONS/RECOMMENDATIONS

4.5 The Committee after going through the audit objection and the reply furnished by the department observes that there was indeed duplication of work of "Improvement of Borkhat Borni Road by the EE, Guwahati Rural Road Division" under Additional Central Assistance and also under Centrally Sponsored Scheme which resulted in wasteful expenditure to the tune of Rs.58.60 lakh. The Committee also failed to understand the reasons for renumbering of SPT Bridge Number 13/1 and 15/1 of ACA to 13/4 and 15/2 in the Centrally Sponsored scheme. The department failed to furnish any convincing reply. The Committee, therefore, expresses its dis-satisfaction and direct the department to furnish a detailed report to the Committee within a period of three months from the date of presentation of this report to the House.

Avoidable expenditure

(Audit Para 4.3.5/C & A.G(Civil)/2006-2007/(P-134-135)

4.6 The audit has pointed out that a test check (August-September 2006) of records revealed that due to departmental lapses like non-shifting of electric power lines, underground pipe lines for water supply, delay in land acquisition etc., the CE finally extended (March 2004) the time for completion upto July 2004. The progress of the work was reviewed in a high power committee meeting (May 2004) and it was reiterated to complete the work by July 2004 and also resolved that under no circumstances should the original project cost be escalated. Some additional works connected with the flyover were proposed to be undertaken in the meeting after preparing separate estimate. Since the original AA did not have provision for price adjustment, the Division in the estimate for additional work of flyover for Rs. 3.87 crore accommodated inter-alia price adjustment of Rs. 97.22 lakh. The additional work commenced (July 2005) after obtaining Government approval (June 2005) and as of August 2006, the Division paid Rs.2.55 crore (including Price adjustment of Rs.97.22 lakh) to the contractor against physical progress of 86 per cent of the additional work. Audit observed that the Department deliberately included price escalation of Rs.97.22 lakh in the estimate of additional work and subsequently awarded the work to the same contractor to escape contractual obligations of the original work. Thus inclusion of the price adjustment clause in the agreement despite absence of the same in the AA and also in the decision of the High Power Committee resulted in avoidable expenditure of Rs. 97.22 lakh.

4.7 The department by their written reply has stated that the work of construction of flyover at Ulubari was awarded after inviting pre-qualification bid vide No.T/BR-27/99 dtd 15-3-2000. After evaluation of 11 (eleven) nos. of bidders only 9(Nine) were found to be prequalified. All the prequalified bidders were intimated to collect the tender papers and to submit bank draft. The date for submission of tender papers was fixed on 27.6.2000 and subsequently extended to 7.7.2000. Out of 9 Nos prequalified bidders only 8 Nos purchased tender papers and submitted their tenders. During evaluation of price bid the proposals and other

of qualified tenderers were sought for. In response only 7(seven) nos. tenderers out of total 8(eight) Nos. submitted replies to the queries alongwith the financial implications. After incorporating the financial implications in the price bid the Comparative Statement was prepared and M/S Amiya developers (P) Ltd. was found to be lowest tenderer. In regards to financial implication during negotiation the followings were found. Originally, though M/S Gammon India Ltd. Quoted an amount of Rs. 10.27,17,900.00 but after incorporating the financial implication it became Rs.11,09,19,900.00 and thus his position was 2nd lowest and M/S. Amiya Developers was 1st lowest bidder. Thus, M/S. Amiya Developers stood as lowest bidder. Though M/S Gammon India ltd. Was found to be the lowest bidder initially (quoted bide.price Rs.10.27 Crore) but the bid contained some conditions and proposals having financial implications anis such the deptt. Had to seek clarification/modifications of the proposals along with the other qualified bidders. The work was allotted to the lowest bidder after considering the financial implication after necessary negotiations. Therefore the question of avoidable excess expenditure of Rs.80.00 L. does not arise, as the deptt. Would have to incur expenditure in excess of the quoted bid price of Rs. 10.27 crore as per proposals and conditions incorporated in the bid of M/S Gammon India Ltd. The work of construction of fly over at Ulubari Chariali was awarded to a firm at a cost of Rs. 11.07 crores against estimated cost of Rs.17.90 crores prior to according A.A in the interest of work. In the NIT, the clause of price adjustment was incorporated. The tenderers quoted their rates accordingly considering the price adjustment. In this connection it may be mentioned here that had the price adjustment been not incorporated in the NIT, the bidders perhaps would have quoted higher rates considering the increase of price of materials & labour during construction time. But as the clause of price adjustment was incorporated in the NIT., the bidders quoted rates as per market rate of materials and labour prevailing at the time of submission of bid, keeping in mind that any abnormal increase of materials and labour would be taken care of as per clause of price adjustment. Subsequently the AA was accorded by the Chief Executive Officer of GMDA for Rs. 15.42 Crores without considering price adjustment of Rs.77.53 L incorporated in the original estimate. Though the original time of completion of work was December 2001 the progress of work was hampered due to non shifting of utility services like electric power line, underground water supply line and delay in land acquisition etc and the time of completion of the work was extended up to May 2004. Moreover, as some additional woks in

connection with the flyover were proposed to be undertaken, a separate estimate for Rs.3.87 Crores was prepared. In this additional estimate the provision of price adjustment was incorporate, which was not considered during according A.A by G.M.D.A. In this connection it may be stated that as the clause of price adjustment was incorporated in the accepted tender agreement it become an obligation on the part of the department to abide by the clause of the agreement. Moreover as the bidders quoted their rates considering the clause of price adjustment, the cost of price adjustment may not be considered to be avoidable expenditure.

OBSERVATIONS/RECOMMENDATIONS

4.8 After threadbare discussion the Committee was pleased to drop the para with a stricture that the department should be very careful in preparing estimates and according AA relating to all construction works so that such type of negligence should not recur in future.

Avoidable extra expenditure

(Audit para 4.3.6/C & AG(Civil)/2006-2007/P-135-136)

4.9 The audit has pointed out that a test –check (December 2004-January 2005) of records revealed that according to the recommendation (March 2001) of the tender committee, the packages of KD1, (Chainage 0 metre to 1000 metre), KD2 (chainage 1000 metre to 2000 metre) and KD3 (chainage 2000 metre to 7000 metre) were awarded at five, three and 22 per cent above the estimated cost against the available lowest bids of 15,12.5 and 11 per cent below the estimated cost. The reason for awarding these packages to contractors at three different rates was also not on records. The tender committee rejected the lowest rates as being unworkable. Audit observed that as the rates in the estimate were framed in consideration of quarry distances at different but adjoining chainages, splitting of the work into three packages, invitation of tenders for different packages separately and subsequent award of works at different premiums was irrational and injudicious. The irrational execution of construction of the road at different rates in different chainages, in identical conditions led to extra avoidable expenditure of Rs.0.59 crore (Rs.3.41 crore – Rs.2.82 crore) over the estimated cost.

4.10 The department by their written reply has stated that the Work North Guwahati Amingaon Hajo Kalitakuchi Doulasal Howly Road portion from Kalitakuchi to Doulasal was administratively approved under RIDF-IV(NABARD) vide Govt. letter No.BRPC.130/2000/Pt.II/50, dt 21-6-2002 for an amount of Rs.1112.26 lakh. The total length of the Road was 31.10 Km. Out of 31.10 Km. Guwahati Road Division had executed only a length of 7.00 Km. From ch. 0.00 to ch. 7.00 KM. at an estimated cost Rs.2.82 Crore. For better achievement of the execution tender were called for splitting up the road length into 3(three) packages viz. KDI, KD2 & KD3. The tender for each packages quoted their rates according to the site condition, feasibility and abilities for execution. As per C/S rate quoted by the contractor against KDI package from ch. 0.00 m. to ch. 1000.00m is 5% above the lowest quoted rates considered reasonable and the work was allotted to 2 (two) different contractors in equal basis. In case of package No.KD2 the lowest quoted rate 3% above the estimated rate considered workable and on recommendation of the tender committee the works were allotted to two different contractors in equal basis. As regards package No.KD3 the location is situated at a distant place from the starting point of 0.00 m where in several damages occurred after

preparation and submission of estimate due to considerable time taken till approved of the estimate. By this time the damage Road had developed and got more deplorable. Besides there was an old damage SPT bridge through which no vehicular traffic pass away. As a result the contractor had to transported the key construction materials by an alternative way expending cost and time overrun. The lowest quoted rates below the estimated provision was not considered being the rate unworkable. The estimate for the work was prepared on 02/2001 on the basis of SOR for 1995-96 and the administrative approval was accorded on June/2002. During preparation of the estimate no new scheduled of rate was published except SOR 1995-96. Since 1995-96 the RBI price index has gone up and neutralise the price 45% premium was added over the SOR for 1995-96 as per norm while preparation of the estimate. As such, rate quoted below the estimated cost found to be unworkable. Hence allotment of work at 22% above seems to be justified.

OBSERVATIONS/RECOMMENDATIONS

4.11 The Committee is satisfied with the deposition of the departmental representatives and decided to drop the para.

Unfruitful expenditure

(Audit Para.4.3.7/C & AG/(Civil)/2006-2007)/P-136-137)

4.12 The audit has pointed out that a test check (September 2005) of records of the EE., Guwahati City Division No.II and other information collected subsequently (May 2007) revealed that the CE awarded (October 2003) the work to a contractor at a tendered value of Rs.4.45 crore with the stipulation to complete the work in six months (April 2004). The contractor commenced the work (October 2003) but, the progress of work suffered at different stretches due to litigation as well as obstruction by some private land owners and authorities over acquisition of land involving a total length of 850 m for construction of drainage. The CE raised (October 2003) the tendered value to Rs.4.54 crore by entering into a supplementary tender on account of addition of some items of work beyond the scope of original tender. The Division failed to hand over the obstructed portion of the land to the contractor owing to various interim orders of Hon'ble Court. Finally as requested by the contractor, the Division measured the finished portion of work and paid Rs.4.07 crore (including Rs.2.29 crore towards drain) to the contractor in May, 2005. Owing to non construction of the drain at Last Gate the entire water of constructed drain on the right side could not go to its outlet. As such, entire drain water came to Last Gate area submerging it during heavy rains. The Division requested (May 2005) the Deputy Commissioner, Kamrup (Metro) to take necessary action for acquisition of the land require for construction of the drain but, the stretches could not be made free from litigation/obstruction till March 2007. Thus due to lack of proper planning on the part of the Division in acquisition of land before award of the work frustrated the very purpose of protecting the existing road from water logging, and had infact damaged the road surface during rainy season, besides rendering the entire expenditure of Rs.2.29 crore on the construction of drainage unfruitful.

4.13 The department by their written reply has stated that the work improvement of existing road from Assam Administrative Staff College to proposed capital complex via Beltola was taken up by the Guwahati Development Department and accordingly administrative approval was accorded vide No.GDD.45/2003/7, dt. 2-7-2003 for an estimated amount

land acquisition, as it was expected that land owners would co-operate with the Department and could allow the Department to use their land if necessary. Accordingly the work order was issued vide No.T/BR/FC/88/2002-03/10, dt. 29-1-2003. Accordingly the contractor had started the work in time and the road work has since been completed in all respect. As regard drain work, after completion of execution of 6350 RM the contractor had to stop the work due to litigation and obstruction from the land owners. As a result the contractor could not execute 850 RM of drain as per estimated provision of 7200 RM. An interim order of Hon'ble High Court also restrained the execution of work. Finding no alternative completed portion of the work were measured and payment of Rs.4.07 Crore has been made to the contractor. However out of the unexecuted length of 850 RM, 200 RM (Near Wireless) has already been completed and remaining 650 RM could not be completed (260 RM due to no handing over of land by Sericulture Department and 390 RM near Dispur last gate opposite Sweeper Colony and at Joyanagar Junction due to litigation). Due to non-construction of drain at Dispur last gate the road is submerged during rainy season as rain water can not find its way to flow. As water cannot accumulate on the road portion where the drain has been constructed, the road surface in that portion are in very good condition. The rain water accumulated on the road surface where drain is no constructed were also not last for a long period, which flow away within a couple of hours. Therefore, the expenditure incurred cannot be termed as totally unfruitful expenditure.

OBSERVATIONS/RECOMMENDATIONS

4.14 After threadbare discussion the Committee observes that due to lack of proper planning on the part of EE, Guwahati City Division No.II in acquisition of land before execution of the work resulted in unfruitful expenditure of Rs.2.29 crore. The Committee also observes that the department should be careful in future to take into consideration all the relevant aspects of the matter before executing any work. The Committee, however, decided to drop the para.

Unfruitful expenditure

(Audit para 4.3.8/C & AG(Civil)/2006-2007/(P-138)

4.15 The audit has pointed out that a test-check (December,2004 January 2005) of records of the EE, Guwahati Rural Road Division and further collection (May 2007)of information revealed that the works of approaches were awarded (August 1998) to two different contractors at a total tendered value of Rs.45.72 lakh for completion by October 1998. The works of approaches in chainages 0 m to 105 m on Guwahati side and 0 m to 94 m on Hajo side were completed (July 2003) for Rs.24.03 lakh. The approach works in chainages 105 m to 210 m Guwahati side and 94 m to 105 m in Hajo side could not be taken up till March 2007 as the Deputy Commissioner (DC), Kamrup did not hand over the required land to the Division though Rs.18 lakh was paid (March 2001) as land compensation. As a result, the bridge proper could not be opened for vehicular traffic as of March 2007. Thus, due to non-completion of approaches the entire expenditure of Rs.1.77 crore (Rs.1.53 crore+Rs.0.24 crore) proved unfruitful.

4.16 The department by their written reply has stated that the construction of RCC Br.No.18/1 over river Sessa on North Guwahati Amingaon Hajo Road was initially administratively approved under annual plan vide Govt.No.DASR.161/87/5.dt.30.3.88 for an amount of Rs. 66.32 lakhs. The work was awarded to M/S AGCC Ltd. Guwahati at a lumpsum tender value of Rs. 66.75 lakhs with the stipulation date of completion on June/92. But the AGCC Ltd. Guwahati was unable to complete the work in due time rather after achievement of 48% of the work AGCC Ltd .had abandoned the work on the place of non-receiving the payment in due time. Also they had requested to enhance the rate for the balance work of superstructure as the same was not workable. Subsequently the balance work was taken up under RIDF-III and accordingly the revised administrative approval for the balance work with approaches was accorded for an amount of Rs. 153,43,000/- vide Govt.No.RBPC.37/99/184.dt.5.2.99.The Bridge proper work was again awarded to M/S AGCC Ltd. Guwahati at a bid price of Rs. 87.72 lakh and accordingly they had completed the work during 10/2001 at a cost of Rs. 83.34 lakh. As regards non completion of approaches of said work it is

deplorable condition of said STP Bridge as well as increasing of traffic intensity replacement of the said STP Bridge by RCC bridge was necessary. The existing approaches of Guwahati side was a bon curve one which was proposed to be estimated by as straight way so as to avoid frequent accident. But the straight way beyond the approach from ch. 105 m to 210 m could be completed due to litigation filed by pattadars. On the other hand the approach of Hajo side in excess of 94 m to 150 m could not be completed due to existence of residential building with shop shed adjacent to the said approaches has since been completed in all respect by widening and upgrading the existing approaches connecting with the existing road. The bridge has already been opened for vehicular traffic. As such the expenditure incurred thereon could not be termed as unfruitful.

OBSERVATIONS/RECOMMENDATIONS

4.17 After threadbare discussion the Committee observes that there was delay in completion of the approach roads due to existence of residential building with shop shed adjacent to the said approach road and also litigation arises thereon by the pattadars. However, as both the approach roads have since been completed and the bridge has also been opened for vehicular traffic, the Committee decided to drop the para.

Diversion of Calamity Relief Fund

(Audit Para 4.4.8/C & AG/(Civil)/2006-2007)/P-147-148)

4.18 The audit has pointed out that a test –check (July 2006) of records of the EE, of the same Division revealed that the State Revenue(General) Department sanctioned (June 2004) and (April 2005) Rs.3.40 crore and Rs.51 lakh for 19 flood damage repair (FDR) works and directed that expenditure be debited to CRF. Against this amount, the Division incurred an expenditure of Rs.3.63 crore against 19 different works during the period from July 2004 to June 2005 of which only one work fell under the category of FDR valued at Rupees six lakh. Further, test check (September 2005) of records of the EE, PWD, Guwahati City Division No.II revealed that the Division received (January 2004 and August 2004) Rs.4.39 crore under CRF for repair and restoration of 14 city roads within Greater Guwahati. The Division spent (January 2004 to May 2005) the whole amount on special repair works by changing the nomenclature to FDR works with the concurrence of the Government (April 2004). There was nothing on record to show that the 14 works for which the amount was sanctioned were in the nature of immediate repair/restoration of damages caused by natural calamities. Diversion of CRF to special repair works is irregular and violates the guidelines issued by GOI.

4.19 The department by their written reply has stated that it is a fact that poor drainage system and blockade of all the natural channels of Greater Guwahati have been creating flood resulting submerged of roads very often since couple of years. Heavy rain water coming from Meghalaya Hills and surrounding hillock submerged most of the roads frequently. During early monsoon of 2003 due to unprecedented rain and for the causes stated above most of the roads under Guwahati City Division No.I & II devastated by flood water and road communication disrupted. The restoration of damage roads, drain, culverts etc. required to keep the road traffic worthy. In this connection several high level meetings were held wherein Deputy Commissioner was also present. The meetings emphasized upon the immediate restoration of the damaged roads. Accordingly the Govt. in P.W.D. vide letter No.CRD/79/2003/35, dtd. 17-7-2003 called for flood damage reports and probable expenditure for immediate restoration under F.D.R. As per discussion of high level committees meetings the Division took up the restoration works in a war footing manner. Owing to restoration in the guide line Govt. of India and as per decision of the 11th Finance Commission almost all the work order

were issued under S/R Head of Account. In the meantime Govt. in P.W.D. had moved Revenue Department to provide fund for restoration work under F.D.R. Responding to the request Revenue Department had released fund for an amounting to Rs.100.04 (L) for City Division No.1 and Rs.99.13 (L) for City Division No.II vide No.RGR.4/2003/85, dt. 13-10-2003 under the Head of Account 2245 in the budget for the year 2003-04. The Revenue Department had also moved Secretariat Administration Department (SAD) to sanction more fund to take-up the restoration work under Guwahati City. Considering the situation and in response to the request of Revenue Department SAD had sanction fund for Rs.10,77,33,000.00 vide No.S(A) 9/2004/125, dt.17-4-2004. On receipt of the fund from SAD Revenue Department had released fund vide letter No.RGR.4/2003/Pt-IV/7, dtd. 31-3-2004 and No.RGR.4/2003/Pt-IV/17, dt.28-6-2004 under FDR. The entire amount in question were deposited in the Revenue deposit then. On completion of the works Chief Engineer, P.W.D. (Roads) vide letter No.T/BR/State/146/03-04/8, dtd. 12-4-2004 requested Govt in P.W.D. to allow to make payment of the Bill of the Contractors under FDR although the works were executed under S/R. Basically the work are in FDR nature and the amount has also been sanction under FDR (CRF) head. Considering the gravity of the work and in anticipation of accordance of sanction by Revenue Department under FDR H/A Govt. in P.W.D. had accepted the proposal and allowed to make payment under FDR (CRF) vide Memo No.BT/632/2003/46, dtd. 12-4-2004. Accordingly payments were made under the H/A FDR(CRF) and the work orders for both the Divisions were modified subsequently. Thus it is clear that the amount in question as objected in the Audit para were paid to the contractor in accordance with the sanction of the Revenue Department under FDR. Hence it cannot be termed as unauthorized diversion of Calamity relief fund.

OBSERVATIONS/RECOMMENDATIONS

4.20 During the course of discussion the departmental witnesses deposed before the Committee that there was no money in CRF for doing this work. Revenue department has sanctioned and accordingly the department has undertaken this work. The fund has not been diverted for doing this work. Revenue department has given sanction to do this work under Natural Calamities Scheme, other wise there will be no means to do this work, hence the Committee decided to drop the para.

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