

COMMITTEE ON PUBLIC ACCOUNTS

(2003-2006)

HUNDRED AND FIFTH REPORT

(ELEVENTH ASSEMBLY)



**Report of the Committee on public Accounts on the Report
of the Comptroller and Auditor General of India
for the year 2001-2002 (Civil) relating to
Urban Development (MA) and
Public Works Departments,
Government of Assam**

Presented to the house on 8th February, 2006.

Assam Legislative Assembly Secretariat
Dispur : Guwahati-6

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(i)

COMPOSITION OF THE COMMITTEE

(2003-2006)

CHAIRPERSON :

1. Smti. Pramila Rani Brahma

MEMBERS :

2. Shri Gautam Bora
3. Shri Dilip Kumar saikia
4. Shri Ajit Singh
5. Shri Bidyasing Engleng
6. Shri Biswajit Daimary
7. Shri Dilder Rezza
8. Dr. Zoi Nath Sarma
9. Shri Bimolangshu Roy
10. Shri Gopinath Das
11. Shri Chandan Kumar Sarkar
12. Shri Dharamsing Teron
13. Shri Sarat Saikia

SECRETARIAT :

1. Shri G. P. Das, Secretary
2. Shri S. Deka, Joint Secretary
3. Shri B. Basumatari, Deputy Secretary
4. Shri K. Rahman, Committee Officer.

(ii)
PREFATORY REMARKS

I, Smti. Pramila Rani Brahma, Chairperson, Committee on Public Accounts having been authorised to submit the Report on its behalf, present this HUNDRED AND FIFTH 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 2001-2002 pertaining to Urban Development and Public Works Departments.

2. The Report of the Comptroller and Auditor General of India (Civil) for the year 2001-2002 were presented to the House on 27th March, 2003.

3. The Report as mentioned above relating to the Urban Development (MA) and Public Works Departments were considered by the Committee in its setting held on 26th August, 2005 and 15th September, 2005.

4. The Committee has considered the Draft Report and finalised the same in its setting held on 6-1-2006.

5. The Committee has appreciated the valuable assistance rendered by the Principal Account General (Audit), Assam and his Junior Officers and staff during the examination of the Departments.

6. The Committee thanks to the Departmental witnesses for their kind co-operation and to the officers and staff dealing with the Committee on Public Accounts, Assam Legislative Assembly Secretariat for their strenuous and sincere services rendered to the Committee.

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

SMTI. PRAMILA RANI BRAHMA,
Chairperson,
Committee on Public Accounts.

Dispur :
The 6th January, 2006

CHAPTER-I

Urban Development (MA) Department. Extra expenditure and locking up of funds on procurement asbestos cement pressure pipes.

(Audit para 5.1/CAG (Civil)/2001-2002)

1.1. The Audit has pointed out that (A) a test-check (April 2002) of records of Executive Engineer (EE), Guwahati Division of Assam Urban Water Supply and Sewerage Board (AUWSSB) revealed that between January, 1999 and June, 1999 Managing Director (MD) AUWSSB procured against stock, Asbestos Cement (AC) pressure pipes of different diametre worth Rs. 1.02 crore from selected local suppliers at the rates approved by the Purchase Committee of the Board for implementation of Guwahati Water Supply Scheme by the EE. The rates approved by the Purchase Committee were much higher than the rates of manufactures and DGS and D approved firms. This resulted in extra expenditure of Rs. 40.54 lakh. (B) a test check (April 2002) of records of AUWSSB, Guwahati Division, revealed the following :

(i) The firm was paid (February 1992) mobilisation advance of Rs. 5 lakh even though there was no provision in the agreement for such payment. Further, it was stated to be secured against bank guarantee of Rs. 5.16 lakh valid for one year upto August, 1992 furnished by the firm as two per cent security deposit contemplate in the agreement.

(ii) The firm had installed five deep tube wells (DTWs) till April 1997 (Total number of DTWs to be installed were not on record) and did not execute any other work till May, 1999 for reasons neither on record nor stated to audit. Between March, 1998 and September, 1998 the firm had submitted claims for Rs.9.02 lakh for value of works done which were paid without adjustment of mobilisation advance by EE, Jorhat Division.

(iii) Due to very slow progress and stoppage of work by the firm the Managing Director (MD), AUWSSB had cancelled (4 June, 1999) the work order without taking any action to get the work done at the risk and cost of the firm as per agreement.

(iv) Neither was there any progress of work for the last eight years nor was the work re-allotted to any other firm after the cancellation in

June, 1999. However, MD, based on the requirement of asbestos cement (AC) pressure pipes for Biswanath Chariali WSS from EE, Jorhat Division, placed (19 June, 1999) orders, on his own volition, with five local firms for supply of 23,100 metres different dia AC pressure pipes to be delivered at different store yards of Biswanath Chariali WSS at approved rates of the Board. Between October, 1999 and February, 2000. The firms supplied 23,072 metres AC/e/es valued at Rs. 1.28 crore of which Rs. 1.16 crores was paid to the firms and balance Rs.0.12 crore was the unpaid liability as of April, 2002.

(v) The work was transferred to EE, Guwahati Division in December, 2001.

(vi) The approved rates of the Board were much higher than the rates of manufacturers and DGS&D approved firms. This had resulted in extra expenditure of Rs. 38.07 lakh. Thus, injudicious and arbitrary procurement of AC pipes not required for the WSS in foreseeable future led to locking up of funds in idle stock worth Rs.1.28 crore including committed liability of Rs. 0.12 crore besides, extra expenditure of Rs. 38.07 lakh on their procurement. Possibility of these pipes being damaged or pilfered due to prolonged storage could also not be ruled out. Payment of Rs.14.02 lakh to the firm including unauthorised mobilisation advance of Rs. five lakh awaiting recovery was rendered unfruitful. Also, the objective of providing drinking water had not been achieved even after over 11 years of launching the scheme.

1.2 The Department in their written reply has stated that -

(A) (1) For purchase of AC pressure pipes for different water supply project due quotation were invited on 26.11.97 vide No. CE/UWS-956/97/1 from the various manufacturers and their authorized dealers only. As there was no DGS & D rate contract for these pipes, it was necessary to invite open quotation. The quotation was published in leading local dailies. Total 12 no. of valid quotation from the dealers, were received. After preparation of the comparative statement, this was placed in the duly constituted Purchase Committee for consideration which was held on 20.12.97. The Purchase Committee after comparing the quoted rates, approved the lowest quoted rates. Since no manufacture has quoted any rate against the above quotation, after approval of rates by the Purchase Committee, rate offered by any particular manufacture could not be taken into consideration. Moreover, the terms of supply of the manufacturer was 100% advance payment which the Board could not accept.

(A) (2) The documents relating to purchase of AC pipes have been seized by the Superintendent of Police, Vigilance and Anti Corruption vide seizure list dated 2.2.2001 as per decision of the Government in Urban Development Department. Matter is under investigation of Vigilance and Anti Corruption Department and action will be taken against the erring officials as per reports of the investigating agency and decision of the Government after completion of investigation.

(B) (1) Mobilization advance granted to contractor against Bank Guarantee of Rs. 5.16 lakhs which was a secured advance. The mobilization advance was paid by Managing Director, Assam Urban Water Supply and Sewerage Board.

(2) As the contractor work was in progress during that period, the contractor requested to adjust the mobilization advance from their subsequent bills and the said mobilization advance has already been recovered from the contractor's outstanding liabilities.

(3) The contractor had outstanding liabilities of more than five lakhs from the Board and hence, the firm did not desire for revalidation the bank guarantee.

(4) As the work could not be completed by the contractor within the stipulated time, the work order was cancelled and mobilization advance remained unadjusted. The contractor informed the Board to recover the unadjusted mobilization advance paid to contractor to be recovered from their outstanding dues and this has already been recovered.

(5) Matter is under investigation of Vigilance and Anti Corruption.

(6) Biswanath Chariali W/S/S was commissioned on October, 2003. Distribution network for in length of 16 Kms. was laid till date from the A.C. pipes procured earlier. A.C. pipes of different sizes of 7 Km. (Approximate) are yet to be laid.

OBSERVATIONS/RECOMMENDATIONS

1.3 The Committee observes that the Purchase Committee approved the higher rates of AC pressure pipes without taking into account the manufacturer's price list as well as the rate of DGS & D approved firms. No action has been taken by the department to fix responsibility to the erring officials for incurring extra expenditure. Therefore, the Committee recommends that the department should furnish all the documents/papers whether the quotations were from the authorised dealers, the leading local

dailies in which the quotation was invited and date, when the Purchase Committee was constituted and the date of meeting held etc. to the Committee within 30 days from the date of presentation of this report before the House.

1.3.1 The Committee observes that the Executive Engineer paid mobilization advance of Rs. 5 lakh to the contractor without any provision having been existed in the contractual agreement. The MD had stopped the work of the project after cancellation of the work order of the existing contractor and did not re-allot the work to any other contractor. Further, the MD had purchased (AC) pressure pipe in excess on his own volition.

1.3.2 The Committee has directed the department to furnish the copy of the Challan by which mobilization advance amount was deposited by the contractor to the Government exchequer. Further, the Committee recommends that the erring officials should be brought into book and responsibility should be fixed against them and action taken in this regard may be intimated to the committee within 30 days from the date of submission of this report before the House.

Avoidable payment on price escalation for Goalpara Town Water Supply Scheme.

(Audit para 6.5/CAG(Civil)/2001-2002)

1.4 The Audit has pointed out that a test-check (March-April 2002) records of the Executive Engineer (EE), Assam Urban Water Supply and Sewerage Board (AUWS & SB), Dhubri Division revealed that the work commenced only in November, 1990 due to non-selection of site. The progress of the work was very slow because there was no approach road to the treatment plant site which was located in a hilly area. There was also no power supply at site. The Water Treatment Plant was completed in March, 1996. The contractor left the site before completion of roof treatment of underground sumps and chemical house etc., as of June, 1996 without conducting trial run of treatment Plant for a period of 45 days as required under the agreement. Moreover, there was frequent leakage of raw water pumping mains and failure of pumping sets. The Managing Director of the Board had also asked (September 1997) the contractor to complete the work in all respects including rectification of leakages and defects etc. The EE could not furnish the date of completion of work by the contractor in all respects. The EE had paid the contractor Rs. 2.88 crore in 35 running account and final bill upto September, 2000, which included Rs. 0.87 crore as price escalation. Thus, delay in commencement of work because of non-selection and handing over site, slow progress of work due to non-availability of approach roads etc., resulted in avoidable payment of Rs.0.87 crore out of Rs.2.88 crore as price escalation. The objective of supplying safe drinking water remained largely unfulfilled even after 16 years due to non-completion of distribution network.

1.5 The Department by their written reply has stated that -

(1) The work of Goalpara Town Water Supply was originally taken by Public Health Engineering Department. PHED has prepared the scheme and submitted the same to Government in MAD for Administrative approval Government in MAD accorded Administrative Approval vide their letter No.M.A.27/86/05 dtd. 6.6.86 for an amount of Rs.28.54 lakh. Government in Health Department vide their letter No. HLB.364/89/42 dtd. 28.9.1989 transferred the said W/S/S to the Board. Initially there

were some technical problem like settlement of land, approach road, power supply and some alteration and addition to original project work were made.

(2) Yes, contractor rectified the leakages and defects in the treatment plant. The Project made operational after trial run period.

(3) The documents relating to the scheme have been seized by the Superintendent of Police, Vigilance and Anti Corruption vide seizure list dated 19.1.2004 as per decision of the Government. in UDD. Action will be taken against the erring officials as per report of the investigating agency and decision of Government after Completion of investigation.

(4) The security deposit deducted from the contractor was Rs.8,31,707.00 and it is retained by the Board.

(5) The scheme was commissioned in 1996. Initially, there were 265 number of consumers only for which there is a big gap between revenue generation and expenditure. Due to the above, Board accumulated arrear bills amounting to Rs.32.00 lakhs and hence, the ASEB failed to pay to the ASEB/disconnected power supply to the scheme. In order to bridge the gap between revenue and expenditure, Board is now extending its distribution pipe network to fresh areas and expected to supply water shortly. Arrear ASEB Bills are being paid in installments @Rs.5.00 lakhs (approx) quarterly Rs.10.84 lakhs have been paid so far.

OBSERVATIONS/RECOMMENDATIONS

1.6. The Committee heard the deposition of the departmental representatives and observes that the work "Goalpara Town Water Supply Scheme" was taken up and work order issued to the contractor without selection of site and handing over the work to the contractor even there were no approach road to the selected site. Thus supplying of safe drinking water remained unfulfilled even after 16 years due to non-completion of distribution network leading to extra expenditure of Rs.87 lakh.

1.6.1 The Committee, therefore recommends to fix the responsibility and to take action against the erring officials. Action taken report may be submitted to the committee within 60 days from the date of presentation of this report before the House.

**Idle and unproductive expenditure on Pathsala Town
Water Supply Scheme**

(Audit para 6.6/CAG(Civil)/2001-2002)

1.7 The audit has pointed out that a test-check (March-April 2002) of the records of the Executive Engineer (EE) AUWS & SB, Dhubri Division revealed that the MD issued (December, 1996) a fresh notice inviting tender for execution of works without any provision of distribution network under the scheme. Between March, 1998 and April, 1999 the EE had spent Rs.13.82 lakh on execution of various works under the scheme. Although, work on water treatment plant was awarded (December, 2000) to a contractor at a cost of Rs.0.66 crore, however, records on commencement and progress of work could not be shown to audit as of April 2002. The records on award, commencement and progress of work on distribution network were also not produced to audit. Further, to accommodate the directions (May, 1999) of the Chairman of the Board on submissions by two firms and as per requirement furnished (June, 1999) by the EE, the MD placed (June, 1999) orders with two Guwahati based firms for supply of 13,100 metres of Asbestos Cement (AC) pressure pipes of different diameters at approved rates of the Board. Between September, 1999 and September, 2000 the EE received and paid for 13,100 metres AC pipes valued at Rs. 0.61 crore and the pipes remained unutilised till April 2002 because of non-execution of distribution network. Despite spending Rs.0.78 crore including mobilisation advance of Rs.2.60 lakh awaiting recovery, the WSS could not be commissioned for over 11 years rendering the expenditure of Rs.0.78 crore on the scheme idle and unproductive.

1.8 The department by their written reply has stated that -

(1) Pathsala Water Supply Scheme was administratively approved scheme. The Work was awarded to the contractor after observing the necessary formalities. As per contract agreement, the amount of Rs.2.60 lakh was paid to the contractor as mobilization advance.

(2) Due to non execution of work till 1996, the work order was cancelled and the contractor was asked to refund the amount which was refunded by the contractor vide his cheque No. 216977 dtd. 15.7.98 which is duly reflected in the book of accounts of Assam Urban Water Supply and Sewerage Board.

(3) Tender for treatment plant and distribution network was called

for the scheme. But due to scarcity of cash flow, contractor was reluctant to proceed with the work. Every available information with the Board were produced before the audit.

(4) The documents relating to purchase of A.C. pressure pipes have been seized by the Superintendent of Police, Vigilance and Anti Corruption vide seizure list dated 2.2.2001 as per decision of the Government in Urban Development Department. Matter is under investigation of Vigilance and Anti Corruption and action will be taken against the erring officials as per the report of investigating agency and decision of government after completion of investigation.

(5) A.C. pressure pipes are being utilized in other W/S/S of the Board. Recovery of mobilization advance of Rs.2.60 lakh was made as per Sl. No. (2) above.

OBSERVATIONS/RECOMMENDATIONS

1.9 During the course of discussion the Committee observes that contrary to agreement, the contractor was paid mobilization advance of Rs.2.60 lakh in January 1992. The Committee surprise to note that as the contractor did not take up the work till 1996 why the Executive Engineer did not initiate action to recover the advance with interest. Further, the Committee also desires to know the present position of AC pressure pipes valued at Rs.61 lakh which were remained unutilize till 2002. The committee, therefore recommends that responsibility should be fixed against the erring officials and recovery of mobilization advance with interest should be made from the defaulting contractor. Action taken in this regard may be submitted to the Committee within 30 days from the date of presentation of this report before the House.

Locking up of funds due to injudicious payment of mobilization advance in the Kokrajhar Town Water Supply Scheme

(Audit para 6.7/CAG(Civil)/2001-2002)

1.10 The Audit has pointed out that the Municipal Administration Department accorded (February, 1991) administrative approval for Rs.6.02 crore for Kokrajhar Town Water Supply Scheme (KTWSS) to the Managing Director (MD) Assam Urban Water Supply and Sewerage Board (AUWSSB). The work was awarded by AUWSSB (March, 1991) to a Calcutta based firm 'X' at a tendered cost of Rs. 7.43 crore for its completion by November, 1992 on turnkey basis. Executive Engineer (EE) AUWSSB, Dhubri division was the immediate supervisor of the work. The firm had furnished (March, 1991) security deposit of Rs.15 lakh in the form of bank guarantee, valid up to 20 March, 1992. Under the tender agreement the firm was to be paid 10 percent mobilisation advance on total value of work order against bank/insurance guarantee of the equivalent amount. Test check (Marh-april, 2002) of the records of the EE, Dhubri Division and MD, AUWSSB, Guwahati revealed that the firm 'X' submitted (March, 1992) as bill for mobilisation advance of Rs.22 lakh the bank guarantee for Rs.22 lakh (valid till 30th March, 1993) furnished with the claim indicated that it would be valid only after the release of the equivalent amount in favour of the firms account kept in the bank. The MD, however, paid (April, 1992) mobilisation advance of Rs.22 lakh direct to the firm without routing it through the firm's account with the banker and therefor, the validity of the guarantee remained in doubt. Another Culcutta based firm 'Y' introducing themselves as formerly firm 'X' requested (16 January, 1993) the MD to release balance mobilisation advance of Rs.0.52 crore. On 30 January, 1993 firm 'X' had also submitted claims for release of above mentioned Rs. 0.52 crore to them. The firm 'X' had not furnished bank guarantee for the equivalent amount alongwith the claim. Out of Rs.0.52 crore the MD paid (2 February, 1993) mobilisation advance of Rs. 40 lakh to firm 'X' but bank guarantee in support of the payment could not be shown to audit. Since two firms 'X' and 'Y' had raised claims for mobilisation advance of Rs.0.52 crore simultaneously the MD should have investigated the financial soundness and integrity of firm 'X' before making payment of Rs.40 lakh in haste. In August, 1996, firm 'Z' informed the MD, that with the permission from a court of law, firm 'X' was amalgamated with firm 'Z' in 1993-94 and the contractual responsibilities for execution of Kokrajhar WSS developed on firm 'Z'. The MD called for (August, 1996) a copy of court's

order, which was awaited (April, 2002). MD cancelled (August, 1997) the work order, as the work had not commenced. Although the Board was to recover the mobilisation advance of Rs.0.62 crore from the firm 'X' with interest, there was no record to indicate that the department had initiated any process of recovery. The bank guarantee in lieu of security deposit of Rs.15 lakh became time barred (March, 1992) even before payment of Rs.22 lakh to the firm. No valid bank guarantees subsisted for the recovery of Rs.0.62 crore advanced to the firm. Thus, injudicious and hasty payment of mobilisation advance of Rs.0.62 crore without bank guarantee and investigating the financial status of firm 'X' in January, 1993 when firm 'Y' had also raised the claim, resulted in locking up of Rs.0.62 crore since 1992-93 which is fraught with eventual loss to Government. Also, the department had not fixed responsibility on the erring officer(s)/officials (s) as of April, 2002. The scheme remained unimplemented for last over 11 years.

1.11 The department by their written reply has stated that -

(1) The documents relating to the scheme have been seized by the Superintendent of Police, Vigilance and Anti Corruption vide seizure list dated 3.10.1998 as per decision of Government in Urban Development Department and the matter is under investigation of Vigilance and Anti Corruption and action will be taken against the erring officials as per reports of the investigating agency and as per decision of Government after completion of investigation.

(2) Steps have been taken to recover the entire mobilization advance together with interest through Legal procedure.

(3) Not yet, but will be initiated as per Sl. (1) above.

(4) As no land could be arranged by the District Authority work could not be started. The order for merger relevant for the Board was never made available.

OBSERVATIONS/RECOMMENDATIONS

1.12 Before going to discuss the para on 26th August, 2005 in the Assembly building at Dispur, the Committee had undertaken a spot study tour to the district of Kokrajhar on 29th June, 2004 and held discussion with the MD where the Executive Engineer of the Division was absent despite prior information intimated to him from this secretariat. The committee had expressed its deep concern and decided to intimate the same to the Government for taking disciplinary action against the Executive Engineer of the Division.

1.12.1 The Committee heard the deposition of the departmental representatives and observes that the Executive Engineer had paid mobilization advance of Rs.0.62 lakh to the firm 'X' without obtaining proper and equivalent security for the amount and also without investigating the status of firm 'Y'. Further, the Committee also observes that no steps have been taken by the department to recover the entire amount with interest from the defaulting firm.

1.12.2 The Committee, therefore recommends that steps should be taken by the department to recover the entire mobilization amount with interest from the defaulting firm and reponsibility should be fixed and action should be taken against the officials for irregular payment of mobilization advance. The Committee also recommends that the Government officials should be present before the Committee as and when call for.

**Locking up of inadmissible and excess mobilisation advance in the
Tinsukia Town Water Supply Scheme
(Audit para 6.8/CAG.(Civil)/2001-2002)**

1.13. The Audit has pointed out that after Scrutiny (February-March 2002) of records of the Executive Engineer (EE), AUWSSB, Jorhat division revealed that the firm had furnished (June 1992) security deposit of Rs. 29.29 lakh in the form of a bank guarantee valid upto June 1994. Of the firm's claims for 10 percent mobilisation advance aggregating Rs. 1.46 crore on the total ordered value, the MD with the approval of chairman has paid to the firm Rs.0.80 crore (in March 1993 : Rs. 30 lakh and August 1993 Rs. 50 lakh) against the advance of Rs. 12 lakhs admissible to the firm and thus raising the limit of advance to 10 per cent of total contract value on their own volition in gross violation of the contract agreement. While the firm did not furnish any bank guarantee against payment of Rs. 30 lakh, the bank guarantee for Rs. 50 lakh furnished by the firm in August 1993 lapsed in December 1993. Between June 1993 and June 1994 the division could acquire and hand over the site for installation of 15 of the 28 DTWs and for of the five treatment plants of which the firm had installed only five DTWs till April 1995. Since then the firm did not execute any further work as of March 2002. The MD had not initiated any penal action as per agreement to get the work done at risk and cost of the firm and rescinded the work since 1995-96. The inadmissible one excess payment of mobilisation advance of Rs.0.78 crore out of Rs. 0.80 crore which remained locked up with the firm had not also been recovered for last ever eight years. The cost of funds the Government had incurred worked out to Rs.0.69 crore at average rate of 11 per cent of market borrowing by the State Government during 1994-95 to 2001-2002. As no security deposit and bank guarantee subsisted against the payment of mobilisation advance, non-recovery from the firm leading to loss of Rs.0.78 crore to Government could not be ruled out. Also, the objective of supplying safe drinking water remained unfulfilled for last 11 years.

1.14 The department by their written reply as stated that -

(1) The amount of Rs.80.00 lakhs was wrongly paid as mobilization advance to M/S SPML instead of 10% of value of the deep tube-wells i.e. Rs. 12,04,000.00 after signing the Tender Agreement.

(2) The documents relating to the scheme have been seized by the

Supdt. of Police, Vigilance and Anticorruption vide seizure list dated 3-10-1998 as per the decision of the Government in Urban Development Department matter is under investigation of Vigilance and Anticorruption and action will be taken against the guilty officer, as per the report of the investigation of investigation agency and also as per decision of the Government after completion of investigation.

(3) Same as Sl.(2) above.

(4) Recovery is yet to be made. The contractor dug 5 (five) number of deep tube wells and left the schemes without executing other works 32nd Board meeting held on 22.8.2001 resolved to refer the matter to MAD to take the legal advice from Legal Retainer for cancellation of work order. In spite of non executing the scheme with a view to make unjust and illegal gain, SPML raised few claims before the board on 17.1.2002 for an amount of Rs.12,33,75,896.00 against the scheme. During the time of processing the application, SPML moved hon'ble Gauhati High Court and submitted Arbitration Petition No.4/2002. The Hon'ble High Court passed an order by appointing Mr. M.N. Bhagawati, Retd. Secy. P.W.D., Maghalaya as an arbitrator to settle the dispute. Sole Arbitrator awarded the judgment in favour of M/S SPML and directed to pay an amount of Rs.5,12,50,782.00 to SPML. Assam Urban Water Supply and Sewerage Board made an appeal before the hon'ble District Judge, Kamrup through Advocate General, Assam and Hon'ble District Judge delivered judgement against the Board on 1.6.2004. Board contested the above judgement before the Hon'ble Gauhati High Court and Hon'ble Gauhati High Court also delivered judgement on 15th February, 2005 against the Board. Board has already filed special leave petition against the above judgement before the Hon'ble Supreme Court of India in May, 2005 which is pending with the Hon'ble Supreme Court for final order.

OBSERVATIONS/RECOMMENDATIONS

1.15 During the course of discussion the departmental representatives have informed the committee that the contractor demanded money from the Board. The Board did not give him money. The Contractor approached the Hon'ble High Court and he lost the case. Then the Contractor has filed a case in the Hon'ble Supreme Court. The department also preparing counter affidavit and approaching Shri Benugopal, advocate

who will point out everything in the Supreme Court. The Committee, therefore asked the department to submit a copy of the judgement of the High Court to the committee.

1.15.1 Further, the Committee feels that the department had paid mobilization advance of Rs. 80 lakh to the contractor against admissible amount of Rs.12 lakh and that too against bank guarantee for Rs.29.29 lakh. The validity period of bank was also not extended and no steps had been taken by the department to make recovery of inadmissible and excess mobilization advances. The Committee, therefore recommends that responsibilities should be fixed and action should be taken against the erring officials and action taken report may be submitted to the Committee within 30 days from the date of presentation of this report before the House. The Committee also recommends that steps should be taken to make recovery the mobilization advances.

Public Works Department**Avoidable financial liability and extra expenditure on construction of RCC bridge.****(Audit Para 4.5/CAG(Civil)/2001-2002)**

2.1 The Audit has pointed out that a test-check (February 2002) of the records of the Executive Engineer (EE), Nagaon West Road Division and further information obtained (March, 2002) from the division revealed that the EE had paid (March, 1999) Rs.33.16 lakh including Rs.4.77 lakh due to the firm at the time of abandonment of work and also paid to the firm award money of Rs.23.94 lakh till February, 2002. EE did not furnish Government sanction for the payment of award money and the same called for by Audit from the C.E. which was awaited as of May 2002. The CE awarded (April, 2000) the balance 62 per cent work (value Rs.47.59 lakh) of the bridge proper to the same firm at Rs.0.77 crore for completion by April, 2001. The bridge proper was completed in August 2001. Till may 2002, the EE had paid Rs. 0.96 crore to the firm. Thus, failure of the Department to adhere to the terms and conditions of contract agreement with the firm resulted in avoidable additional financial liability of Rs.0.53 crore besides extra expenditure of Rs. 13.41 lakh.

2.2. The Department in their written reply has stated that the work construction of RCC bridge 12/1 on Nagaon Bhuragaon Road via Dhing was awarded to M/S. General Engineering, Guwahati on March/94. The firm stated the work and after completion upto sinking of both the wells stopped the work due to non-payment of dues, by the Department as per tender agreement. The payment could not be made to the contractor due to paucity of fund. However, the firm issued notice for Arbitration under Clause 65 on the tender agreement. As per Arbitration award the payment was made to the contractor. The contractor resumed the work and completed in all respect on 17-8-2001. The additional financial liabilities cropped up due to non-payment of contractor's dues in time was unavoidable due to tight fund position. However, Revised Administrative approval for the work for Rs. 1,56,43,520.00 has been accorded covering all the expenditure vide letter No. RBPC./70/99/26, dated 21-01-2003.

OBSERVATIONS/RECOMMENDATIONS

2.3. The Committee heard the deposition of the Government representatives and observes that the construction of bridge could not be completed in stipulated time for which an extra expenditure of Rs. 13.41 lakh had to be incurred by the department. The submission of the department is that due to paucity of fund at that period the department could not complete the work in time but it was completed on 17-8-01. The Committee desires to know from the department whether any endeavour was made by the department to get the fund released from Finance Department. The Committee satisfied with the submission of the departmental witnesses and decided to drop the para with the direction that the department should furnish all the documents to the Committee regarding moving for release of fund to the Finance Department within 30 days from the date of presentation of this report before the House.

Extra avoidable expenditure due to breach of contract agreement for construction of a RCC bridge.
(Audit para 4.6/CAG.(Civil) / 2001-2002)

2.4. The audit has pointed out that a test-check (January 2001) of the records of the Executive Engineer, (EE) Morigaon Road Division, revealed that the construction of RCC Bridge No. 5/1 on Jagi Bhakatgaon Road was administratively approved (March 1993 for Rs. 0.90 crore and awarded (March 1994) to a firm at a lump-sum contract value of Rs.0.75 crore with stipulation to complete the work by March 1996. The firm commenced the work in March 1994 and completed in May, 1998. The Division paid the firm a sum of Rs.0.73 crore upto January, 1999 against a claim of Rs. 0.73 crore preferred in 12th running account bill as incomplete final bill. According to the agreement, the department had to supply materials like cement, steel etc. and the interim payment was to have been made to the firm within 10 days from the presentation of the bill. The firm suspended the work from time to time due to non-availability of material and non-payment of claims in time leading to delay in completion of work. Owing to non-availability of material in departmental stores, the EE allowed (May, 1995) the firm to procure the same from the recognise manufactures or their authorised agents. Accordingly, the firm procured from time to time cement and steell valued Rs.8.91 lakh of which the department paid Rs.6.21 lakh to the firm upto December, 1997. Owing to breach of contract agreement on the part of the department, the firm requested (March, 1998) to settle their claim of compensation through arbitration. Accordingly, Government set up (August, 1998) an arbitration panel and the panel directed (July, 1999) the Government to pay the claimant an amount of Rs.49.54 lakh (including outstanding amount due against running bills and supply of cement and steel) against the claim of Rs.1.68 crore, along with 18 per cent simple interest from the date of award to date of payment. Government had sanctioned (August, 2000) the arbitration award for Rs.0.57 crore (amount of award, Rs.0.50 crore+Rs.0.07 crore as interest from 1st July, 1999 to 31st August, 2000), of which the Division paid Rs.0.56 crore to the firm upto March, 2001. Thus, failure of the department to supply store material and non-clearance of dues in time in violation of the agreement with the firm resulted in an avoidable extra expenditure of Rs.43.95 lakh of which Rs. 33.22 lakh alone was compensation for prolongation of contract and interest. Interestingly while the department continued to default in payment of

bills and supply of materials leading to breach of the terms and conditions of contract agreement with the firm during the period of four years from March, 1994 to March 1998 the arbitration award was paid within a period of less than one year. Steps taken by the department to investigate and prevent such a waste of scarce Government resources was not on record.

2.5. The department in their written reply has stated that the construction of RCC bridge No. 5/1 on Jagi-Bhakatgaon Road was administratively approved for Rs.90.00 lakh. It was awarded to M/S General Engineering on Lump-sum basis vide F.W.C.No.T/BR/48/92/45, dated 29.3.94. The tender value of the work was Rs.74.70 lakh and time for completion of the bridge was 24 calendar month. The contractor has started execution of work immediately after allotment but progress could not be achieved satisfactorily as construction materials (e.g. cement, rod etc.) could not be supplied by the Department in time because of acute shortage of materials in the departmental store and could not be procured due to financial constraint of the Government at that time. Sometimes contractor had to procure cement by himself and completed the work upto foundation level by July, 1995. Thereafter, the progress of work was badly hampered by severe flood occurred in between July, 1995 to October, 1995. The payment of the contractor also could not be cleared in time (as per his tender agreement) because of fund constraint. As a result the contractor had incurred heavy loss and he claimed for arbitration award towards price escalation. Accordingly, Government had instituted an arbitration tribunal headed by Shri A.N. Choudhury, Retd. C.E., PWD. As per verdict of the Arbitration Tribunal Rs.56,46,845/- (including interest @18% P.A.) was sanctioned by the Government vide letter No. DASR/22/98/106, dated 30.8.2000. However, the bridge has since been completed in all respect (under AIDF-III) and opened for vehicular traffic.

OBSERVATIONS/RECOMMENDATIONS

2.6. The Committee observes that the department made an agreement with the contractor but could not supply materials in due time for which it was delayed for completion of the works. The Committee suggests that if the department is not in a position to provide necessary fund, the department should not enter into such agreement. As the work had been completed in 2001 hence the committee has decided to drop the para with a stricture that before entering into any agreement it should be thoroughly examined by the department so that such lapses should not be occurred in future.

**Extra avoidable expenditure due to non-installation of
electricity meters.**

(Audit para 4.7/CAG(Civil)/2001-2002)

2.7 The audit has pointed out that a test-check (October, 2001) of records of the Estate Officer, Dispur revealed that the electricity meters to staff quarters were not installed till the date of audit for reasons not on record. The department paid Rs.13.64 crore to ASEB as electricity charges for 512 staff quarters at Dispur Capital Complex and realised Rs. three lakh only from the allottees during the period from December, 1999 to April, 2001. Thus, failure of the department to install individual electricity meters in the staff quarters since February, 1994 and continued realisation of electricity charges at flat rates not commensurate with the cost of actual consumption of electricity paid to ASEB led to undue financial benefit to the allottees besides extra avoidable expenditure to the tune of Rs.13.61 crore.

2.8 The department in their written reply has stated that the electric energy consume by the occupant were realised at flat rate @Rs.10.00 and Rs.35.00 per month in accordance with the instruction laid down in Government Letter No. GAG.217/76/Pt.I/74, dt. 8.9.80, which was revised vide No. GAG(B) 257/93/32, dated 19.2.94 where instruction was laid down to collect flat rate @Rs.150/-, 120/-, 105/-, 60/-, 30/- and 15/- P.M. according to the grade. It was also instructed that officials using air-conditioners will have to pay an additional amount of Rs.50/- P.M. and the order was effective from 1.3.94. The rate was revised vide Government No. GAD(B) 259/93/221 dated 24.12.02 where instruction laid down to collect the electric energy @Rs.325/-, 270/-, 227/-, 130/-, 70/- and 50/- P.M. according to the grade of the occupant and this order also revised to Rs.650/-, 640/-, 454/-, 260/-, 140/- and 100/- P.M. respectively vide No. GAG(B) 259/93/222, dt. 24.2.2003. Though the rate of electric energy consume is revised from time to time the amount realised from the occupant is not sufficient to meet the actual energy consumed by the occupant and Estate Officer under the control of this and is paying nearly Rs.3.00 crore to ASEB per month according to the Bill received from ASEB. The Secretary to the Government of Assam, GAD, Dispur was requested by Estate Officer vide No. ED.1050, dated 24.4.97 to provide electric meters in every quarter and payment should be made directly to ASEB by the occupant according to bill received from the ASEB. The Chief Engineer, (Building) has also taken up the matter to GAD vide his No. CE/Bld./ADT/25/2005/3, dated 12.1.2005 and CE/BI/ADT/25/2005/7 dated 9.9.2005.

OBSERVATIONS/RECOMMENDATIONS

2.9. The Committee heard the deposition of the Government witness and observes that no electricity meters had been installed to the Government Staff Quarters and continued to charge at flat rate from the occupants. Had the department installed electricity meters to the staff quarters the amount could have been realised to meet the actual energy consumed by the occupants. The Committee expresses its dissatisfaction on improper realisation of electrical charges from the allottees of Government Quarters at Dispur Capital Complex from the period of December, 1999 to April, 2001 after making payment an amount of Rs.13.64 crores to ASEB as electricity charges. The Committee, therefore recommends that the department should hold discussion with the GAD and Finance Department, Government of Assam on the matter and steps should be taken for installation of electricity meters to the Government Staff Quarters so that amount could be realised to meet the actual energy consumed by the occupants. Action taken in this regard may be intimated to the Committee within 90 days from the date of presentation of this report before the House.

Irregular payment through Hand Receipts

(Audit para 4.8/CAG(civil)/20012002)

2.10. The audit pointed out that a Test-check (December, 2001 and February, 2002) of the records of Executive Engineers (EEs) PWD., Magazine Division, Guwahati and PWD (Roads) West Division, Nagaon revealed that the EEs paid Rs.1.52 crore and Rs.1.03 crore respectively through hand receipts during March, 2001 to November, 2001 and March 2001 to October, 2001 respectively. Also, the two divisions did not maintain (i) any register for monitoring payments made through hand receipts to double payment, (ii) stock register for hand receipts, and (iii) contractor's ledger to watch contractwise upto date payment. Part payments through hand receipt were made without passing the regular running bills of contractors. In reply both the divisions stated (January, 2002 and February, 2002) that due to paucity of funds part payment was made through hand receipts against huge claims of a large number of contractors. The replies of the EEs were not tenable as they were to restrict the liabilities for payment according to the availability of funds and payment through hand receipts must not have resorted to. Thus, gross violation of rules and orders by both the divisions resulted in irregular payments of Rs.2.55 crore (Rs.1.52 crore + Rs.1.03 crore). Moreover, due to part payment through hand receipts at random, without observing any formality the expenditure of Rs.2.55 crore could not be vouchsafed in audit. Possible misappropriation, double payment, over payment etc., could also not be ruled out.

2.11. The department in their written reply has stated that the hand receipt is a simple form of voucher which is used for miscellaneous payment and advance only. But D.D.O.S. were constrained to make payment of the work through Hand receipt out of inadequate fund provided through F.O.C. time to time. There were no other alternative way, but to make part payment through Hand receipt. This procedure was adopted since long due to constraint fiscal situation. However, this practice has now been stopped as per Government instruction issued vide letter No. ADT.637/2004/5 dated 23.12.04. Now-a-days, even, in case of adequate fund is not received for payment of the entire amount of a particular bill, the bill may be passed & paid as a R/A Bill restricting the amount to the fund available and the R/A Bill is considered as voucher.

OBSERVATIONS/RECOMMENDATIONS

2.12. The Committee observes that in June, 1996 there was a specific order from the Government not to make payment through hand receipts but the Executive Engineers of both Magazine Division, Guwahati and Nagaon (Roads) West Division made the payments through hand receipts during March, 2001 to November, 2001. The committee also feels that hand receipt system facilitating the department for doing irregularities but it is gross violation of the Government rules. The Committee, therefore, recommends that responsibility should be fixed and disciplinary action should be taken against the arring officials and action taken report may be submitted to the Committee within 30 days from the date of presentation of this report before the House.

**Unauthorised re-appropriation of Govt. revenues
(Audit para 4.9/CAG(Civil) 2001-2002)**

2.13. The Audit has pointed out that a Test-check (January-February, 2002) of records of the Executive Engineer, PWD, Diphu Road Division revealed that the division had withdrawn (February, 2001) an amount of Rs.40.84lakh from Class V* deposit. The amount pertained to Assam General Sales Tax (AGST) and Income Tax, which was deducted at sources from the running account bills and were lying in class V deposit since May, 2000. Out of the withdrawn amount the division remitted (February, 2001) Rs.7.97 lakh to bank as Income Tax. However, the particulars of contractors in whose favour Income Tax were deposited were not produced to audit. The balance amount of Rs.32.87 lakh was spent (February, 2001) towards payments of contractors/suppliers bills against 22 road/drainage works as per orders of the Karbi Anglong Autonomous Council Authority. This resulted in an unauthorised re-appropriation of Government revenues to the tune of Rs.32.87 lakh.

2.14. The Department in their written reply has stated that as per order of the Deputy Secretary, K.A.A.C (i/c PWD) Diphu vide his letter No.KAAC/PWD-530/00-01/6, dated 02.02.2001 an amount of Rs.32,86,533/- was paid by the Diphu Road Division to seven Nos., of Contractors/suppliers against their twenty two nos. of pending bills from Class-V deposit. However, Executive Engineer, Diphu Road Division has been warned not to repeat such practice in future. The Executive Engineer, has since communicated to the authority of K.A.A.C for depositing an amount of Rs.32,86,538/- to the Government exchequer and action will be taken accordingly. An explanation has been called for from the Executive Engineer for his gross negligence in disposing Government duties and if necessary departmental proceedings will be drawn against him.

OBSERVATIONS/RECOMMENDATIONS

2.15. The committee heard the deposition of the departmental representatives and observes that it is a gross irregularities that money deposited in the Class-V account was utilised by the department towards payment of contractors/suppliers bills. The Committee directs the department to take necessary steps to avoid such ill-practices in future. The committee recommends that departmental proceedings should be taken and action should be taken against the erring official(s) responsible for such unauthorised re-appropriation and action taken report may be submitted to the Committee within 30 days from the date of presentation of this report before the House.

**Undue financial benefit to supplier and locking up
(Audit para 4.10/GAC (Civil) 2001-2002)**

2.16. The Audit pointed out that a Test-check (January, 2002 February, 2002) of records of the Executive Engineer, Roads Division, Diphu and further information collected (May, 2002 and June, 2002) by audit from the EE and Add. CE revealed that the Addl. CE Placed (July, 2000) order with the firm for supply of 2100 tonne cement within October, 2000. The payment was to be made by the EE on proforma bills of the firm subject to subsequent adjustment of share of payment from the EEs of other divisions. Between October, 2000 and November, 2000 EE made advance payment of Rs.0.82 crore (cost of 2,100 tonne cement Rs. 73.50 lakh AGST Rs.8.82 lakh) against 13 proforma bills of the firms without entering into agreement or obtaining security deposit from the firm for reasons neither on record nor stated to audit. The EE had not deducted AGST at source due to production of tax paid declaration by the firm. The EE was to pay AGST Rs.2.94 lakh (four per cent of Rs.73.50 lakh instead of Rs. 8.82 lakh of the 2,100 M.T. Cement, the firm delivered 1,286.400 MT valued at Rs.50.43 L. during December, 2000 to May, 2001 Despite repeated pursuance by Add. CE and EE the balance 813.600 tonne cement worth Rs.31.89 lakh was not supplied by the firm even as of May, 2002. Due to non-execution of agreement etc., the department evidently was not in position to enforce the supply of balance quantity cement or to recover Rs.31.89 lakh from the firm. Thus, advance payment of Rs.82.32 lakh against proforma bills was not only violative of rules but also resulted in locking up of Rs.31.89 lakh with the firm for over 18 months which is fraught with eventual loss to Government. Also failure of the EE to restrict payment of AGST to four per cent led to undue excess payment of Rs.5.88 lakh to the firm which was awaiting recovery as of May, 2002.

2.17. The Department in their written reply has stated that as per order issued by the Deputy Secretary, KAAC. (I/C PWD), Diphu vide No. KAAC/PWD/12/Cement/97-98/99-2000/1705, dtd. 05.07.2000 an amount of Rs.82.32 lakhs was paid in advance against proforma bill to M/S. K.K. Enterprises, Guwahati for supply of 2,100 MT OPC-43 Grade cement by the Executive Engineer, Diphu Road Division. Out of 2100 MT of cement the firm has delivered only 1286.40 MT and the balance quantity of the materials is yet to be supplied by the firm the cost of which is

Rs.31,89,312/- (including 12% AGST). In this connection, Addl. Chief Engineer, Diphu has asked the EE, Diphu Road Division vide his letter No. ACEH/ADT/7/2004/7, dated 3.9.2005 to realize the balance amount from the supplier immediately. for the gross negligence of the EE explanation has been called for and if satisfactory reply is not received punitive measure will be taken against him. It is also revealed that the carriage bill for carrying of 1286.40 MT of cement as supplied by M/S K.K. Enterprises for an amount of Rs.13.75 lakhs is still lying pending. The Addl. Chief Engineer, Diphu has instructed the EE not to pay this amount to the supplier, so, total recoverable amount from the supplier stands Rs.18.14 lakhs. The Add. Chief Engineer, Diphu/EE, Diphu Road. division has been instructed to issue notification to all PWD division to recover Rs.18.14 lakhs from pending bill of M/S K.K. Enterprises. If the EE fails to recover the amount from the supplier it will be recovered from the EE and his Accounts Officer equally.

OBSERVATIONS/RECOMMENDATIONS

2.18 Having heard the deposition from the departmental representatives, the Committee observes that the Diphu Road Division made advance payment to the firm of Rs.0.82 crore against 13 proforma bills without entering into agreement and obtaining security deposit from the concerned firm. It was not possible on the part of the Division to procure the supply of balance quantity of cement or to recover the amount of Rs.31.89 lakh from the firm since there was non-execution of agreement between the firm and the Division. Further, the Committee also observes that no investigation on the matter had been made by the department and responsibility had been fixed for departmental lapses.

2.18.1 The Committee, therefore, recommends that enquiry should be made on the matter and responsibility should be fixed and action, may be taken against the erring officials. Action taken report in this regard may be submitted to the Committee within 30 days from the date of presentation of this report before the House.

**Unproductive expenditure due to non-clearance of boulders and abandonment of the construction of road work
(Audit para 4.11/CAG (Civil)/2001-2002)**

2.19. The audit has pointed out that a test-check (May 2000) of records of the Executive Engineer, (EE) Bakulia Road Division revealed that the (i) EE spent Rs.0.55 crore on survey, land acquisition and construction of 11.55 km road in phase-I during 1987 covering a total length of the road upto 17.57 km from NH 36. The total expenditure on the works incurred by EE aggregated Rs.2.03 crore till April 2000. (ii) Road length beyond 17.57 km (say 18 Km) and upto 31.28 km under phase-II to phase-IV involving balance expenditure of Rs.1.48 crore remained incomplet for non-execution of hume pipe culverts, cross drainage works etc. The EE stated (May 2000) that road beyond 18 km was not motorable as the execution of hume pipes culverts was pending due to non-availability of blasting materials for clearance of rocky strata between 18 and 20 K.M. and that an estimate for the clearance of rocks and buulders manually was awaiting approval. An item of work due for completion in 1989 was at the stage of obtaining approval of the estimate in the year 2000. This clearly whows that proper planning was lacking over the years. EE had not taken up works on V phase in pursuance of direction (September, 1996) of Karbi Anglong Autonmous Council to stop the works including work-inprogress leading to its abandonment for reasons not on record. Thus, failure of the department to complete the road from Phase II to Phase V resulted in unproductive expenditure of Rs.1.48 crore out of Rs.2.03 crore. The primary objective of linking the leased out areas to the National Highway for transport of bamboos was also not achieved.

2.20. The department in their written reply has stated that the construction of 31.5 km. long Hindustan Paper corporation (HPC) roads from Harguti Sambasari Anglong was taken up by the Bakulia Road Division in the interest of H.P.C. for carrying Bamboos as well as use of general public. It is seen that, earthwork in cutting of the road is completed up to 31.28 km. and out of this, 18th km. long is motorable. In between 18th km. and 20th km. of the road Department found heavy rocks and due to ban on explosive materials the rocks could not be removed for which Department was unable to carry the Hume pipes for construction of the culvert beyond 18th km. It may be mentioned here that there was

no restriction of use of explosive materials when the alignment was made. At present there is no way to change the alignment due to existence of one side River and other side steep hilly area. The HPC sanctioned the estimate up to 31.00 km. and 0.50 km. (i.e. from 31.00km. to 31.50 km.) by the District Council Authority of Karbi Anglong in 2 (two) phases (i.e. phase (IV & V), Phase IV from 31.00 km. to 31.28 km. and Phase V is from 31.28 km. to 31.50 km. Department had completed the Earth work in cutting of phase IV i.e. from ch-31.00 km. to 31.28 km., but District Council Authority has suspended the scheme of phase IV (i.e. 31.28 km. to 31.50) as per decision of sub committee meeting of Karbi Anglong District Council Authority on 24.9.1996. The unutilised Hume Pipes collected for the purpose have been transferred & utilised in the other sanctioned schemes. The road up to 18th km. is moterable and from 18th km. to 31.28 km is now utilise by the HPC for carriage of bamboos by bullock cart, hand cart etc. Also, this portion of the road has become a passage of nearby villages of the villages Langhin Bazar, Phatikjan, Dhupguri, Sunarizan, Jamguri, Santipur, Manikpur, No. 1* Till apara etc. and the main purpose of carriage of bamboos to the HPC and connectivity to the villages are ful filled. Hence , money is not wasted at all.

OBSERVATIONS/RECOMMENDATIONS

2.21. During the course of discussion the Committee observes that due to non-availability of explosive materials with the department the work relating to construction of roads from "Harguti-chumbachari Anglong Road" at Bakulia in the district of Karbi Anglong could not be completed by the department. The Committee, therefore recommends that for the public interest the Commissioner & Secretary to the Government of Assam, Home Department may be requested to provide explosive materials to the Public Works Department for blasting the rocks for completion of the road which will help the Hindustan Paper Corporation and local people of that area.

2.21.1. Further, the Committee also observes that many works of Public Works Department are hampared due to non-availability of forest materials. The Committee further recommends that the Commissioner & Secretary to the Government of Assam, Forest Department may personally take initiative to provide forest materials to the Public Wrks Department for timely execution of their ongoing projects.

**Wasteful expenditure for construction of a RCC bridge on river
Chandrakhala in Dhubri District.
(Audit para 4.12/CAG (Civil)/2001-2002)**

2.22 The audit has pointed out that test check (February, 2002) of records of the Executive Engineer (EE), BRC division, Dhubri revealed that both ends of the aforesaid bridge had been eroded for a length of 18 to 20 meters due to flood that occurred in July, 1998. Approval from the Chief Engineer to a revised estimate (July, 1999) for Rs.1.45 crore for approach and protection works on eroded gaps was awaited (June, 2002). Following the inspection of works/site and direction by the Superintending Engineer (EE) all works of Phase-V were stopped (October, 2000) due to lack of feasibility. Further, commissioner (Border), Ministry of Home affairs reported (July, 2001) to the department that even by taking up the costly venture an extension of bridge by another 80 metre in one end to cover the eroded gap, the RCC bridge would not serve any purpose as it was only 300 metre from the Brahmaputra river. The river bank was also under constant threat of erosion and some items of works in the bridge viz, BUG erection and deck slab casting were executed by PWD after the approaches were eroded. Taking note of the report, the department had taken up (November, 2001) a cost appraisal for new alignment of the bridge, which was evidently an admission that the bridge would not be used for traffic and abandoned. Injudicious decision of the department for construction of a RCC bridge at highly erosion prone area led to wasteful expenditure of Rs.0.95 crore. Also, the department had not investigated the lapses to fix responsibility on the errant officer(s)/official(s).

2.23. The department in their written reply has stated that the estimate for construction of R.C.C. bridge with steel BUG over river Chandakhola at 3 km. of Ph. V at CH 2700m along IBB road in Dhubri District in Assam was submitted to the Deputy Commissioner (Border) Ministry of Home Affairs, Bhangagarh, Guwahati vide this office No. CE/IBRC/122/88/4 dated Guwahati the 18th September, 1990 amounting to Rs.60,89,500.00. But the estimate was not sanctioned being the area is erosion prone & it has been under observation for four years and the Government of India vide the then Deputy Commissioner (Border), Ministry of Home Affairs, Government of India, Bhangagarh, Guwahati's letter No. 180 12/8(00)/88 dated 5.12.1990 instructed not to incur any expenditure till the Committee constituted to review some of the bridge estimates etc., have studied the problem and submit their report to the

Technical committee. The permission for construction of road and fence in Ph-V which the bridge location falls was conveyed vide the then Deputy Commissioner (Border), Ministry of Home Affairs, Government of India, Bhangagrah, Guwahati letter No. 13010/2(00) 93-CB dated 16.3.94 & accordingly a fresh estimate of the bridge was submitted & administration approval was accorded for Rs.72.92,200.00 vide No.DGW/BFR/2-88/Assam/1313-1325 dtd. 1.9.94. The work was allotted to the contractor vide W.O. No. CE/IBRC/69/94/43 dtd. 15.12.95 for a tender value of Rs.66.24 Lakh with the time of completion 18 month. The Contractor completed the Sub structure in 1998 & in the meantime unprecedented flood eroded the both ends of the bridge in 1998-99. The bridge proper was complete in all respect in 1999-2000. It may be mentioned that the distance of the bridge and bank of the river was 1.273 km. at the time of submission of sanction the estimate. The sanction of bridge approaches amounting to Rs.17.44 Lakhs was received in July 1998 vide letter No. DGW/BFR/2-88/Assam/800/10 dtd. 21.7.1998. But the works of approaches could not be taken up as the amount was not sufficient due to erosion & as such a revised estimate was sent to the Deputy Commissioner (Border) MOHA, Bhangagarh, Guwahati amounting to Rs.1,45,42,000.00 vide No. CE/IBRC/122/88/14 dated Guwahati, the 6th September, 1999 for approach road & protection. But, the revised estimate was not sanctioned & hence work of approaches could not be taken up & expenditure was also not incurred. In this connection, It may be mentioned that the then Commissioner, Minister of Home Affairs, Bhangagarh, Guwahati vide No.21001/5/(00)/2001-CB Dated 10th July, 2001 informed that the bridge will serve no purpose as the river was only 300 m. away from the bridge & erosion was continuing. The suggestion made by Commissioner (Border during his visit during July, 2001, the extension of bridge both ways will be constly as well as it does not serve purpose as discussed with BSF extension by another 80m in one direction. In the meantime BSF suggested that an improvement of village road to their camp & request to submit, necessary proposals & utilization of BUG in the bridge of the said estimate. Accordingly, estimate was submitted out only a portion of the road was sanction excluding bridges for utilisation of BUG.

OBSERVATIONS/RECOMMENDATIONS

2.24.1. Having heard the deposition from the Government representatives the Committee decided to drop the para with the direction that the department should shift the materials to the other Division to avoid wasteful expenditure.