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COMMITTEE ON PUBLIC ACCOUNTS

(1986-88)

FORTIETH REPORT

(EIGHTH ASSEMBLY)



REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS ON THE
REPORTS OF THE COMPTROLLER AND AUDITOR GENERAL
OF INDIA FOR THE YEARS 1974-75 (Civil), 1975-76 (Civil),
1976-77 (Civil), 1977-78 (Civil), 1978-79 (Civil), 1979-80
(Civil), 1980-81 (Civil), 1981-82 (Civil), 1982-83 (Civil),
PERTAINING TO THE PUBLIC WORKS
DEPARTMENT, GOVERNMENT OF
ASSAM.

Presented to the House on 13th May, 1988

ASSAM LEGISLATIVE ASSEMBLY SECRETARIAT

DISPUR : GUWAHATI-781006

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**COMPOSITION OF THE COMMITTEE
(1986—88)**

CHAIRMAN : Shri Abdul Muqtadir Choudhury.

- MEMBERS :**
1. Shri Joy Prakash Tewari
 2. Shri Sirajul Haque Choudhury
 3. Shri Amrit Lal Basumatari
 4. Shri Rashidul Haque
 5. Shri Binai Khungur Basumatari
 6. Shri Durga Das Boro
 7. Shri Gunin Hazarika
 8. Shri Ganesh Kutum
 9. Shri Padma Nath Koiri
 10. Shri Abul Hussain Sarkar

SECRETARIAT :

1. Dr. P. N. Hazarika, Secretary.
2. Shri D. Talukdar, Special Officer.
3. Dr. K. N. Baisya, Under Secretary.

INTRODUCTION

1. I, Shri Abdul Muqtadir Choudhury, Chairman of the Committee on Public Accounts, having been authorised to submit the report on their behalf present this Fortieth Report of the Committee on Public Works Department.

2. The reports of the Comptroller and Auditor General of India for the years 1974-75 (Civil), 1975-76 (Civil), 1976-77 (Civil), 1977-78 (Civil), 1978-79 (Civil), 1979-80 (Civil), 1980-81 (Civil), 1981-82 (Civil) and 1982-89 (Civil) were laid on Table of the House on 7th December, 1976; 31st October, 1977; 21st February, 1979; 29th March, 1981; 22nd March, 1983; 27th February, 1984; 12th March, 1984; and 17th July 1985, respectively.

3. The Reports of the Comptroller and Auditor General of India for the years under Report were considered by the outgoing * Committee on Public Accounts of the Seventh Assembly in its sittings held on 7th, 8th, 9th, 10th, 11th May, 21st June, 1984 and 1st December, 1987. The present Committee considered the paras of Report of the Comptroller and Auditor General of India 1982-83 (Civil) in its meeting held on 1st December, 1987. The Committee while examining the Reports of Comptroller and Auditor General of India had scrutinised the written para-wise replies submitted by the Department and also examined the Departmental witness for further clarifications. The present Committee perused all the relevant records and evidence and prepared the Report with a view to clearing up all the backlogs. Simultaneously, the present Committee has taken up consideration of remaining Reports of the Comptroller and Auditor General of India both Civil and Revenue Receipts in order to make all accumulation of arrear and the currents up to date.

4. The Committee has considered the draft report and finalised the same in its sitting held on 28th April, 1988,

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5. The Committee places on record their appreciation for the valuable assistance rendered to the Committee by Accountant General (Audit), Assam and other officers and staff of the Office of the Accountant General, Assam. The Committee also expresses its thanks to the Departmental representatives of Government for their kind co-operation in furnishing the information.

Dispur :

The 28th April, 1988

Abdul Muqtadir Choudhury,
Chairman,
Committee on Public Accounts.

* Annexure-I.

MISAPPROPRIATION, LOSSES ETC.

(Audit para 3.20, Report, Appendix III of C. & A.G. of India, 1974-75, P.12-13)

1.1. The audit has brought out that out of 4 misappropriation cases against Roads and Buildings Wing, an amount of about Rs.3.59 lakhs remained to be realised. The Government representative in his written replies to the Committee during the course of examination stated as follows :—

“There are 4 cases out of which two cases have been finalised resulting stoppage of one increment of S.D.O. P.W.D. in one case and dismissal of the Sub-divisional Head Assistant of N.H. Sub-Division II, Sibsagar in other case. In another case the Sub-Division Head Assistant found responsible for loss of Rs. 15,349.95 and recoveries for the loss have also been started. Upto September, 1986 Rs. 6000.00 have been recovered.

One case in respect of misuse of Rs. 30,000:00 is under investigation by the police.”

1.2. When the Committee wanted to know whether the entire amount was recovered from him, the Commissioner, P.W.D. deposed that as per the report of the E.E., the entire amount had been recovered from him. He further informed the Committee that in the case of S.D.O., disciplinary proceedings had been drawn up and the finalisation of the case would be completed after receipt of the report of the Enquiry Officer.

1.3. When the Committee further wanted to know whether it was a case of misappropriation, the departmental witness deposed that these 4 persons were not involved in the same case.

1.4. To a query by the Committee with regard to the amount involved in the case of S.D.O. the departmental representative stated that Rs.3.00 lakhs were in dispute.

1.5. To an another query as to the action taken on account of the case against the person at fault the departmental representative deposed before the Committee as follows :—

“We have in hand as many as 12 cases in different stages. In case of S.D.O., increment has been stopped.”

1.6. When the Committee wanted to know about the fate of money the departmental witness informed the Committee that the money had not been recovered.

1.7. The Committee is constrained to note that the department had not taken any appropriate action against the defaulting officers to realise the money in time. The Committee is distressed to observe that dismissal order had been issued against one Sub-divisional Head Assistant while no order was issued against the S.D.O. and the other Sub-divisional Head Assistants.

1.8. When the Committee wanted to go through the papers by which department took action against officials found at fault the Departmental witness assured the Committee that the same would be submitted. In fact the departmental witness did not submit the papers and records to the Committee till the preparation of this report which had not only retarded the progress but also hampered the work of the Committee.

1.9. The Committee was also informed that one case of loss of Rs.30,000.00 was under the police investigation. But when the Committee wanted to know about the present position of the case the government representative stated before the Committee that no information was available with the Government.

1.10. The Committee has felt that the Department had shown their utter negligence to take action against the persons at fault who intentionally and willfully misappropriated the Government money and had not pursued the cases of misappropriation to recover the loss even after the lapse to ten to twelve years.

1.11. The Committee, therefore recommends, that a high level Departmental enquiry should be instituted to finalise all outstanding misappropriation cases and to recover the loss of amounts so misappropriated. The Committee further recommends that responsibility should be fixed on the person/persons for their negligence and laxity which facilitated the misappropriation of Government money. The Committee also recommends that action should be taken against the persons involved in misappropriation cases and loss be recovered without delay.

Action taken in this regards should be intimated to the Committee within three months from the date of presentation of this report.

CONSTRUCTION OF PRIMARY HEALTH UNIT AT BEHALI

(Audit para 4.15, Report of C & A.G., India, 1974-75 P. 159)

2.1.1. The Audit has brought out that the work of the construction of primary health unit with staff quarters at Behali (technically sanctioned for Rs. 1.66 lakhs) was allotted (December 1969) by the Executive Engineer, Charali Division in five groups to an unregistered contractor for Rs. 1.36 lakhs at 5 per cent above the Schedule of Rates on the basis of Competitive tenders. The work in all the groups was to be completed by January 1970. The contractor who commenced work in 3 groups did not complete the work in spite of extension of time granted to him. In October 1970, the Executive Engineer rescinded all the contracts with the contractor at his risk and cost after he had done work valued at Rs. 0.18 lakh only. The unfinished work in 2 groups was completed departmentally at a total cost of Rs. 0.79 lakh and in another group through a contractor at 9 per cent above the Schedule of Rates. Rupees 0.13 lakh were recoverable from the first contractor being the difference in the cost of the work. In addition, Rs. 0.28 lakh were also recoverable from the contractor on account of materials issued (Rs. 0.14 lakh), supervision charges (Rs. 0.09 lakh) and penalty (Rs. 0.05 lakh). Against the total recoverable amount of Rs. 0.41 lakh, a sum of Rs. 0.18 lakh being the value of work done was due to the contractor and Rs. 0.02 lakh were available as security deposit.

2.1.2. The Executive Engineer had stated in November 1974 that the balance amount would be recovered through

Bakijai proceedings if necessary, but neither the amount has been recovered nor Bakijai proceedings started against the contractor (May 1976).

2.2 In the written reply, the Government informed the Committee that out of total recoverable amount of Rs.0.41 lakh an amount of Rs.0.26 lakh was available from the contractor's Bill and security deposit for adjustment. As regards the balance amount of Rs.0.14 lakh attempts were made to recover the same through Bakijai proceedings but it was also not possible since the contractor's whereabouts were not known. The Officer responsible (E.E.) had been proceeded against and the proceedings were in progress.

2.3. When the Committee wanted to know as to whether unregistered constructors were also allowed to do the contraction work, the Government representatives stated :—

“It all depends on the nature of the construction work. In the tender notice itself, this is specifically mentioned whether unregistered contractors are admissible or not.

2.4. In accordance with the departmental deposition, the Committee desired to peruse the tender notice issued in this connection but the departmental witness informed the Committee that further queries had been made on which no final orders were issued.

2.5. The Committee was very much displeased with the reply furnished by the departmental witness and therefore enquired of the witness as to how many years the Department would take to settle the case. The Departmental representatives could not however advance a specific reply for awarding the contract to the unregistered contractor.

2.6. During the course of oral examination, the departmental witness intimated the Committee that from the records it was found that the E.E. was found guilty. However more details were asked for by the department which were in progress.

2.7. The Committee wanted to know as to whether during the pendency of the investigation the guilty officer was promoted. The departmental witness replied negatively to the

specific query of the Committee. He further informed the Committee that though the department received the first report for recovery and institution of Bakijai cases in 1975, some information was asked for to finalise the same.

2.8. Being very much dissatisfied with the reply given by the departmental witness, the Committee wanted to know as to when the bakijai case was expected to be finalised by the department. The departmental representative submitted before the Committee as follows :—

“Actually, we do not deny that we have not been able to act as quickly as possible for various reasons. Now, we feel, we can complete this within six months”.

2.9. The Committee viewed with great seriousness that the department had expressed its inability to write to the Accountant General to start the Bakijai case against the defaulting contractors as the department did not know the whereabouts of the contractor. The Committee regretted to note that the Department with full knowledge allotted the work to an unregistered contractor which resulted in incompleteness of work and loss arising therefrom. The Committee was surprised to notice that the department had been sitting over such important matter for quite a long time viz. 10 years on (7th May 1984).

2.10. The Committee observes that due to negligence of the Department to recover the amount or to start Bakijai case for recovery of the same, the loss was sustained by the Government. The Committee, therefore, recommends that the Bakijai cases should be disposed expeditiously and responsibility should be fixed on the person/tiersops for their gross negligence for sitting over the matter for a long period entailing loss of Government money. Action taken in this regards should be submitted to the Committee within three months from the date of presentation of this report to the Assembly.

EXTRA EXPENDITURE :

((Audit para 4.16, Report C & A.G. India, 1974-75,P.160-63)

3.1.1 The audit has brought out that the estimate (technical approved by the Chief Engineer in November 1973 for Rs. 65.03 lakhs) for the construction of a permanent reinforced

cement concrete bridge over Burgong river at 59th mile of North Trunk Road (a border road) in Tezpur North Trunk Road Division provided, inter-alia, Rs.19.33 lakhs for the construction of guide bunds and Rs.2.57 lakhs for the construction of approaches. On the basis of tenders invited in October 1969, the Chief Engineer entrusted the construction of guide bunds and approaches to a contractor for Rs. 19.39 lakhs and Rs.2.39 lakhs, respectively in December 1969. The work included, inter-alia, the following items :—

Item	Rate per cubic metre (in rupees)
(i) Pitching with one man size river boulders in guide bunds including supply and carriage of boulders from approved quarry to the site of work. Estimated quantity 52,706 cubic metres.	34
(ii) Supplying and laying on approaches soling stone (river boulders) of 12.5 cm to 19.5 cm size from approved quarry. Estimated quantity 1,499 cubic metres.	33
(iii) Consolidating of stone metal of 12 mm to 18 mm size on approaches including supply and carriage to the site. Estimated quantity 1,792 cubic metres.	41

3.1.2. The estimated rates for these items were based on collection and carriage of boulders from Kauripathar quarry which was 37 kilometres from the site of work. The name of the quarry was, however, not specified in the tender notice or in the contract, both of which stipulated that the department would not pay any extra charges for boulders in cash the contractor had to bring these from a quarry other than the one on which he had based his quotation. The work was to be completed by may 1971.

3.1.3. The contractor started collection of boulders required for the work from Kauripathar quarry but reported to the Executive Engineer in November 1970 that he could collect only about 4,000 cubic metres from that quarry as adequate quantity of boulders was not available there. (Actual collection from that quarry was 4,862 cubic metres as per final bills of the contractor). He also asked for permission to collect the balance quantity of boulders from Balijan, Ramghat Dikhalmukh and Seijusha quarries in Arunachal Pradesh on payment of extra charges due to longer distance from the site of work. In January 1971, the Chief Engineer permitted the contractor to bring boulders from the quarries in Arunachal Pradesh and also allowed enhanced rates for additional lead through a supplementary agreement. The distance of these quarries from the site of work, quantities of work stated to have been executed with boulders from these quarries and enhanced rates allowed are shown below :—

Name of quarry	Distance from the sit of work (Kilometres)	Quantity (cubicmetres) (Rupees)	Enhanced rate per cubicmetre (Rupees)	Original rates per cubic-metre
(i) Pitching in guide bund				
Balijan	43	9,804	40.60	34
Ramghat	45	13,474	42.80	
		7,676		
Dikhalmukh	31	1,822	35.65	
Seijusha	68	5,899	55.45	
(ii) Laying soling stone in approaches				
Balijan	43	1,363	39.60	33
(iii) Consolidation of stone metal				
Balijan	45	1,934	37.60	41

3.1.4. According to the original contract, pitching in guide bund was to be done by river boulders only. But 10,590 cubic metres of broken boulders from Balijan quarry were also used in the work. Payment for these was made at Rs.48 per cubic metre.

3.1.5. Enhancement of rates contrary to the terms of contract resulted in extra expenditure of Rs.5.50 lakhs.

3.1.6. During audit (June 1974), the following points were also noticed :—

- (i) The increase in rates for additional lead was not derived from the accepted rates in the original contract but was based on the rate in the prevailing schedules of rates for transport of materials. The schedule of rates provided Rs.0.55 and Rs. 1.10 per cubic metre per kilometre for transport on the main road maintained by the department and transport on quarry road constructed and maintained by the contractor, respectively. The schedule did not contain a separate rate for transport on quarry road if the contractor only maintained it. According to departmental analysis, the rate for transport on such roads should have been Rs.0.82 per cubic metre per kilometre. The roads to the quarries in Arunachal Pradesh were only maintained by the contractor but the increase in rate for additional lead was allowed at Rs.1.10 instead of Rs.0.82 per cubic metre per kilometres. This led to an extra expenditure of Rs.1.09 lakhs
- (ii) As stated earlier, work done with broken boulders obtained by the contractor from Balijan quarry was paid at Rs. 48 per cubic metre. The scheduled rate for extra charges of breaking boulders to proper size was Rs.2.28 per cubic metre. Adding this to the rate of Rs.40.60 for pitching with man size boulders from this quarry, the rate for pitching with broken boulders should have been Rs. 42.88 per cubic metre. Payment at Rs. 48 per cubic metre led to an extra expenditure of Rs.0.54 lakh.
The Government stated (March 1976) that the matter was being looked into.
- (iii) The increase in the rate for boulders collected from Balijan and Ramghat quarries was allowed on the additional lead beyond the border of Assam only, i.e., for 6 and 8 kilometres, respectively. But for boulder collection from Shijusha quarry, the increase was allowed on the entire extra lead of

31 kilometres including 23 kilometres within Assam: The circumstances in which the rates for these boulders were fixed on a different basis were not available. Extra expenditure due to this was Rs.0.75 lakh.

- (iv) Broken metal of 12 mm to 18 mm size required for consolidation in approaches could be obtained by breaking boulders of smaller sizes than those required for pitching in the guide bunds and soling in approaches. Reasons for collecting boulders for broken metal also from quarries in Arunachal Pradesh were not available in records. Extra expenditure of Rs.0.13 lakh could have been avoided, if boulders required for broken metal had been collected from a quarry within Assam. The Government stated (March 1976) that the matter was being looked into.

3.2. It appeared to the Committee that the department was helping the contractor to earn more money by not deriving the increase in rates from the accepted rates in the original contract.

3.3. To a quarry by the Committee as to the collection of boulders, the government representative had deposed that normally the contractors were allowed to collect the boulders from the approved quarry. At the same time he expressed his ignorance about the actual position on the collection of boulders from the quarries which were not approved.

3.4. The Committee noticed from the explanation furnished by the department at the time of awarding contract that no quarry was specified. When the Committee enquired as to whether afterwards the contractor raised the amount for collecting boulders from the quarry not specified in the contract the departmental witness stated as follows :

“The observation of the A.G. was technically correct that we had not specifically mentioned the name of the quarry from where the boulders would have to be collected. In a competitive tender, the tenderer was to collect the material from the nearest source. If we stick to strict tender rule, we would have to wait for indefinite period incurring avoidable loss.”

3.5. The Committee was not satisfied with the replies tendered by the departmental witness, and therefore wanted to know as to whether at the time of preparing estimates availability of boulders was considered. The Departmental witness during his oral deposition stated before the Committee :

“From my experience, I could say that it was not always possible to assess the exact quantity of boulder available in a particular quarry. There were so many agencies at work to extract the boulder from the same source”. He further stated that “there were approved quarries in different localities throughout the State. The Forest Department issued permits to different organisations from the same quarry. As a result, the assessment made by our officers in the field did not come to our expectation. When the contractors did not get the required materials, they hunt for alternative source. I was not actually defending the case. We would certainly abide by the decision of the Committee.”

3.6. The original Departmental estimates were made on the basis of actual survey reports in order to award contract for collection boulders. In the face of it, it transpired to the Committee that due to wrong survey report or wrong assessment by the Officer, the availability of quantity of boulders came down from 54,000 CMT to 40,000 CMT in the stone quarry from where the contractor was to collect boulders. The wrong estimates for supply of boulders prepared by the Departmental officers made the department to allow the contractor to extract boulders from quarries belonging to the adjoining Arunachal Pradesh and also to use blasted boulders instead of river boulders.

3.7. The Committee also noticed that as per original contract, the contractor had to do the pitching in guide bund by river boulders only. But it appeared that 10,590 cubic metres of broken boulders from Balijan quarry were also used in the guide bund. Enhancement of rates contrary to the terms of contract resulted in an extra expenditure of Rs.5.50 lakhs which could have been avoided.

3.8. The Departmental evidences also stated before the Committee that the officials at field of work had been asked

to complete the work as early as possible before the price was escalated. But in view of non-completion of the work in time price quoted for the work in the original tender might not be adhered to.

3.9. The contentions of the departmental evidence were not accepted by the Committee on the ground that the officials at the actual field of work started work on the basis of the original contracted rate. The Committee, therefore, observes that the officials had acted beyond his authority to increase subsequently the rate for supply of boulders without calling fresh tender for this item of work which made the official solely responsible.

3.10. The Committee wanted to know the amount of excess expenditure incurred in the contract of supply of boulder the government representative stated before the Committee:

“The total rate varies with the distance of quarries ...the actual reasons we cannot indicate. I am admitting the facts that the officers in the field, some times, face such a situation”.

3.11. To another query as to whether the Government of Assam, P.W.D. had accepted the Border rate schedule the Departmental witness stated :

“There are three types of schedule of rates for the works. One for the National High Way, another for the normal nature of work and third for the Border works. This falls on the Border rate schedule”.

3.12. The Committee was not at all satisfied with the replies furnished by the departmental witness and expressed great concern over the manner in which the Department proceeded in the matter of awarding contract that caused huge loss as well as non-completion of project in target time.

3.13. The Committee also wanted to know as to why materials were disproportionately issued to the contractors, the Departmental witness during the course of examination stated before the Committee :

“We are taking steps for this. We have asked the Executive Engineer/Sub-divisional Officer/Junior

Engineer to furnish the detailed information who is responsible for excess issue. We have sent a telegram on 17th April 1984 which was the 'latest one'.

3.14. The Committee is distressed to note that the callousness and wrong estimates of the Department in awarding contract in the construction of guide bunds and approaches for the construction of a permanent reinforced cement concrete bridge over Burgong river in the Tezpur North Trunk Road Division resulted in a huge extra expenditure to the tune of Rs.8.01 lakhs. The Committee is of definite view that the loss to the Government exchequer was occurred due to lapses and laxity of the band of officers of the P.W.D. engaged in the onerous task of construction of RCC bridge over Burgoan River and its guide bunds and approaches.

3.15. The Committee, therefore, recommends that a thorough probe should be instituted to enquire into the whole affairs for fixing responsibility on the officer/officers at fault and for taking appropriate actions as per existing law to combat with the nature of malpractices indulged in awarding work contrary to the terms of original contracts.

IMPROVING MANCACHAR MAHENDRA- GANJ ROAD :

(Audit para 4.19, Report of C & A.G.India, 1974-75)

4.1. The audit has pointed out that the Superintending Engineer, Western Assam Circle, sanctioned the work of improving and black topping of six kilometres long Mankachar Mahendraganj road (Goalpara Roads and Buildings Division at an estimated cost of Rs. 3.58 lakhs in June, 1972. The estimate provided for collection of soling stone, metal and chips and black-topping the entire length of six kilometres (Rs.3.50 lakhs), earthwork in raising 300 metres of the road and in side berms (Rs.0.05 lakh) and work-charged establishment and contingencies (Rs.0.03 lakh). But no provision was made for raising the formation of 4th to 6th Kilometres of the road which, according to the Superintending Engineer (July 1970), remained under water during the rainy season. Before the work was sanctioned, the Superintending Engineer entrusted (July and September, 1970) collection of soling stones, broken metals and chips at 1st to 4th kilometres of the road to two contractors. The work was to be completed by October, 1970.

Collection at the 4th kilometre was subsequently held in abeyance as this portion of the road was submerged in rainy season. The contractors collected 1,684 cubic metres of soling stones (value : Rs.0.49 lakh) and 19,702 cubic metres of broken metals (value : Rs.0.57 lakh) along 1st to 3rd kilometres of the road ; chips were not collected for want of space by the road side. Neither the earthwork for raising the road over 300 metres and in side berms as was done nor was the work of improvement and black-topping the road from 1st to 3rd kilometres started (March, 1976).

4.1.2. In March, 1975, the Executive Engineer assessed, on eye estimation, the value of shortage of stones and metals due to delay in utilisation at Rs.0.09 lakh. Actual shortage on proper measurement was not determined (February 1976).

4.1.3. In March, 1975, the Chief Engineer asked the Executive Engineer to submit a revised estimate for the work by substituting water bound macadam with graded stone upto 90 millimetre size for 10 to 15 centimetres soling stone already collected at site between 1st and 3rd kilometres. No instructions were given for the portion of the road from 4th to 6th kilometres which remained submerged during the rainy season. The revised estimate was stated (March 1976) by the Chief Engineer to be under preparation. As a result of this change in the specification of the work, soling stones worth Rs.0.49 lakh already collected at site would be rendered surplus.

4.2. In a written reply while clarifying the objections raised by the audit the departmental witness informed the Committee as inserted below :

“ As the revised estimate for improvement work with changed specification has not been yet sanctioned, no further work beyond 3rd K.M. was possible. The work for 1st K.M. to 3rd K.M. was completed with an expenditure of Rs.4.24 lakhs to the extent possible with the available materials under the original sanctioned estimate. There is, therefore, no possibility of soling stone being surplus.”

4.3. When the Committee wanted to know about the action taken against the Superintending Engineer who entrusted collection of soling stone, broken metals and chips at 1st to 4th kilometres of the road to two contractors before the

work was sanctioned and as to why the department did not attend to and furnish replies to the Accountant General Clarifying the objection raised, the departmental witness during the course of oral evidence tendered an evasive reply with which the Committee was quite unhappy.

4.4. The Committee also desired to know whether there was any road fit for black topping while the order had been placed in 1976 for supply of materials, the Government representative informed the Committee that "there was a road from Mankachar to Mahandraganj... first 3 K. Ms were hilly and the rests were plain." However, the reply of the witness was not clear nor was convincing. The Committee noticed that black topping was done without raising the road which resulted in damage by washing away the surface of the road. Had the road been raised before black-topping was carried on the damage caused to the surface of the road by flood and loss sustained would have been avoided.

4.5. According to the rule, technical sanction and administrative approval should precede the issue of work orders. In the instant case of Mankachar-Mahendraganj road, Committee found that work order was issued in July, 1970 and the Administrative approval was accorded on 31st July 1973 without any obtaining technical sanction for the estimated work. This amply proves the laxity on the part of the executing officers to causing avoidable loss to Govt. The Committee also found that materials were collected in July, 1970 and not put to use for more than three years and ultimately these were washed away by successive floods causing loss to the Government. The Committee also noted with regret that due to revision of the estimates for the work by substituting waterbond mecadam with graded stone and change in specification of the work, the soling stones work of Rs.0.49 lakh already collected at site were rendered surplus. The departmental witness could not put forward convincing ground for the changes in specification.

4.6. The Committee therefore, recommends that an inquiry should immediately be conducted to go deep into the matter for fixing responsibility on the officials at fault and departmental action taken on the matter should be reported to the Committee within three months from the date of presentation of this report to the Assembly.

PURCHASE OF RELA

(Audit para 5.12 Report of C & A.G. India, 1974-75 P.173)

5.1.1. The Audit has pointed out that the Chief Engineer received on the 31st December 1973 an offer from a Gauhati firm (agent of a manufacturer) for sale of rela grade 5 super (a compound for use in places where rapid hardening of cement is required). The firm enclosed a certificate issued on the 29th June 1973 by the Executive Engineer, Temporary Capital Construction Division, to the effect that the compound had been used in the construction works at Dispur and the results had been found satisfactory. The firm had not furnished any test certificate from any Government test house. The Chief Engineer sent the firm's offer to the Government on the 13th March 1974 for consideration, without any specific recommendation regarding use of the compound in construction works. While the firm had claimed that use of this compound mixed with cement would result in saving of cement upto 15 per cent, neither Executive Engineer, Temporary Capital Construction Division nor the Chief Engineer had indicated or commented on the actual or the possible extent of saving in cement by its use. The Government asked (23rd March 1974) the Chief Engineer whether rela would be required in view of the heavy stock of rapidite (another similar compound) with the divisions. No reply was received from the Chief Engineer. The Offer of the firm was considered by the Purchase Board of the Department which recommended purchase of rela (28th May 1974) only if the Chief Engineer would agree to it. The Chief Engineer referred (2nd September, 1974) to the report of the Executive Engineer, Temporary Capital Construction Division, (sent by the firm along with the offer) but expressed his inability to comment about efficacy of rela as he had never used this compound.

5.1.2. Nevertheless, the Secretary of the Department decided on the 10th October 1974 to purchase the compound for use in works to reduce consumption of cement. He desired that the divisions having adequate funds to do cement concrete masonry works such as bridges, culverts, buildings, etc., be identified before the purchase. On the 11th October, 1974, he ordered purchase of the compound for 12 divisions. The quantities for each of the divisions were determined on the basis of use of 2½ kilograms of rela per bag of cement in stock with the divisions. Accordingly, 12 purchase orders were issued to the manufacturer on the 14th October 1974 for supply of

65,410 kilograms of rela at the rate of Rs.4.10 per kilogram. In addition to the basic rate, the firm was to be paid Central Sales Tax, charges for containers and freight charges, but the container charges and the mode of transport, etc. were not specified in the purchase order. The Executive Engineer of these divisions were informed simultaneously by the Government that rela was being purchased to economic consumption of cement and the compound should, therefore, be used without fail irrespective of the fact whether there were provisions in the contracts for works for its use or not. It was noticed (June 1957) by Audit that the Department had not considered the economy of using rela; it appears that use of 65,410 Kgs. of (cost Rs. 3.50 lakhs) of this compound would have saved 1,96,230 kilograms of cement (cost Rs.0.65 lakhs) on the basis of saving in consumption of cement claimed by the manufacturer.

5.1.3. The firm supplied 63,599 kilograms of rela (cost Rs.3.22 lakhs) to 12 divisions by December 1974. The executive engineer of 6 divisions intimated to Audit (November 1975) the following utilisation of the compound upto October 1975:

Name of Division	Quantity	
	Received (in Kilograms)	Utilised
Charali ..	2,7800	Nil
Cachar ..	2,710	250
Rangiya ..	4,365	880
Mangaldoi ..	3,445	1,000
Nowgong West ..	1,238	122
Medical College Construction, Silchar.	3,450	275
	17,988	2,527

5.1.4. The Executive Engineer, Charali Division stated (November 1975) that he did not use rela because its use was considered uneconomical by him and that 2,780 kilograms of rela in his Division had become time barred and unserviceable. Similarly, the Executive Engineer Mangaldai Division also intimated that 2,445 kilograms of rela had become time barred and unserviceable. The Executive Engineer, Cachar Division stated that he could certify serviceability of 2,460 kilograms of rela lying in his stock without chemical examination. The Executive Engineers, Goalpara, North Lakhimpur and Mangaldoi Roads Divisions were requested (December 1975) to intimate utilisation of rela received by them; replies are awaited (May 1976).

5.1.5. It was noticed in test check (July 1975) that the Executive Engineers, North Trunk Road, Chaldhowaghat and Tezpur Divisions had requested (October to December 1974) the Chief Engineer for advice, inter-alia, on matters like use of rela on volume or with basis, guarantee regarding structural soundness of works in which rela with a lower quantum of cement would be used and changes in rates, etc., for works in progress. The Executive Engineer, North Trunk Road, Tezpur also reported (December 1974) to the Chief Engineer that the volume of work in his Division being limited, there was no scope to utilise 16,710 kilograms of rela supplied to the Division. He also suggested diversion of 10,000 kilograms of rela to other Divisions. The Chief Engineer referred these problems to the Government for clarification in January 1975 but no reply was sent by the Government to the Chief Engineer or the Executive Engineer (July 1975). Further, the Executive Engineers, North Trunk Road, North Lakhimpur and Chaldhowaghat Divisions also reported defective quality of containers and possibility of deterioration in storage. It was also noticed that the Executive Engineer, Charali Division had reported (May 1975) to the Government that the manufacturer had reprinted the price list with higher price for containers after placement of the order. The complaint was not investigated.

5.1.6. Government stated (March 1976) that rela was purchased in view of the acute scarcity of cement faced by the Department and that further purchase of this compound had been stopped. As regards utilisation of rela already in stock, Government stated that it was expected to be utilised shortly.

5.2. The Committee was distressed to note that in spite of reports by the Executive Engineers of different Divisions to the effect that the use of rela was considered uneconomical and not conducive to the construction works, huge stocks of rela were purchased causing huge loss to the Government. To a query by the Committee as regards utilization of rela, the Departmental representatives stated before the Committee that public works Department placed orders for 30% of the quantity to the cement resarch corporation, calcutta. He however, stated before the Committee that intention of the Department was good although no tangible results were achieved afterwards for use of rela. To another query by the Committee as to why such unserviceable materials were purchased without ascertaining its utility, the Departmental representatives stated before the Committee that in view of the defective and faulty calculation the supply of the materials had been discontinued.

5.3. The Committee also could not understand why no investigation was conducted to a complaint report made by the Executive Engineer, Charali Division to the Government stating that the manufacture had reprinted the price list with higher price for containers after placement of the orders for rela.

5.4. The Committee has expressed its displeasure over the entire deal of purchase of rela and recommends that a thorough inquiry should be instituted into the whole deal and the report of the inquiry should be submitted to the Committee within three months from the date of presentation of the report.

PURCHASE OF RAMMERS

(Audit para 5.13, Report, C & A.G. India, 1974-75, Page 176)

6.1.1. The audit has brought out that between September 1971 and January 1972, the Abhayapuri Construction Division received 5 vibrating earth rammers (cost : Rs.0.48 lakh) from a supplier in accordance with the orders placed by the Chief Engineer in October, November 1971. In October, 1972, the Executive Engineer informed Government that the rammers were not required for any work in his Division.

6.1.2. In March, 1976 the Government stated that the rammers would be put to full use in works like raising of roads and approaches.

6.2. To a query by the Committee, the Government representative stated that "the mechanical rammers were very useful in road building work in the State".

6.3. The Committee observes that there might arise some constraints about the profitable use of rammers in the State in initial stage although it would bring good result if the same could be used Properly.

6.4. The Committee, therefore, feels that the Department should ensure gainful use of the rammers in the State for improvement of the road Communication of the State.

IDLE MACHINERY

(Audit para 5.14, Report of Comptroller & Auditor General of India, 1974-75, P. 176)

7.1. The audit has brought out that between April 1965 and February 1968, machinery costing Rs.28 lakhs was purchased by the Abhayapuri Mechanical Division for use in construction of the lateral road in the State. Out of these, 38 items of machinery costing Rs.4.76 lakhs were never put to use since acquisition and were lying idle and surplus (October 1975). The Executive Engineer stated in October 1975 that the Chief Engineer was requested to transfer these items for use in other Divisions. Information as to whether they had since been put to use was awaited (May 1976).

7.2. During the course of examination the Committee notices that some of these machineries remained idle and if these machineries were put to proper use quite a large amount could have been earned and development work could have been achieved.

7.3. To a query by the Committee as to how these machineries were procured the departmental witness informed the Committee that they were arranged by the Government of India and they sent them for use by the State Government. With the existing technical know-how the State Government could use some of them and some of them which could not be used by the State Government were sent back to the Central Government.

7.4. When the Committee wanted to know about the expenditure, the departmental representative informed the

Committee that the State Government did not pay any value of these machineries except the hire charges only.

7.5. The Committee feels that when the machineries were placed at the disposal of the State Government for development work free of purchase price by Government of India the latter should have put them for profitable use without keeping them idle for several years or the same could have been returned to the Central Government in time.

UNNECESSARY PURCHASE

(Audit para 5.15, Report of C.& A.G. India, 1974-75, P.176)

8.1.1. The audit has brought out that in November 1972, the Secretary of the department placed an order with a Calcutta firm at the Director General of Supplies and Disposal rate contract for supplies of 300 ceiling fans (value Rs.0.74 lakh) to the Karimganj Roads and Buildings Division. All the fans were received by the division in November 1973. of these, 270 fans were lying unutilised with the Division (February 1976). It was noticed (August 1975) in Audit that there was no demand/requisition from the Executive Engineer for these fans.

8.1.2. The Government stated (August 1975) that advance planning and action were necessary to ensure timely availability of fan.

8.2. During the course of examination, the Committee wanted to know as to the date of starting the construction of the building where ceiling fans would be required, the Government representative informed the Committee that the court building was started in 1974 since the estimate could not be finalised earlier. When the Committee enquired as to the necessity of purchasing 300 fans when there was no Court Building the departmental witness informed the Committee that for certain type of work, as a matter of Policy "we purchased something for our future use. At the execution level, our officers did the best." To another query as to why the fans were purchased 3 years earlier while there were no demand for fans the departmental witness stated that "actually, these fans were directed to other buildings."

8.3. When the Committee asked the departmental witness to justify the unnecessary purchase they admitted that it was not a good planning.

8.4. The Committee observes that while there was no timely use of the materials any planning for such purchase was a bad and wrong planning. The Committee also feels that planning should be done to get maximum economic use of materials without blocking the capital for years together and for purchase

8.5. Therefore the Committee recommends that correct planning should be made in future according to the right norms set by the Government to ensure achieving development measures and responsibility should be fixed on the officers for whose fault as admitted by the departmental witness there was wrong planning resulting loss of Government money.

PURCHASE OF STEEL WIRE ROPE

(Para 5.16 Report of Comptroller & Auditor General of India 1974-75, P-177).

9.1.1. The audit has brought out that on the basis of a supply order issued by the Chief Engineer, 3,000 feet of steel wire rope (cost Rs.0.29 lakh) were received in Diphu Roads and Buildings Division. Of this, 214 feet had been utilised upto January 1976 leaving a balance of 2,786 feet in stock. It was noticed in Audit (March 1972) that the division had not placed any indent with the Chief Engineer for the wire rope.

9.1.2. The Government stated (March 1976) that the Chief Engineer has since been directed to issue instructions for utilisation of the balance quantity at the earliest.

9.2. From the evidence tendered by the departmental witness during the course of examination the Committee found that the materials were purchased on 11th May 1971 out of which 200 fts. were utilised upto 1976. It was also stated by the witness that as per report of the Executive Engineer the stock was nil.

9.3. When the Committee wanted to know about the actual position, the Government representative deposed that so far the steel wire rope was concerned, we had replied to the Accountant General that this was accounted for. So far as the question of excess payment, tax and other things, we could not verify in the absence of the file. SAIL stock yard was not there at that time at Guwahati. Probably, due to urgency,

the department procured the materials from the open market by going through the normal procedure. There was an objection that excess payment on account of the taxes had been made. We could not verify the position from the file as it was in the Chief Minister's Cell.

9.4. When the Committee wanted to know as to where the materials were used and why the purchase was made in advance, the Government representative stated that during the construction of capital which was completed in record time, we had to purchase very hurriedly from the open market. The Committee was not satisfied with the replies tendered by the Government representative and wanted to know as to the actual position. The Government representative during the course of oral evidence stated that "Unless we got back the file, we were not in a position to give you the definite answer in this regard."

9.6. The Committee desires that the department should obtain the actual position very soon and the progress made should be made available to the Committee for its consideration without any further delay.

PURCHASE OF STEEL :

(Audit para-5.20, Report of Comptroller and Auditor General of India, 1974-75, P.-179)

10.1.1. The audit has pointed out that based on tenders received in January 1973, the department placed (2nd February 1973) an order on a Gauhati firm for supply of 90 tonnes of steel bars at the rate of Rs. 1,867.54 per tonne (inclusive of all taxes and duties) and 200 tonnes of rounds of 5mm., 8mm. and 10mm. diameter tested to IS-226 specification in specified lengths at the rate of Rs 1,745 per tonne, plus taxes and duties to the Gauhati Roads Division. The supply was to be completed within 30 days. On 19th March 1973, another order was placed by the department on the same firm for supply of 1,400 tonnes of rounds of the same specifications and lengths to the Gauhati Buildings Division (700 tonnes) and the Gauhati Roads Division (700 tonnes) at the same rate. The supply in this case also was to be completed within 30 days. Steel bars were supplied by the firm in February 1973. The delivery period for the rounds covered by both the supply orders was subsequently extended to 18th July 1973 at the request of the firm. The excise duty on rounds and

bars was increased with effect from 1st March, 1973. As provided in the supply orders, the rate payable for rounds was increased in April 1973 to Rs 1,915.28 per tonne for 5 mm. diameter rounds (inclusive of all duties and taxes). Between March and July 1973, the firm supplied 740 tonnes of rounds of 5 mm. and 10 mm. diameter to the divisions. The firm was paid Rs 15.81 lakhs (Rs 1.68 lakhs for 90 tonnes of bars at Rs 1,867.54 per tonne, Rs 9.19 lakhs for rounds at Rs 1,915.28 per tonne, and Rs 4.94 lakhs for 10 mm. rounds at Rs 1,899.01 per tonne) The balance quantity of rounds ordered was not supplied by the firm.

10.1.2. The Government placed another order on 19th March 1973 with a Calcutta firm for supply of 1,167 tonnes of mild steel rounds of 5 mm., 8 mm. and 10 mm. diameter tested to IS-226 in specified length to the Gauhati Buildings Division at the rate of Rs. 1,745 per tonne plus taxes and duties. The rate was increased (April 1973) to Rs 1,790 per tonne due to increase in excise duties with effect from 1st March 1973. The rounds were to be delivered free of cost at the Divisional godown at Gauhati and the supply was to be completed within 30 days. The delivery time was subsequently extended upto 6th September 1973 at the request of the firm. The firm claimed to have supplied 1,169 tonnes of rounds of sizes varying from 12 mm., 25 mm. diameter (different from the sizes ordered) between March 1973 and September, 1973 and was paid Rs 22.18 lakhs between April 1973 and November 1973 at the rate of Rs. 1,790 per tonne plus six per cent sales taxes. It was noticed in audit that 1,141 tonnes only were actually received by the division but payment was made for 1,169 tonnes. Rs 0.53 lakh were thus paid in excess to the firm being the cost of 28 tonnes not received.

10.1.3. The Joint Plant Committee fixed price for the bars in February, 1973 was Rs 1,270.50 per tonnes. The prices for rounds of specification ordered in February/March 1973 by the department were Rs. 1,315.50 for 5 mm., Rs. 1,233.50 for 10 mm., Rs 1,209.50 for 12 mm. and Rs. 1,165.50 for sizes 16 mm. to 25 mm. per tonnes. Purchase of 1,999 tonnes of bars and rounds from the open market at rate higher than the Joint Plant Committee prices resulted in avoidable extra expenditure of Rs. 12.76 lakhs. Besides this, payment of sales taxes at the rate of 6 per cent to the Calcutta Firm instead of 3 per cent Central Sales Taxes at 1 per cent surcharge on Central Sales Taxes payable resulted in and excess payment of Rs. 0.62 lakhs.

10.1.4 Procurement of bars and rounds from the open market on priority basis was stated to have been undertaken for execution of some urgent works in different divisions. It was, however, noticed in audit (September 1973) that the Department had placed orders with the Joint Plant Committee for 687 tonnes of rounds only for different divisions in December 1972. The basis on which the department decided to procure steel at higher prices could not be checked as all records connected with the purchase were reported (November 1975) to have been seized by the Vigilance Cell. A check of the divisional records showed that the bars and rounds received upto September 1973 were distributed to various divisions between May 1973 and January 1976. Information about actual utilisation of these bars and rounds by the recipient divisions is awaited (May 1976). It was also noticed that the Executive Engineer, Gauhati Buildings Division had procured 334 tonnes of rounds from Messrs Hindustan Steel Limited between July and August 1973 and this quantity was distributed by him between August 1973 and March 1975. Another quantity 225 tonnes purchased by the division in May 1973 was not lifted from a producers yard in July 1973.

10.1.5. Payments to both the firms were to be made on production of test certificates but payments were made without these certificates. Reasons for acceptance of steel without test certificates were not available.

10.2. During the course of oral examination when the Committee wanted to know the reason which prompted the Department to purchase steel bars and rods from the open market, the departmental witness adduced that "the department was sometimes required to arrange for the materials by immediate purchase. In fact, steel was not a controlled commodity. It could be said that there was a procedure laid down by the steel Authority of India. We normally arranged procurement from the Steel Authority of India. Sometimes we did not get our requirements from the said authority. Therefore we were required to go for open market to purchase sometimes."

10.3. When the Committee enquired as to whether the department had wide authority to go for purchase of steel-

from the open market the departmental witness deposed before the Committee as follows :

“ Steel can be purchased from the open market after observing the rules.”

10.4. In reply to a query the Committee as to the basis on which the steels purchased, the departmental witness informed the Committee that department, procured the steels bars and rods of different categories by tender system.

10.5. The Committee while examining the audit paragraphs and other records made available to the Committee, found that due to extension of delivery period from March to July, 1973 at the request of the firms for supply of 90 tonnes of steel bars and 200 tonnes of rod of 5 mm., 8 mm. and 10 mm., the Department had to pay higher prices and excise duty which were increased with effect from 1st March, 1973 with corresponding a huge loss to the Government. The increased price and increased excise duties were not stipulated in the original contract. The Committee also found that the firm was paid for 1,169 tonnes of steels but the firm actually supplied 1,141 tonnes only causing an excess payment of Rs. 0.53 lakhs to the firm. The Committee also noted that payment for supply of materials was to be made on production of test certificate but the payments were actually made to the firm by the Department without production of the test certificates and the reasons for acceptance of steel materials without these certificates were not justified.

10.6 The Committee, therefore, recommends that the Department should strictly adhere to the terms and conditions of the contract as stipulated under the rules and ensure proper observance of rules.

SHORTAGE OF STORES

(Audit para 5.21, Report of Comptroller & Auditor General of India, 1974-75 P-181).

11.1.1. The audit has pointed out that Physical verification of stores conducted by the departmental officers during change in incumbency of stock holders disclosed shortages of stores in the following cases :

11.1.2. (a) During transfer of charge by the Section Officer of Begivadi Section in the North Lakhimpur, North Trunk Road Division in March 1972, shortages were found in 19 items of stores. The value of shortages in 7 items was Rs 0.25 lakh and that of the rest was not assessed. The Government stated (March 1976) that the Executive Engineer has issued orders for recovery of Rs 4,471 being the value of some materials found actually short and allowed the official concerned time for reconciliation of discrepancies in respect of the balance materials.

11.1.3. (b) During transfer of charge of Jonai Section No. 1 (North Trunk Road Division, Chaldhowaghat) from one Section Officer to another in June 1974, shortages were found in 35 items of stores. Value of shortages in 20 of these was Rs. 0.17 ; value of shortage the items was not assessed (January 1975).

11.1.3.1. The Government stated in March 1976 that the shortages was due to discrepancy in the accounts and that the Section Officer had been allowed time for reconciliation.

11.1.4(C) During transfer of charge of Dhemaji Section in the Dhemaji Sub-Division (North Trunk Road Division, Chaldhowaghat) from one section officer to another in November 1971, shortages were found in 50 items of stores. The value of the shortages in 12 items was Rs 0.23 lakh while the value of the rest was not assessed. Results of investigation into shortages are awaited (May, 1976).

11.1.5(d) At the time of transfer of charge of Chapaguri Section of Abhayapuri Construction Division, Abhayapuri in November 1972, 553 cubic metres of soling stone and 356 cubic metres of broken metal valued at Rs 0.36 lakh (approximately) were found short. The relieved Sub-Engineer attributed the shortage to long storage and natural calamity.

11.1.5.1. Shortages of stock materials valued at Rs 0.09 lakh were also found by the Sub-divisional Officer, Chapaguri Lateral Road Sub-Division during the physical verification in May, 1973. The shortages were not investigated (March 1976)

11.1.5.2. The Government stated (March 1976,) that the Chief Engineer has been asked to investigate into the matter and fix responsibility for the losses.

1.1.1.6.(e) The charge of Sherfanguri Section of Gossaigaon Lateral Road Division was handed over by one Sub-Engineer to another in June 1974. The charge report was signed by the relieving Sub-Engineer in August 1974 and was forwarded by the Sub-divisional Officer, Sherfanguri Lateral Road Sub-division to the Executive Engineer in December 1974. The charge report disclosed shortages of 27,944 tonnes of mild steel rods, 1,696 tonnes of mild steel angles and 1,093 cubic metres of road metal. The Executive Engineer reported the case to the Chief Engineer in June 1975 and also asked the Sub-divisional officer to investigate the shortages. The result of departmental investigation is awaited (May 1976).

11.6.1.1. The matter was referred to the Government in October 1975, reply is awaited (May 1976).

11.1.7.(f) A test check (November 1974) of the stock accounts of the Gauhati Road Division disclosed that 13 cases of shortage of stores etc., were noticed during transfer of charge of various Section Officers and Sub-divisional Officers in that division between January 1973 and October 1974. Value of materials found short in 8 cases was assessed at Rs 0.49 lakh, value of materials found short in the other 5 cases has not yet been ascertained. Neither the shortages have been investigated nor has responsibility been fixed (April 1976).

11.1.7.1. The matter was reported to the Government in July 1975, reply is awaited (May 1976).

11.1.8 (g) A test check of the accounts of Barpeta Roads and Buildings Division disclosed the following cases of shortages of stores :

11.1.8.1. (i) During physical verification of stock balances of Pathsala and Sorbhog Sub-divisions for the years ending September 1969 and September 1970 by the respective Sub-divisional Officers, stores worth Rs 0.13 lakh were found short.

11.1.8.2 (ii) During transfer of charge of Patharkuchi Section of the division in June 1970, 40 bitumen drums and 21 cubic metres of gravels were found short reportedly due to pilferage and 205 bags of cement were found damaged or caked. Value of stores lost/damaged has not been assessed (June 1975).

11.1.8.2. (iii) Paints worth Rs 0.10 lakh purchased during 1969 were lying unused in the stock of the division till March 1975. Of this, paints valued at Rs. 0.06 lakhs had become unservicable due to long shortage.

11.1.8.3. The results of departmental investigation and final orders passed in these cases are awaited (May 1976).

11.1.8.4. The cases were reported to the Government in January 1976 reply is awaited (May 1976).

11.1.9. (h) In April, 1968, Dibrugarh Roads and Buildings Division preferred a claim of Rs 0.36 lakh against Sibsagar Roads and Buildings Division for the supply of 1,925 bags of cement and 150 quintals of mild steel rods to that division. In July 1974 the latter division returned the claim on the ground that the materials had not been received by it. The Executive Engineer, Dibrugarh Roads and Buildings Division asked a Sub-divisional Officer, in September 1974 to investigate the matter. The investigation had not been completed (March 1976-).

11.1.10. The Government stated (March 1976) that the Superntending Engineer, Eastern Assam Circle, had been directed to investigate into the matter personally, the results of of investigation are awaited (May 1976).

11.2. In their written replies the Government representatives stated that (a) the reconciliation of the discrepancy was done and a recovery order for an amount of Rs 13,569 of had been issued by the Executive Engineer against concerned Officer. The position was reported to the Accountant General, Assam vide Department's letter No.D.O.ADT.1 146/75/55,dated 28th February 1977.

11.3 (b) After final reconciliation it was found that the S.O. concerned was responsible for shortages against 10 items only out of total 35 items. The value of the shortages for which he has been found responsible came to Rs 458.70 only. The Executive Engineer concerned had already issued orders for recovery of the above amount in January, 1980.

11.4. (c) The investigation was carried out by the Departmental Officers and after physical verification it was found that the S.O. concerned was responsible for the loss of Rs12, 712.66 only and the Executive Engineer had accordingly issued

orders for recovery of the amount in December, 1976. The Executive Engineer could not take any decision in respect of recovery of the cost of 1150 bags of cement which was state to be 3 years old then and Survey reports for this had already been submitted for writing off the value. This matter was under examination of the Department.

11.5. (d) The formal proceedings had been drawn up against two Sectional Officers for finally fixing the responsibility and recovery of the losses.

11.5.1. In respect of loss of Rs 0.11 lakh the Executive Engineer, Abhayapuri construction Division had passed orders for recovery of Rs 1572.67 and Rs 10,050.55, respectively from two Sub-Engineers in September, 1975.

11.6. (e) The total value of the loss as assessed by the Department comes to Rs 73,096/-. But as the relieved officer who was responsible for the loss, expired within 4 months of handing over of charge perhaps there was no scope for recovery of the amount and this might have to be written

11.7 (f) The losses have been assessed and the total recoverable amount comes to Rs 1,21,173.77. Altogether eleven officers had been found responsible and amount recoverable from each officers had been fixed. Recoveries from six officers had been completed. In case one officer the Accountant General had been requested to issue necessary retrenchment slip. In case of others the amounts were at different stages of recovery.

11.8. (g) The total amount of loss as assessed by the Executive Engineer came to Rs 21,105.92. Nine officers were found responsible and the amounts recoverable from them have been fixed by the Executive Engineer. Two officers found responsible had already resigned service in the year, 1962 and 1964, respectively. In case of two officers recoverable amount had already been recovered. In one case the matter was reported to police for investigation of the theft but the police could not find any clue.

11.9. (h) The Executive Engineer Sibsagar Division subsequently after rechecking of his accounts intimated the Executive Engineer Dibrugarh Division in March, 1976 that the materials were received by him and he also intimated that he would accept the debit on receipt of fund.

11.10. During the course of examination when the Committee wanted to know as to why the discrepancy in respect of stores and stock could not be checked in time, the Government representative deposed that the posting of certain officers might not have been done in time. So chance was given to him to verify his own records. However, no assurance was given to the Committee when the records would be made upto date. Therefore the Committee felt that the departmental records should be made upto date always in time. So as to avoid loss of stores and stocks.

11.11. To another query by the Committee about the loss of 1150 bags of cement, the Government representative informed the Committee that a sum of Rs 2000.00 had already been recovered from Shri Ananda Chandra Barua and the balance amount of Rs 11,369.00 had to be recovered as per report of the Departmental officer. The Committee was not satisfied with the replies furnished by the departmental witness and enquired how the department could recommend for writing off the value of such a huge number of bags of cement without fixing any responsibility. The Departmental witness again stated that the Department did not recommend to write off the value but the matter was under examination of the Government as to whether responsibility could be fixed upon the officials found at fault.

11.12. In the absence of categorical replies explaining the points of each case, the Committee has no alternative but to express its great displeasure on the action of the Department to recover the loss of stores and stocks. The Departmental witness had promised to submit the Committee the actual progress of each case within three months from the date of examination but no clarifications were furnished to the Committee till the presentation this report.

11.13. The Committee has taken a serious view for non-furnishing the information/clarifications promised to be submitted during the course of examination. The Committee has desired that the Department should furnish all upto

date information to the Committee as asked for to avoid hindrance to the proper functioning of the Committee. The Committee has also noted with great concern that there was no proper vigilance to keep the store and stock intake though the personnels in-charge of the stores were required to be shifted to other places on transfer.

11.14. The Committee therefore, recommends that loss of stores and stocks should be investigated by constituting a Departmental Committee and responsibility should be fixed on the officers at fault. Present position and progress of the Departmental investigation to the losses should also be intimated to the Committee within 30 days from the date of presentation of this Report. The Committee further recommends that effective measures should be evolved to stop frequent and recurrence of loss of store and stock in the event of transfer of personnels in-charge of stores.

EXTRA EXPENDITURE

(Para 4.4, Report of C & A G, India, 1975-76 P.65)

12.1.1. The audit has brought out that the estimate of the work "construction of additional 110 units of ministerial staff quarters at Dispur" (estimated cost : Rs 19.93 lakhs) was administratively approved in May 1974 and technically sanctioned in July, 1975. The work was entrusted in December, 1973 to 15 unemployed engineers/ educated youths' associations and 3 individual unemployed engineers/ educated youths after calling tenders. The work was to be completed within one month from the date of issue of final work orders. Final work orders were issued in July, 1974 and the work was completed between May and October, 1975. Extension of time without levy of any compensation was granted by the department on the ground inter alia, of non-availability of finance with the contractors.

12.1.2. In January, 1975 the Government enhanced the rates by 15 per cent in the case of works allotted to associations of unemployed engineers/ educated youths and by 9½ per cent in the case of individual unemployed engineers/ educated youths due to rise in the cost of labour and materials. The

delay in completion of the work resulted in an extra expenditure of Rs 1.31 lakhs.

12.1.3. The contracts stipulated collection of sand required for the work from Government quarries on payment of usual royalty. At the time of final payment documentary proof for payment of royalty to the Forest Department was required to be produced. Though the contractors did not produce any proof of payment of royalty, final payment was made at the accepted rate without making reduction for royalty (Rs 0.18 lakh).

12.2. In a written reply submitted to the Committee, the departmental witness stated that as regards forest royalty as per reports of the office of the Executive Engineer it appeared that the Executive Engineer could not recover the same in absence of any condition stipulated in agreement.

12.3. To a query by the Committee as to the action taken against the officers at fault, the departmental witness deposed that out of two dismissed S.D.O.'s in 1979 Shri T. Bhuyan against whom proceedings were drawn was reinstated in service. The Committee was also informed that proceedings of Shri T. Bhuyan was lying with the State Enquiry Officer. Amongst 7 Sub-Engineers who were dismissed in 1979, case of one was finalised and the amount had been recovered from him.

12.4. Replying to another query as to progress made in completing the inquiry against the persons responsible, the departmental witness submitted before the Committee that they would expedite the matter and would within three months complete the enquiry. But the Committee has deplored with regret that no information stating the progress either finalisation or completion of enquiry was sent to the Committee by the Department till the preparation of this report even after elapse of several years.

The Committee therefore strongly recommends that the Department should expedite the cases of enquiry and finalise the same for taking appropriate action. The Committee further recommends that effectives measures should be taken to prevent recurrence of irregularities.

PURCHASE OF IRON ELIMINATING FILTERS

(Para 4.5, Report of C & A G of India, 1975-76 P. 66)

13.1.1. The audit has pointed out that as the water from the tubewells in the Jorhat Engineering College compound (hourly discharge ; 4,000 gallons) contained high percentage of iron, provision of iron eliminating filters of that capacity, estimated to cost Rs 0.66 lakh, was approved by the Government in March, 1969. The Jorhat Road Division invited quotation (April, 1969) for two sets of iron elimination filters and the lowest quotation of Rs 0.20 lakh per set f.o.r. Calcutta valid up to sixty days submitted (6th October, 1969) by a firm was accepted in November 1970 after expiry of the period of validity of the offer. The firm refused to supply the sets at its earlier quoted rates and offers a fresh quotation for Rs. 0.25 lakh per set which was accepted (January, 1971). The sets were received in the division in January 1972. Due to delay in placing the supply order, the department incurred an extra expenditure of Rs 0.10 lakhs.

13.1.2. In may 1972 it was discovered that the output of water from the tubewell was very poor (1,500 gallons per hour instead of 4,000 gallons per hour as per earlier estimate). The work of installing the iron eliminating filters of 4,000 gallons capacity was thereafter kept in abeyance mainly because the output of water from the wells was poor. In December, 1975, the Executive Engineer stated that installation of filters purchased would not be necessary as a new tubewell had been installed in May 1972 within the college compound by the Public Health Engineering Department with its own iron eliminating plant. The two sets of iron eliminating filters purchased (January, 1972) at a cost of Rs. 0.56 lakh (including cost of carriage) remained unutilised (March, 1977).

13.2. When the Committee enquired during the course of examination about the iron eliminator lying idle the Government representative asserted that these eliminators were used.

13.3. But the Committee was not satisfied with the replies of the departmental witness and felt that the eliminators which remained idle could have been used in other Department and loss would have been avoided.

13.4. The Committee therefore recommends that the Department should ensure assesment of requirement of plant and machineries in future.

NON RECOVERY OF SERVICE TAXES

(Para 4.6 Report, C & A.G. of India, 1975-76 P.67)

14.1. The audit has brought out that according to the rules, service taxes on buildings occupied as residences are payable by the occupants but Government may, under certain conditions, pay these taxes initially subject to recovery from the occupants. The records of the Jorhat Buildings Division, however, showed that Rs.0.37 lakh paid initially by the Government upto March, 1976 remained unrecovered at the end of May, 1977, the oldest item dating back to 1958.

14.2. To a query by the Committee about steps taken to realise the service tax from the Government servants, the Commissioner, P.W.D. stated that "Service tax should be deposited in the month of June. For the last 20/30 years some occupants had paid from their own and some did not. Now the only alternative to make the recovery was to deduct the amount from their pay bills. For the pending cases of those officers who were already in service we had decided to write to the A.G. We had already issued instructions to many officers, heads of department and treasury but without any result. It might be that some hight officials might also be involved."

14.3. The Committee was not satisfied with the replies given by the departmental witness and wanted to know as to why it could not be sanctioned if it was necessary. The departmental evidence could not adduce any clarification to the point raised.

14.4. The Committee therefore recommends that the service taxes should immediately be recovered and the action taken should be intimated to the Committee accordingly within 60 days from the date of presentation of this report to the House.

LOSS OF MATERIALS IN TRANSIT

((Para 5.9., Report C & A. G. India, 1975-76 P,74)

15.1.1. The audit has pointed out that between August 173 and November 1974, the Trade Advisor and Director of Movements, Government of Assam despatched by the Railways, through the handling agents, 362 tonnes of steel, 124 drums of bitumen and 6,276 bags of cement to the Executive Engineer, Medical College construction Division, Guwahati under 13 railway receipts. At the time of taking delivery of these consignments, 41 tonnes of steel, 45 kilograms of bitumen and 889 bags of cement were received short for which claims for Rs. 1 lakh were preferred against the Railways. In October 1975, the Executive Engineer reported to the Government that claims for Rs. 0.83 lakh in respect of 7 railway receipts were rejected by the Railways on the ground that the consignments were booked on "said to contain" basis.

15.1.2. The materials despatched under four (out of seven) railway receipts could not be taken delivery within the free time allowed by the Railways due to, inter alia, delay in receipt of the railway receipts by the Executive Engineer from the Trade Advisor and Director of Movements. As a result, demurrage and wharfage charges of Rs. 0.18 lakh had to be paid to the Railways.

15.2. When the Committee in course of examination enquired who would be responsible for the loss in transit, the departmental witness deposed :

"For the loss the handling agent went to Calcutta High Court. But the Calcutta High Court did not favour us."

15.3. On given reply to a further query as to whether the Trade Advisor was responsible for the loss the departmental witness informed the Committee that "it is difficult to say because there is a court judgement".

15.4. To another query by the Committee with regard to the question of actual loss, the departmental witness with great restraint, stated that "we have accep-

ted the Calcutta High Court's judgement. We do not agree that the handling agent had duly taken money from us". Whatsoever, the departmental witness informed the Committee that the handling agents were stopped thereafter".

15.5. The Committee feels that the timely action for taking delivery of good; and for obtaining Railway receipt ought to have been taken. The Committee therefore directs that the departmental officers should be cautioned in future to avoid loss of Government money due to their negligence.

CONSTRUCTION OF STATE GUEST HOUSE

(Para 4.9 Report of C & A.G., of India, 1976-77, P. 103)

16.1.1. The audit has pointed out that in July, 1976, the Government accorded administrative approval for Rs. 22.15 lakhs for construction of a state guest house (called State Guest House No.1) consisting, inter alia, of six bed rooms including two VIP rooms in two suites, a common lounge, a banquet hall and an octagonal dining room, together on a built up area of 1,300 square meters. The administrative approval also provided for construction of staff quarters (6 units-area: 245) square (sq.) meters. As no provision had been made in the budget for the construction of this guest house, the Government took an advance of Rs.22.15 lakhs from the Contingency Fund in July, 1976 for this work which was recouped (September 1976) by taking a supplementary grant under the head "484 - Capital outlay on Urban Development".

16.1. One Government-owned hill at Khanapara, 6 kilometers south of the temporary capital complex area at Dispur, was selected for construction of this guest house. The site was developed departmentally at a cost of Rs. 1.64 lakhs. Total area developed for the building, staff quarters and lawn was 8,450 sq meters. Rupees 3.71 lakhs were spent on construction of the approach road (1,080 meters long) through the contractors.

16.1.3. The work of construction of the guest house and staff quarters including sanitary and internal water supply and internal electric installations, was entrusted (July, 1976) to the Assam Government Construction Corporation (a Government of Assam undertaking at an estimated cost of Rs. 16.19 lakhs by negotiation (without call of tender).

16.1.4. The main terms and conditions of the contract were :—

(i) Rates —

- | | |
|---|--|
| (a) Civil work | Fifty per cent above the public works Department scheduled of rates for 1976-77. |
| (b) Sanitary and internal water supply works. | Ten per cent above the scheduled of rates provided by the corporation. |
| (c) Internal electric installation. | Ten per cent above the schedule of rates provided by the corporation. |

16.1.4.1. (ii) The department would provide a truckable approach road upto the site of the building on hill top. Till the date such approach road was provided, the Corporation would be paid at the rate of Rs. 1,000 per day with effect from 10th July, 1976 for the extra expenditure incurred by in haulage of constructional materials by head load and by and other mode of transportation other than truck. After the construction of the truckable approach road, if the same got blocked by land slips or became impassable due to incessant rain or otherwise for transportation of materials by truck, and the duration of impassability was more than four house the Corporation would be paid at the aforesaid rate (Rs. 1,000 per day).

16.1.4.2 (iii) On the date of issue of the work order, the Corporation would be paid 90 per cent of the value of work of Rs. 16.19 lakhs as advance.

16.1.4.3. (iv) For items of work not covered by the departmental and corporation's above referred schedules of rates, the Corporation would be paid on the basis of analysis cost prepared by the Corporation and after its approval by the department. The analysis would contain actual cost of materials supported by vouchers, cost of labour and a premium of 30 per cent to cover overheads and profit.

16.1.4.5 (v) The work would be completed by 31st October 1976 and for each day of delay in completing the work after the stipulated date of completion, compensation at 1 per cent or such smaller amount as the Additional Chief Engineer might decide, subject to a maximum of 10 per cent on the estimated cost of the work as shown in the tender would be levied.

16.1.5. The work commenced on 10th July, 1976. The Guest House was handed over by the Corporation to the department on 10th November 1976 and the staff quarters on 1st December, 1976. Extension of time beyond the stipulated date of completion was not asked for by the Corporation. No compensation was levied (February, 1978).

16.1.6. As against the contracted value of Rs. 16.19 lakhs, a liability of Rs. 20.91 lakhs was incurred (bill paid Rs. 14.57 lakhs, bill pending : Rs.6.34 lakhs) till December, 1977. Liability of Rs. 20.91 lakhs included Rs. 0.28 lakh towards charges for haulage of materials for 28 days.

16.1.7. Expenditure incurred (July, 1977) on other items relating to the guest house was as under : —
 ... (in lakhs of Rs.)

(i) Construction of a barrack for 30 constables gaurds for security duties.	— 0.72
(ii) Construction of car park.	— 1.26
(iii) Public address system	— 0.13
(iv) Water Supply	— 0.74
(v) Furniture and furnishing materials	— 3.46

(iv) Air conditioners (18 Nos.) and voltage stabilisers (18 Nos.) with installation charges.	—	1.83
(vii) Planting seedling, shrubs and turf from the lawn, watering, etc.	—	0.49
(viii) Other items.	—	0.52
	tatal	9.15

16.1.8. Administrative approval and sanction of the Government for the above items of work were accorded separately between October, 1976 and February, 1977.

16.1.9. State Guest House No. II at Khanapara:— In August 1976, the Government accorded administrative approval for Rs. 6.08 lakhs for construction of another state guest house (called State Guest House No. II) consisting of 5 bed rooms of different sizes and a lounge-cum-dining hall. The administrative approval also provided for kitchen, garage and servants' quarters (total area: 94.20 sq. metres). As no provision was made in the budget for the construction of this guest house, the Government taken advance of Rs. 6.08 lakhs from the Contingency Fund in August, 1976 which was recouped (September, 1976) by taking a supplementary grant under the head '484 - Capital Outlay on Urban Development.

16.1.10. One Government-owned hillock at Khanapara on the Guwahati by pass road, 5 kilometres south of the temporary capital complex area at Dispur, and near the site of the State Guest House No. 1. was selected for construction of this guest house. The site was developed departmentally at a cost of Rs. 0.48 lakh. Total area developed for the buildings and lawn was 1,800 sq. metres. Rupees 0.35 lakh were spent on the construction of the approach road (208.40 metres long) through contractors.

16.1.11. Tenders were invited by putting up notices (July, 1976) in different Public Works Department Officers in Guwahati and 5 days were allowed for submission of tenders. Out of 6 firms who submitted tenders within the due date, the Public Works Department scheduled of rates for 1976-77. As items for internal sanitary and

water supply arrangements were not included in the Public Works Department schedule of rates for 1976-77, the tender was rejected, on the ground of vageeness. The works were awarded to the second lowest tenderer after negotiations; the lowest tenderer was not called for negotiations.

16.1.12. The main terms and conditions of the contract were :—

- (i) Rates for civil work 24 per cent above the Public Works Department Schedule of rates for 1976-77.
- (ii) Rates for internal sanitary and water supply arrangements. 24 per cent above the scheduled of rates for buildings (sanitary and water supply) for 1975-76.
- (iii) Time for completion 30th-October, 1976.

16.1.13. The work commenced on 10th August 1976 and was reportedly completed on 30th October, 1976. As against the contracted value of Rs. 6.90 lakhs (including supplementary contract for certain additional item of works). Rs. 7.53 lakhs were spent on construction of the main buildings, kitchen and garage including internal sanitary and water supply arrangements. Servants' quarters were not constructed.

16.1.14. Expenditure incurred (May 1977) on other items relating to this guest house was as under :—

	(in lakhs of rupees)
(i) Internal path	0.03
(ii) Electrification	
(a) Internal Rs. 0.78 lakh	0.94
(b) External Rs. 0.16 lakh	
(iii) Water supply	0.73

(iv) (a) Furniture and furnishing materials.	1.54
(b) Air conditioners (6 Nos.) with installation charges.	0.62
(v) Compound fencing, turfing, watering, flower tubes, etc.	0.14
(vi) Other items	0.19
Total	4.19

16.1.15 Administrative approval and sanction for the above items of work were accorded separately in October, 1976.

16.1.16 During audit (July, 1977) the following points came to notice :—

GUEST HOUSE NO. 1

16.1.16.1. (a) Of the work done by the Assam Government construction Corporation, only Rs.9.32 lakhs pertaining to items covered by the Public Works Department schedule of rates for civil works; the remaining Rs. 11.59 lakhs were to be paid for on the basis of analysed rates. In respect of State Guest House No. 1, the Corporation was allowed 50 per cent above the scheduled rates for the items which were covered by the schedule of rates while for state Guest House No.II, for such items the lowest rates were only 2 per cent above the schedule of rates and the accepted rates were 24 per cent above. Thus by not inviting tenders and allowing negotiated rates to the Corporation for State Guest House No.1, the Government had to bear 48 per cent extra expenditure which amounted to Rs.2.98 lakhs.

16.1.16.2. (b) The basis on which the department /Government agreed to pay a flat rate of Rs. 1,000 per day irrespective of material hauled, to the Corporation for carriage of materials before the approach road was a made truckable was not on record (payment involved : Rs.0.28 lakhs).

16.1.16.3. (c) The contract with the Corporation provided that cement and steel would be arranged by it but in case of necessity the Corporation could purchase these items from the department on cash payment at issue rates

as in Public Works Department schedule of rates for 1976-77. Over 135 quintals of galvanised iron sheets were issued by the department to the Corporation in August, 1976. As against the required payment of Rs. 0.63 lakh at Rs. 460 per quintal, Rs. 0.18 lakh were paid by the Corporation in August, 1976. Balance payment of Rs. 0.45 lakh had not been made (December, 1977).

16.1.16.4. (d) Concealed electric wiring in the main building was made by the Corporation as per direction of the department. This type work required measurement during execution. But the measurement of the work was not taken by the department during execution. A claim for Rs. 2.61 lakhs had been submitted by the Corporation on the basis of its own measurement. Payment had not been made (December, 1977).

16.1.16.5. (e) The approach road which was constructed at a cost of Rs. 3.71 lakhs was severely damaged during the monsoons of 1977. For restoration of the road, the Guwahati Building Division submitted (April, 1977) to the Superintending Engineer the following estimates for sanction :--

- (i) Temporary restoration of approach road
Rs. 0.90 lakh.
- (ii) Permanent restoration of approach road :
Rs. 4.35 lakhs.

These estimates had not been sanctioned (July, 1977). Temporary restoration work had, however, been started (July, 1977) and Rs. 0.21 lakh were spent upto December, 1977.

16.1.16.6. (f) After the contractor's defect--liability of 3 months as per clause 18 of the contract was over, the Caretaker of the Guest House No. I reported (February, 1977) to the Government leakages from the roof of one VIP room, common lounge and dining hall and loose electric fittings which were causing regular fusing of electric bulbs. These defects were stated to be persisting (February, 1978).

16.1.16.7 (g) The North East Frontier Railways Catering Organisation was entrusted with the catering services for the Prime Minister and her party staying in the guest House in November, 1976. It was decided by the State Government that the Railways would arrange to supply the necessities as required by the Prime Minister and her party and the bill would be prepared on the basis of actual expenses. An expenditure of Rs. 0.47 lakh was incurred on this basis for providing catering to the Prime Minister and her party, including 'At homes' given by the Prime Minister, in the guest house between 18th November, 1976 and 23rd November, 1976. According to the North East Frontier Railway, the Prime Minister's party consisted of 14 persons. The bill from the Railway was received, but the Government had neither issued a sanction for the expenditure had the bill been paid (February, 1978).

GUEST HOUSE NOS. I & II

16.1.17.1. The expenditure on construction and furnishing of Guest House Nos. I and II was debited to the head '484-Capital outlay on Urban Development. As these were Government Guest Houses the expenditure should normally have been debited to '459-Capital Outlay on Public Works-Construction'.

16.1.17.2. The detailed estimates of both the guest houses were submitted by the Superintending Engineer to the Additional Chief Engineer on 28th May, 1977. The estimates had not been sanctioned (February, 1978).

16.2. When the Committee wanted to know about the completion of construction of Guest House in time prescribed by the authority, the departmental representative expressed their inability to furnish clarification on the points during the examination of the audit paras. He further stated that "we have confined ourselves only to the extent we are concerned. Your requires complete reply, which is difficult for us to give. We are only executing authority. So far my knowledge goes, A.G. referred the matter to G.A.D. for replying the draft para concerning them."

16.3. The Committee also considers the joint responsibility of both the departments of G.A.D. and P.W.D. therefore observes that such matters would be responsibility of both the departments.

16.4. When the Committee wanted to know about other aspects the departmental witness informed the Committee that some buildings had also come up in the raised area; apart from General Training Centre other housing colonies had also been built up.

16.5. To a query about starting construction the departmental witness informed the Committee that the construction was started in 1979-80 and at the request of the Town & T Country Planning Department the whole work was executed.

16.6. When the Committee wanted to know further about the total estimated cost at the final stage the departmental witness could not furnish the information but assured that the information would be furnished to the Committee soon. He also stated that further expenditure over the original estimated cost had to be incurred. The witness had also informed the Committee that "initially we had to construct 2 K.M. Road leading up to Guest House No. I which was on the top of the Hill. Prior to the construction of the road, the materials were to be carried manually. Whereas, the Guest House No. II was just near the national High Way by-pass and for its construction, no extra carriage was necessary."

16.7. The Committee has felt that due to wrong estimation the construction cost had gone up and the Department had to incur 50% additional cost over the original estimate at the completion stage. The Committee expressed its opinion that when the estimates were prepared the estimating officer should have visualised all the aspects so as to avoid additional cost at the time of completion of the approved project. The Committee has also noted that the technical experts did not visualise the said expenses of the project undertaken.

CONSTRUCTION OF BRIDGE

(para 4.11, Report of C & A.G. of India, 1976-77, p. 110)

17.1.1. The audit has pointed out that in November, 1970, the Chief Engineer (Roads and Bridges) entrusted construction of two minor bridges to contractor 'A' at a lump sum amount of Rs. 3.96 lakhs. The agreement executed with the contractor did not stipulate the time for completion of the work, the notice inviting tenders, however, stipulated that the work was to be completed by June, 1971.

17.1.2. After partial execution (value : Rs. 1.81 lakhs) contractor 'A' abandoned the work in June 1971 without assigning any reason. Notices to the contractor for resumption of work were published in the press on 19th June, 4th September and 5th September 1975 as notices sent (March 1975 under registered post to the addresses of the contractor were returned undelivered with the remark that the addresses was not found at the addresses given. In October 1975, the contractor represented, through his counsel, to the North Trunk Road Division that the work was abandoned due to non-supply of cement and mild steel rounds by the department in time and also due to weather conditions. It was further suggested that the works could be resumed if contractual amounts were raised and the matter settled amicably. No reply was given by the department.

17.1.3. The following points were noticed during audit (May, 1976) :

- (i) Between November 1970 and April 1971, cement valuing Rs. 0.20 lakh (98.50 tonnes) and mild steel rounds valuing Rs. 0.27 lakh (27,344 tonnes) were issued to the contractor ; of these, 85.15 tonnes of mild steel rounds valuing Rs. 0.09 lakh were utilised. The balance quantity valuing Rs. 0.21 lakh was not returned and no recovery was made by the department therefor (August 1977).

- (ii) In March 1971, the Section Officer (Stores) Gogamukh Sub-division engaged contractor 'A' as carriage contractor for transfer of 20 tonnes of mild rounds from the Gogamukh to the Dhemaji Sub-division without any authority or indent for such transfer from the latter. The contractor lifted 15 tonnes (value: Rs. 0.15 lakh) of the materials but did not deliver the same at the destination point. No action was taken against the contractor for non-delivery of the materials at the time of payment of his 3rd running account bill for construction of the bridges in June, 1971.
- (iii) According to the schedules of interim payments attached to the agreement, 25 per cent of the lump sum amount of Rs. 3.96 lakhs could be released on execution of an aggregate estimated quantity of 67.38 running feet of well steining for both the bridges. It also provided that rate per running foot of well steining would be Rs. 1,962, 45 and Rs. 1,203,84 for the first and the second bridge respectively. Contractor 'A' completed well steining upto 25.12 running feet for the first bridge and partially executed well steining of 34.12 running feet for the second bridge, and was thus entitled to Rs. 0.90 lakh. Nevertheless, he was paid Rs. 1.26 lakhs in June, 1971. Reasons for deviating from the agreement in this regard were not on record.
- (iv) Fresh tenders were invited by the Chief Engineer (October 1975) for execution of the balance work of the two bridges and the work was entrusted (December 1975) to two other contractors 'B' and 'C' at the risk and cost of contractor 'A' at an agreement cost of Rs. 4.22 lakhs. The stipulated date of completion was 19th October 1976. Till August 1977, contractor 'B' had executed work valuing Rs. 1.13 lakhs out of tendered value of Rs. 3.08 lakhs and contractor 'C' had not taken up the work at all. Action taken against these contractors for the delay in completion of the work was not on record (September, 1977).

17.2. When the Committee wanted to know why the work could not be completed even after more than over 5 years of the scheduled time, the Government representative informed the Committee that "the bridge No. 27/1 had been completed and the work about bridge No. 22/1 was in progress. The delay was stated to be due to non-supply of cement, iron etc. in time. In addition, there was a habit of taking more materials. In the mean time, while the work was in progress, the Government of India had taken over the road and National High way."

17.3. The Committee was not convinced at all with the replies and further enquired as to how the Government could give chance to contractor beyond the scheduled time and whether the government extended, terminated or cancelled the work order, the government representative explained their difficulty to cancel the work and stated the contractor was allowed to complete the work. The representative also informed the Committee that the Executive Engineer in-charge of the work had been asked to take penal action against the contractor.

17.4. The Committee, therefore, recommends that an enquiry should be conducted against the person/persons for whose lapses there was inordinate delay in completing the work which led to 20% additional cost over the estimated expenditure. The Committee further recommends that the Department should keep a watchful eye for accurate estimate in future and avoid piece meal estimation which results in heavy loss.

JOKUTA KHAIGAR ROAD :
(Para 4.12. Report of C&AG, India, 1976-77 P.113)

18.1.1. The audit has brought out that construction of the 16.70 Kilometers long Jokuta Khaigar Road (Nowgong East Roads and Buildings Division) was approved by the Government in March 1962 and technically sanctioned by the Superintending Engineer, Central Assam Circle in December 1962 for Rs.2.95 lakhs. Revised sanction was accorded in 1971 for Rs.4.85 lakhs. The sanctioned revised estimate provided mainly for execution of 1.73 lakh cubic metres of earthwork, construction of 7 bridges and 25 culverts and purchase of 2 marboats and 2 single boats for

running ferries at Balijuri across the river Barapani and Kakatigaon across the river Kopili.

18.1.2. The work on the road was started in 1962 and by 1973-74 earthwork was executed to the extent of 1.95 lakh cubic metres (cost, Rs.3.02 lakhs) including 0.10 lakh cubic metres (cost Rs.0.15 lakh) on flood damage repairs during 1973-74. of the 7 bridges and 25 culverts (3 subsequently converted into timber bridges), 6 bridge and 10 culverts were constructed (cost Rs.1.34 lakh) between 1968 and 1974. Construction of the remaining bridge, which was entrusted to a contractor (October 1970) for completion by November 1970, was not taken up. In June 1973, the contractor asked for time till the winter season of 1974 on account of rain and difficult communications. No action was taken on the application for extension and the construction of the bridge had not been taken up (August 1977). Earnest money (Rs.0.02 lakh) of the contractor was refunded (November 1976) without imposing any penalty reasons for which were not on record (October 1977).

18.1.3. Construction of 22 culverts was entrusted to a contractor in March 1974 for completion during the same month. After partial execution (10 culverts), the contractor abandoned the work (September 1974) without assigning any reasons. No action except with holding security deposit (Rs. 0.01 lakh) had been taken against the contractor for abandonment of the work.

18.1.4. The Superintending Engineer informed (January 1977) the Additional Chief Engineer that the bridges constructed were in worn out condition, earthwork already done in the embankment was mostly washed away due to floods, and the embankments required raising and strengthening and the bridges needed reconstruction. The work done had served very little purpose and a further revision of the estimate was inescapable. The Division then made a rough estimate that another Rs. 4.58 lakhs would be needed to make the road serviceable. Detailed estimate had not been prepared (August 1977).

18.1.5. The Division spent Rs. 0.39 lakh on the construction of 2 marboats and 2 single boats in September/October 1973. The marboats were lying unutilised (August 1977) as the road (expenditure till March, 1977, Rs. 4.81 lakhs) had not been opened to traffic.

18.2.1. In written reply during the course of examination the departmental witness stated before the Committee:—

“It appears that there has been mistakes at the planning and initiation stage for this project on the following account:—

- (a) The road was sanctioned in an isolated manner without any continuity or connection with existing P.W.D. Roads.
- (b) The road project started from bank of perineal river and also another river crossed the alignment of the road in the middle.
- (c) The area was flood prone.
- (d) The subsequent construction of embankment along the river banks changed the flooding pattern of the area.

18.2.2. During inspections it was seen that the bridge approaches were damaged by flood and even the pedestrians could not use the bridge, so it was felt that the earthwork involved in filling up the approaches of bridges should be charged to F.D.R. and it was done accordingly.

18.2.3. Attempt was made to make the portion of the road from the end point to the Barapani river by doing extra earthwork in the low stretches, now stretches as well as in the bridge approaches, as stated above. In order to make it a continuous stretch for facilities of transportation of construction materials to work site beyond Barapani river as well as for facilities of supervision, marboat and single boats constructed as per provision in the estimate to link up unbridged gap at Kopili and Barapani river where provision of ferries are existing in the estimate.

18.2.4. The work was done in tune with the programme of work to give more facilities to the people. The boats are being utilised.

18.2.5. At this stage after lapse of several years when the work has been severely affected by repeated floods, it is not feasible to make any correct assessment by verification at site.

18.2.6. The whole projects suffers from various infirmities as stated above. Now the stage has been set to connect missing links and it is expected that the road can be completed."

18.3. Accordingly the departmental representative had intimated the Committee about actions taken by the Department on the following:

- (a) Connecting the earlier sanctioned road at both ends with the existing P.W.D. Roads.
- (b) A bridge over river Barapani which crosses the roads nearly at the middle has been sanctioned.
- (c) Arrangement for running ferry across the river Kopili has been made.

18.4. The Committee was constrained to note that the replies furnished by the Government were not at all satisfactory. The Committee also wanted to know as to why the construction work of Jakuta - Khaigar was started in spite of Departments full knowledge of great difficulties in carrying out the project, the departmental witness could not put forward any convincing grounds except stating that in future no such unworkable project would be taken up.

18.5. When the Committee enquired whether there were 'marboats' in operation, the Government representative answered in affirmative without details. At the same time he assured the Committee that he would furnish to the Committee all the replies in the afternoon.

18.6. The Committee had noticed that no information was furnished to the Committee till the preparation of this report. Therefore the Committee has become very much displeased for non-implementation of the assurances which he had given to the Committee. The Committee feels that when the Government promised to supply with the information to the Committee the same should be complied with earnestness.

The Committee desired that present position of the marboats and single boats should be intimated to the Committee early.

UNDUE FINANCIAL BENEFIT TO THE CONTRACTOR.
(Para 4.13, Report of C & A G India, 1976-77, P. 114-115)

19.1.1. The audit has pointed out that according to the rules, advance payments may be made to a contractor on the certificate of an officer not below the rank of a Sub-divisional officer to the effect that the value of done but not measured is not less than the advance recommended. The rules also enjoin that actual measurement of work done should be taken at the earliest opportunity and the advance payment made adjusted in full from the first bill making payment for measured work. Similarly secured advance for a work can be granted on the security of materials brought to site.

19.1.2. In the following cases advances (aggregating Rs. 0.66 lakh) granted to four contractors were either not admissible or were in excess of the actual value of work done bestowing undue temporary financial benefit to the contractors:

19.1.2.1. (a) Secured advance of Rs. 0.45 lakh was granted to contractor 'A' on 19th February 1976 against 600 cubic metres of road metal certified to have been brought to site for use in the work 'Black topping and metalling of North Lakhimpur Kamalbari Road (Group -I-20th and 21st Kilometre)'. The road metal on which the secured advance was allowed was to be collected from the Jovhind quarry. On 15th March 1976 the contractor informed the North Lakhimpur roads and Building Division that good road metal was not available in the

Joyhind quarry and requested the latter to change the quarry from Joyhind to Kimin. According to his own admission the contractor did not collect any road metal at least upto 15th March 1976 and the amount paid as secured advance thus proved to be undue financial aid to the contractor. The amount was adjusted in March, 1977.

19.1.2.2.(b) (i) In March 1973, contractor 'B' was allowed advance payment of Rs. 0.03 lakh for earthwork done but not measured relating to flood damage repair work to "No.-ali Pani-gaon Road." The Sectional Officer stated (February 1974) that no work had been done by the contractor. Recovery of the amount is awaited (May 1977).

(ii) On 31st March 1975, advance payment of Rs. 0.15 lakh for work done but not measured was made to contractor 'C' for earthwork for construction of hume pipe culverts and timber bridge. In February 1976, value of earthwork on the basis of measurement worked out to Rs. 0.11 lakh. The overpayment of Rs. 0.04 lakh had to be recovered from the security deposit of the contractor (February 1976).

19.2. During the course of examination when the Committee wanted to know about the correct position of the case where the section officer stated that no work had been done, but, the Executive Engineer and the Sub-Divisional Officer stated that the work had been done, the government representative informed the Committee that the Additional Chief Engineer, P.W.D. instructed the Executive Engineer and Sub-divisional to make recoveries from the contractor.

19.3. While giving reply to the query "who is responsible for this" the Government representative stated "That will be fixed. Executive Engineer and S.D.O. are responsible for this."

19.4. In regard to fixing the responsibility on the guilty officials the departmental witness requested the Committee to allow some time to complete the process. The Committee notices that the overpayment was done in February, 1976, although finalisation remained incomplete. Therefore the Committee was in great anguish to note the poor performance of the Department. However, the Committee allowed three months time to complete the recovery within 7th July, 1984 and asked them to intimate the action taken to the Committee accordingly. But the Committee notices that no report about action taken has been submitted to the Committee till this report was presented to the House.

19.5. So, the Committee recommends that the action taken after necessary recovery of the government money in the issue involved should positively be reported to the Committee within 60 days from the date of Presentation of this Report to the Assembly.

19.6. When the Committee wanted to know about "Loss of Cement" the departmental witness deposed that while handling cement, bags got burst and damaged. He further stated that 4,416 bags of segregated Cement were found packed in old bags and were found to contain cloths and some other materials. Reports by the C.I.W.T. also pointed out that the Cement bags were opened.

19.7. While giving reply to another query about any investigation made after the discovery of adulterated cement the departmental witness gave a negative reply "this information is not with us." But the witness assured the Committee "we will let you know the position."

19.8. But the Committee is astonished that no report was submitted to the Committee till this report was presented to the Assembly.

19.9. So the Committee recommends that action taken report should be submitted to the Committee within 50 days from the date of presentation of this report to the House.

19.10. The Committee observes that the department has to lose crores of rupees for the term "said to contain". The

Committee, therefore, recommends that the faulty term should be brought to the notice of the Central Government sharply and action taken thereupon by the concerned authority should immediately be brought to the notice of the Committee accordingly.

19.11. The Committee also observes that as per Comptroller and Auditor General of India's report of the 1976-77 in para 5.9 an inquiry has been started and result thereupon was waiting by (March 1978). Since no report was submitted to the Committee till this report was presented to the House, the Committee recommends that delay in submitting such report must be avoided and action taken report on the inquiry in question should be submitted forthwith and not later than 30 days from the date of presentation of this report to the House.

CONSTRUCTION OF PERMANENT BRIDGE OVER RIVER DIRGHA

(Para 4.8. Report C&A G 1977-78, P. 49)

20.1.1. The audit has brought out that in August, 1970, the Government of India (Ministry of Shipping and Transport) accorded administrative approval and expenditure sanction of Rs. 27.15 lakhs for the construction of a reinforced cement concrete bridge in place of an existing timber bridge on the North Trunk Road over the river Dirgha under the North Trunk Road Division, North Lakhimpur. This was technically sanctioned by the Chief Engineer in March, 1976 for Rs. 26.45 lakhs. The sanction provided inter alia Rs. 2.10 lakhs for filling of earth by truck carriage for the guide bund and the approach roads.

20.1.2. The works of the guide bund and the approach roads were entrusted (July 1971) by the Additional Chief Engineer to contractor 'A' on item rate basis (Rs. 4.70 per cubic metre for guide bund; Rs. 4.12 per cubic metre for approach roads) to be completed by 30th December, 1972 and 28th February, 1973, respectively. Accordingly to the agreement, the contracted rates were inclusive of various sundries such as royalties, octroi duties, etc. and the measurement of earth by truck carriage was to be taken at the borrow-pits but could be

got verified by the Engineer-in-charge with the earth-work profile, if necessary.

20.1.3. In January 1974, the contractor informed the division that he was not agreeable to the department's intension of recording the measurement of earth by truck carriage with reference to the profile since the agreement provided for record of measurements at the borrow pit only. In February, 1974 the contractor intimated that the Forest Department had asked for payment of royalty on earth carried from Government land and expressed his unwillingness to execute the remaining work at the contracted rates unless the department made the royalty payment. Though payment of royalty was the contractor's liability in terms of the agreement, the Additional Chief Engineer instructed (March 1974) the division to finalise the contract without imposing any penalty and also to pay the forest royalty. The contract with 'A' was accordingly closed in March 1974 on the ground that the contract did not provide for payment of forest royalty by the contractor and for taking profile measurement of the earthwork done. No penalty was imposed due reportedly to the contractor not being considered responsible for the failure to complete the work. The provision for getting the leftover work done at his risk and cost was also not invoked on the ground that the failure of the contractor to complete the work was not due to his fault. In August, 1978 however, the Executive Engineer stated that the amount of the forest royalty (Rs.1,275.80) had been withheld from the security deposit of the contractor and kept in 'deposit' pending further instructions from the Chief Engineer.

20.1.4. The value of work done by 'A' was Rs 0.27 lakh against the tendered value of Rs 1.64 lakhs. The remaining work (Rs. 1.37 lakhs) was entrusted by the Additional Chief Engineer (May 1974) to two other contractors 'B' and 'C' at the rate of Rs.7.85 cubic metre. These contractors completed the work in June and August 1975 at a total cost of Rs. 2.60 lakhs involving extra expenditure of Rs. 123 lakhs over contractor 'A's tendered value.

20.1.5. The Government stated (March 1976) that the contract with 'A' was closed without imposing any penalty as the agreement with him had not provided for payment of forest royalty. As already stated, however, the contract had clearly stipulated that the contractor's rate was inclusive of all sundries and contingencies like payment of royalty, sales tax, etc.

20.2. When the Committee during the course of examination in the long pending matter asked for clarification the Government representative furnished a very general reply with which the Committee was dissatisfied.

20.3. The Committee, therefore, recommends that the Government department should take immediate action within three months against the person responsible and action taken thereupon should be reported to the Committee accordingly.

CONSTRUCTION OF APPROACHES TO THE RAILWAY OVERBRIDGE ON THE SURMA TRUNK ROAD WITHIN SILCHAR TOWN.

(Para 4.9. Report of C & A G, 1977-78, P. 50-51).

21.1.1. The audit has pointed out that the work of construction of approaches to the Railway overbridge on the Surma Trunk Road within Silchar town (under the Cachar Road Division, Silchar) was administratively approved by Government for Rs. 20.38 lakhs in January 1969 and technically sanctioned by the Chief Engineer for Rs. 21.63 lakhs in September 1970. A revised estimate for Rs. 36.98 lakhs submitted to the Chief Engineer by division in December 1976 was awaiting approval (April 1979).

21.1.2. On the basis of tenders (March 1969), the Additional Chief Engineer entrusted part of the work (estimated cost Rs. 15.25 lakhs) to the second lowest tenderer in April 1969 at 9 per cent above the schedule of rates for 1967-68 stipulating that the work should be completed within 12 months. In October 1969 and December 1970, the contractor informed the Additional Chief Engineer that the work could not be started as the site had not been made available to him free from encroachment and obs-

truction and as cement had not been supplied by the department. He demanded (December 1970) increase in rates to 31 per cent over the schedule of rates for 1967-68 due to increase in cost of materials and labour. In October 1972, the Chief Engineer allowed, through a supplementary agreement enhancement of the rates by 22 per cent over the originally accepted rates.

21.2. This brought the rates to 32.98 per cent over the 1967-68 schedule of rates, although the contractor had demanded 31 per cent only over the same schedule of rates. The consequential extra expenditure amounted to Rs. 0.31 lakh.

21.3. When the Committee during the course of examination in its sitting held on 8th May, 1984 wanted to know whether the revised estimate was approved, the departmental witness could not furnish the information after ascertaining the position and stated that "this information would have to be collected from the project file. We would submit this to the Committee."

21.4. The Committee has observed that non-furnishing information/clarification to the Committee has serious effect on the administration and Committee has viewed this aspect of negligence with great concern.

21.5. The Committee, therefore recommends that the action should be taken to recover the extra consequential expenditure incurred in the construction of approaches to the Railway overbridge on the Surma Trunk Road. The Committee further recommends that the Government should invariably furnish all information/clarifications within the stipulated time as promised during the course of oral of evidence.

NON-RECOVERY OF ELECTRICITY CHARGES

(Para 4.10, Report of C & A G., 1977-78 P.51)

22.1. The audit has brought out that electricity for the Dispur Capital Campus was obtained from the Assam State Electricity Board in bulk through a single meter. According to Government order (April 1975), electricity charges were recoverable from the occupants of the Govt.

quarters at Dispur Capital Campus at flat rates. Varying from Rs. 5.00 to Rs. 25.00 per month depending on the type of quarters, from April 1974 till installation of meters in individual quarters. During audit (June-July) 1978 of the accounts of the Estate Officer; Dispur it was noticed that Rs. 4.43 lakhs due up to March 1978 had remained unrealised.

22.2. During the course of examination when the Committee wanted to know about the arrear electricity charges recoverable from the Government employees staying in the Government quarters, Dispur, the Government representative could not adduce any reason for nonrecovering the electricity charges. However, the Government representative assured the Committee that "they would give the latest position to the Committee and at present there was no default."

22.3. The Committee feels that the electricity charges should be deducted from the salary bill of the Government employees and direction to all Government employees should be issued to pay the arrear electricity charges within a fixed date to be specified failing which Departmental action should be initiated against the Government employees.

EXCESS PAYMENTS

(Para 4.11 Report of C& A G, India, 1977-78 P.52)

23.1.1. The audit has pointed out that according to the rules, advance payment may be made to a contractor on the certificate of an Officer not below the rank of a Sub-divisional officer to the effect that the value of the work done not measured was not less than the advance recommended. The rules also enjoin that actual measurement of the work done should be taken at the earliest opportunity and the advance payment adjusted in full.

23.1.2. The Lumding Roads and Buildings Division entrusted the work of collection, supply and stacking of soling stone and broken metals at the 13th and 14th Kilometres of the Dimapur-Lumding-Haflong-Silchar

Road to a contractor in January 1972 stipulating completion of the work by 18th May 1972. Extension of time was granted later (13th July 1973) till 31st July 1973.

23.1.3. On 9th January 1974, Rs 0.50 lakh were paid to the contractor for work done but not measured on the basis of a certificate recorded by the Sub-divisional officer, Lunding Construction Sub-division. The Contractor did not complete the work and the incomplete work was finally measured on 12th August, 1975. These measurements disclosed that the contractor had been paid Rs. 0.42 lakh in excess. In July, 1978, the division stated that a departmental enquiry against the officials responsible for the advance payment in excess of the actual work done had been instituted by the Government and that the amount would be recovered from the contractor through bakijai proceedings. The result of the enquiry as also information regarding recovery is awaited (February 1979).

23.1.4.(b) A test-check (March 1978) of the Contractor's Ledger of three Sub-divisions of the Kokrajhar Roads and Buildings Division disclosed that advanced payments of Rs. 4.37 lakhs for work done but not measured (made in 11 bills in February and March 1977 had remained unadjusted (till March 1978). Of these the final bills in 5 cases received in November 1977 further disclosed that Rs. 0.38 lakh had been paid in excess and could be adjusted from the bills. The amounts overpaid had not been recovered (February 1979). The circumstances leading to non-adjustment of advance payments in the remaining 6 cases were not known (February 1979).

23.2. During the course of examination when the Committee wanted to know as to what action the Department had taken against the officer responsible the Government representative informed the Committee that orders asking explanation of the officer involved were being issued.

23.3. The Committee is constrained to note that no action was taken by the Department to recover the loss due to excess payment nor any penal action was taken against the persons responsible.

23.4. The Committee, therefore, recommends that the whole issue is to be inquired into and action taken thereon should be intimated to the Committee.

NON RECOVERY OF SERVICE TAXES.

(Para 4.12, Report of C & A G, India, 1977-78 P. 53.)

24.1. The audit has brought out that mention was made in paragraph 4.6 of the Audit Report (Civil) for the year 1975-76 about non-recovery of service taxes from the occupants of buildings used as residences under the Jorhat Buildings Division. A test-check of the records of 4 more divisions disclosed that Rs. 0.64 lakh (Haflong Roads and Buildings Division; Rs. 0.21 lakh, Dibrugarh Roads and Buildings Division; Rs. 0.17 lakh, Dhubri Roads and Buildings Division; Rs. 0.15 lakh, Tezpur Roads and Buildings Division; Rs. 0.11 lakh) paid initially by the Government upto March 1977 and remained unrecovered at the end of March 1978, the oldest item dating back to March, 1959.

24.2. While giving reply to a query during the course of examination when the Committee wanted to know as regards to non-recovery of service taxes the Government representative stated before the Committee :

"The question of realisation of Service taxes has been examined by the Department. It is an admitted fact that the position has aggravated with the passage of time as the persons from whom these are to be realised generally do not respond. There is very little scope to improve upon the situation with the existing system. The department therefore contemplated to modify the procedure in consultation with the Finance Department so that the Service Taxes could also be realised every month from the salary bills of the persons on the lines of House Rent."

24.3. To another query by the Committee as regards excess payment to the contractor and recoveries made from there the government representative deposed that "we had stopped payment and the amount would be recovered from them."

24.4. The Committee desires that the result of the inquiry as well as information regarding recovery should be intimated to the Committee. The progress of Bakijai cases should also be informed to the Committee within one month.

CONSTRUCTION OF COURT BUILDING AT SIBSAGAR

(Para 4.7 Report of C&A.G India, 1978-79 P.40)

25.1.1. The audit has brought out that construction of Court buildings at Sibsagar, administratively approved by the Government in April 1971 for Rs.10.34 lakhs, was entrusted to contractor 'A' on 17th September 1971 for completion within eighteen months (i.e. by March 1973). However, the work site was handed over to him only in February 1972 (reasons for delay not record) and he started work thereon in March 1972. After completing work worth Rs.3.51 lakhs by June 1973 he suspended it claiming that the rates should be raised by 35 per cent as poor soil condition, change in design and occasional delay in supply of stores by the division (reasons not on record nor stated) had slowed down the work. There was nothing on record to indicate that any soil investigation had been carried out before taking up the work or that the contractor's claims had been examined.

25.1.2. The contractor--re-started work only on 26th February 1976, after the Government agreed to raise the rates by 23.49 per cent (Rs.3.39 lakhs) for the remaining work (estimated to cost Rs.14.45 lakhs) which was stipulated to be completed within 24 months from the date. There was no record with the Jorhat Bilding Division indicating the basis for agreeing to the increase, no papers on the subject were available in the Secretariat of the Government also.

25.1.3. After executing a part of the remaining work (value, Rs.1.25 lakhs) 'A' again suspended work without giving any reasons. The Additional Chief Engineer imposed in February 1978 a penalty at the rate of 1 per cent per day subject to a maximum of 10 per cent of the estimated cost if no appreciable progress was made within 10 days from the date of issue of the order, in the latter case the

balance work was to be got done through another agency at the risk and cost of the contractor. Though the contractor did not resume work, penalty of Rs.1.80 lakhs for delay was yet to be levied/recovered (October, 1979).

25.1.4. The remaining work was entrusted on 24th February 1978 to a Government Company at the instance of the Government on terms and conditions to be settled later. Even before finalisation of the contract, the company was paid Rs9.50 lakhs as advance on 30th March, 1978 apparently to avoid lapse of budgetary allotment.

25.1.5. In the following month, the work was withdrawn (20th April, 1978) from the company on the basis of a Government order to allow (X) a last chance to contractor 'A' to complete the work under a realistic time schedule. Accordingly, contractor 'A' was to complete the remaining work 22nd November 1979 but information about the progress of work by him was yet to be furnished (March 1980). Though no work was being done by the Government company, the advance of Rs.9.50 lakhs was allowed to be retained by it till February 1980 and was reportedly returned to Government only in March 1980.

25.1.6. Thus, lack of preliminary work and delays at various stages led to delay in completion of buildings raising their cost.

25.2. As regards the cause of unnecessary delay of completion of the construction the Committee during the course of examination notices that after a long gap the contractor whose contract had been cancelled was reallocated the work.

25.3. To another query by the Committee as to the reason of reallocating the contract to the same contractor the departmental witness deposed before the Committee that according to Government decision the work was reallocated to the same contractor without following strictly the existing rules.

25.4. The Committee, therefore, recommends that the proper procedure should be followed in awarding contract to the contractors strictly adhering to the rules.

**EXCESS STOCK; TOOLS AND PLANT ACCOUNT:
SHORT DELIVERY OF STORES:**

(Audit para 5.3 to 5.5 Report, C&A.G., India, 1978-79, P 44-46)

Excess Stock 5.3

26.1.1. The audit has pointed out that the value of stores held in stock in any division should not exceed the reserve stock limit, if any, specified by the Government for that division. Out of 126 divisions for which such limit had been fixed, the value of stock held at the end of March 1979 exceeded the limit in 17 divisions. The department-wise details are given below :--

Sl. Department No.	Number of division for which ceiling limit had been prescribed.	Number of division in which stock held exceeded the limit.	Extent of excess (Rupees in Lakhs)
1. Public Works (Roads and Buildings)	58	7	64.12
2. Irrigation	35	6	48.79
3. Flood Control	21	4	6.26
	114(*)	17	1.19.17

26.1.2. No reserve stock limit had been fixed for 16 divisions (Public Work-Roads and Buildings 4, Irrigation 10, Flood Control 1, Inland Water Transport Department 1,) although the divisions handled stores.

5.4. Tools and Plant accounts :

26.1.3 Public Works Divisions having tools and plant are required to maintain a register showing the receipts, issues and the balance of tools and plant. The purpose is, inter alia, to keep a watch over the return of the tools and plant issued to various works/contractors.

The register of tools and plant is required to be closed at the end of September each year. Out of 177 divisions, tools and plant registers for the years ending September 1978 had not been closed (October 1979) in 102 divisions. In 52 of these divisions, the registers had not been closed for 3 years or more.

* In 12 more divisions of the Public Health Engineering Department and the Relief and Rehabilitation Department the stock held was within the ceiling limit.

5.5. Short-delivery of stores :

26.1.4. As per rules, when materials are issued by one division to another or handed over to an authorised agent of the latter, the issuing divisions is required to return one copy (the invoiced copy) of the indent at once to the indenting officer for signature.

26.1.5. In March 1977, the Medical college Construction Division, Silchar authorised a carriage contractor to receive stores from the Building Division, Guwahati for carriage to Silchar. Accordingly, the Building Division, Guwahati handed over mild steel rods valued at Rs.0.53 lakh and Rs.0.44 lakh on 18th October 1977 and 7th November 1977 respectively to the contractor and returned the invoice copy of the indent to the indenting divisions but the latter did not receive from the contractor any quantity out of the first consignment and received materials worth Rs.0.30 lakh only on 21st November 1977 out of the second consignment. Even at this stage the indenting division did not keep watch on receipt/notice non-receipt of the first consignment/part of the second consignment.

26.1.6. The Medical College Construction Division, Silchar again authorised the same contractor in January 1978 to receive mild steel rods from the Building Division, Guwahati for carriage to Silchar. Accordingly, the contractor received from the latter division rods valued at Rs.0.85 lakh on 18th and 20th February, 1978, of which those worth Rs.0.61 lakh only had been delivered by him to the indenting division between 10th March and 11th April, 1978.

26.1.7. It was only in June 1978, when the contractor preferred a claim for carriage charges, that the Medical Collage Construction Division detected that the contractor had short delivered 38.86 tonnes of mild steel rods costing Rs.0.91 lakh and asked for their delivery. The procedural failure resulting in non-detection earlier of the short deliveries had not been examined by the division with a view to taking remedial action.

26.1.8. It was stated (February 1980) by the indenting division that payment of four transport bills for Rs.0.07 lakh and repayment of security deposit of Rs.0.01 lakh to the contractor had been withheld. No case had, however, been filed in the court but the Chief Engineer concerned had taken up the matter with the Government in November 1979 for obtaining legal opinion. Further development are awaited (March 1980).

26.2. By written replies during the course of examination tendered before the Committee the departmental witness stated :

"The reserve stock limit fixed for Division is required to be reviewed from time to time particularly taking into consideration the increase in the prices of various materials. The Department has taken up the exercise of reviewing the Reserve Stock limit of the Divisions and it is expected to finalise the same soon. Action has also been taken to fix the Reserved stock limit in case of newly created Division where no reserve stock limit has earlier been fixed.

As per reports compiled by the Department upto April, 1981, 24 Divisions were found to have not closed the Tools plant Registers upto 3/79. They are being pursued to close and verify the Tools and plant Registers upto date."

26.3. In giving reply to a query of the Committee in regard to issuing of excess stock to the contractor the departmental witness stated "Actually the contractor has taken the materials and then the Government incurred a heavy loss. In this case serious lapses were on the part of the Government Officers."

26.4. When the Committee wanted to know whether the same officer was there the departmental witness deposed that "in such case fixing up of responsibility on the officers concerned should be done by the Government ...Immediately Government filed a Civil Suit or amount would have to be recovered from the officer concerned. It would be of very serious nature and the amount was also big."

26.5. The Committee observed that the department came to know every details about the case but no appropriate action was taken against the officer at fault.

Therefore the Committee wished that the Government should take immediate action against the officer at fault fixing responsibility within three months and a report thereon should be submitted to the Committee accordingly. Food for Work Programme: Allotment and Utilisation: (Para 4.1.3 Report, C&A.G. India, 1979-80 P.68)

27.1.1. The audit has brought out that according to the Government (August 1979) the quantity of foodgrains demanded by the State Government, the allotment made by the Government of India, the distribution or allocation to the different departments and utilisation as per departmental records were as below :--

Department	Demand by the State Government	Allotment by the Government of India	Allocation to Department	Utilisation	Quantity for which payment made to F.C.I. by G.O.I.
(1)	(2)	(3)	(in tonnes)		(6)
			(3)	(5)	
1977-78					
(i) Public Works (R&B)	30,000	7,500	4,500	3,705	4,080 Rs. 79.31 lakhs
(ii) Flood Control	1,500	1,260	
(iii) Irrigation	1,500	Nil	
	30,000	7,500	7,500	4,965	4,080
1978-79					
(i) Public Works (R&B)	12,825	10,000	7,800	7,800	1,016 (Rs. 46.97 lakhs)
(ii) Flood Control	3,525	..	1,764	704	
(iii) Irrigation	280	..	280	95	
(iv) Agriculture	156	..	156	..	
	16,787	10,000	8,599	—	1,016
1979-80					
(iii) Public Works (R&B)	17,000	..	9,500		Not available 12,745 (Rs. 68.34 lakhs)
(ii) Flood Control	5,170	..			
(iii) Irrigation	2,379	..			
(iv) Agriculture	..	31,000	500		
(v) Animal Husbandry and Veterinary	..	500	500		
(vi) General Administration	2,510	1,000	1,000		
(vii) Panchayat	2,510	2,500	2,500		
	27,059	31,000	16,448		12,745

27.1.2. The Government of India in the Ministry of Agriculture and Irrigation had requested (March, 1978) the State Government to submit by April 1978 its requirements for 1978-79 along with a report on the unutilised quantity of foodgrains released in 1977-78, to enable further allocations to be made. The State Government had not indicated its requirement for 1978-79 or later for 1979-80.

27.2. When the Committee during examination wanted to know whether the F.C.I. had supplied the materials as demanded by the P.W.D. the Government representative stated :

"No, they could not give us our total requirement. In the first year we received 3,232 M.T. and Second we received 1,549 M.T. and third time 5,381 M.T. against our requirement of 4,605 M.T., 3,195 M.T., 3650 M.T. respectively. In 1979-80 we made a request for allotment of 1,974 M.T. and in 1980-81 our requirement was 2,000 M.T. But we have not received foodgrains from F.C.I."

27.3. As regards the reason of not supplying the foodgrains by the F.C.I. the departmental witness deposed that Initially they did not supply anything. But subsequently the foodgrains were neither released in time nor was any regular flow of foodgrain were maintained. The department invariably faced embarrassing situation as petty contractors and unemployed youths who were supposed to be supplied with the foodgrains were put to great hardship in making the supply of foodgrain to the labourers from their own resources which they could only get reimbursed after receipt of foodgrains from the F.C.I. There were no restriction or restraints of stopping distribution of foodgrains through the contractors. It was somehow possible to keep the food for work programme running as the petty contractors or unemployed youths somehow managed to supply food to the labourers by local purchase which they got reimbursed some time after more than a year of execution of the Scheme."

27.4. When the Committee wanted to know the steps taken to make the flow of foodgrains regular the departmental witness said :

"The problem was raised in the Public Accounts Committee of Parliament also. Some officers of the Government of India came to Assam and they had collected the details. They held a meeting with the Agricultural Production Commissioner and the Director of Rural Development and it was decided that the Department should take limited programme only through Sramic Bahini and Departmental Labourers. Earlier Departmental proposal of execution of this scheme by the Departmental labourers was not implemented because of opposition from labour union."

27.5. In reply to a query as regards the target of the work and achievement under this food for work programme, the Departmental witness said "Here also Government of India did not give any clear cut-policy or guidelines. Originally, there was no programme of undertaking new construction. But subsequently, the policy had been changed and instruction issued to undertake some new works accordingly."

27.6. When the Committee further wanted to know a full picture of the programme the Departmental witness could not give the details but stated that we had not taken up new constructions of Roads as it was not the clear cut policy of the Central Government. He further stated that the P.W.D. would not be able to give the answer directly because the Agriculture production Commissioner was co-ordinating the meeting and some details were taken by him. The Agriculture Production Commissioner could know the whole matter or in details and he would be able to give elaborate description over the matter.

27.7. In reply to another further query as regards the selection of District for the food work programme the Government representative intimated the Committee "the areas were selected by the field officer. There are some Divisions like Bartola, Gilama, Karimganj, Dibrugarh, etc."

27.8. When the Committee wanted to know further details the Government representative could not adduce necessary clarification but assured that he would submit detailed Report to the Committee soon.

27.9. The Committee observes that no detailed Report was received by the Committee till this Report presented to the House therefore the Committee could not formulate any finding on the matter of public importance. The Committee feels that when the Government representatives assured certain clarifications/information the same should immediately be submitted to the Committee within time prescribed for furnishing such clarification/information by the Committee.

OTHER POINTS OF INTEREST :

(para 4.1.7 (a), Reports C&A.G.India 1979-80 P.17)

28.1.1. The audit has pointed out that the Roads and Buildings Department had reportedly spent on the programme Rs.49.29 lakhs in 1978-79. It was however, noticed that it had at the same time under-spent (by Rs.86.24 lakhs) for works other than those covered by the programme. The expenditure of Rs.49.29 lakhs would not, therefore, satisfy the test of 'additionality'.

28.2. During the course of examination when the Committee wanted to know whether the Department had undertaken any additional programme under the food for work programme besides the normal Budgeted provision, the Government representative intimated the Committee "we have done 400 K.M. of Road".

28.3. When the Committee wanted to know further whether the work referred to above-was an addition to the normal budgetary provision and M. N. P., the Departmental witness failed to adduce the clarifications and said "I do not have the details with me. I shall have to check-up with the Department."

28.4. As regards time for collecting the required materials the Departmental witness agreed as "we will submit within two weeks."

28.5 The Committee observes that in 1974 there was no food for work programme. At that time it was a cash payment. As and when the programme started the intention of the programme was to provide at least one meal to a the worker in a day.

28.6. In reply to further query of the Committee the Government representative informed the Committee that generally the Department made the payment regularly to the contractor pertaining to the food or work programme.

28.7. When the Committee wanted to know specifically about the details as regards the regular payment to the contractor the Departmental witness failed to adduce the explanation on the point involved, but assured "we shall have to check-itself. Actually yesterday we informed the Committee that we were not prepared because we wanted atleast 15 days time to collect the materials and so we may be given some time." The time was granted by the Committee as prayed for (15 days with effect from 9th May 1984).

28.8. The Committee observes that the Government representative did not come with full facts to appear before the Committee, they used to take time to furnish the information/clarifications when the Committee sought for further information. When, most reluctantly allowed time, the Government representative as it appeared remained sitting over the matter thereby the Committee was not able to formulate necessary findings. So the Committee feels that all clarifications should be submitted to the Committee forthwith.

ADVANCE PAYMENT TO CONSTRUCTION CORPORATION (Para 4.2. Report C & A. G, India 1979-80, at pages 74-79)

29.1.1. The audit has brought out that according to normal rules, advance payments can be made by the Public Works Divisions to contractors only for works done but not measured, on the basis of certificates of officers not below the rank of Subdivisional Officer to the effect that the value of works done was not less than the amount recommended to be paid.

29.1.2. In October 1967, Government amended the rules to provide that the departments of Government other than the Public Works Department could pay 90 per cent of the value of work to be executed during a financial year to the Assam Government Construction Corporation Limited (AGCC), a State Government Company and make final payment after a completion certificate from the Company is obtained. The rules further provide that when a work is to be done through contractors, firms, etc., a deed of contract should be executed.

29.1.3. The Chief Engineer and the heads of departments executing works are responsible to ensure that the budgeted funds providing for achievement of various objects were utilised for the purpose for which there were provided and so much of the budges provision as was not likely to be needed during the year is promptly surrendered. Rush of expenditure towards the end a financial year of irregular adjustment in accounts to show a budget grant as utilised is irregular.

29.1.4. In the following cases the provision of the above rules were not observed in several departments :

- (i) On 24th March, 1979, the Chief Engineer, Public Works Department sent to the Government two estimates of Rs. 2,51.23 lakhs and Rs. 3,17.46 lakhs for construction of residential and office buildings respectively in various place in Assam. Approval of the estimates had not been accorded by the Government even till December, 1980. However, under orders issued by the Department on 31st March, 1979 the Gauhati Building Division paid to the AGCC on 31st March, 1979 advances totalling Rs. 4,47.45 lakhs for execution of the works. The works have not commended to date (September, 1980).
- (ii) On 13 works of Home (Police) and Fisheries Departments, advances totalling Rs. 1,39.61 lakhs were paid to the AGCC during the years 1973-74 to 1977-78. Details are given below :—

<u>Department to which works relate</u>	<u>Number of works for which advances were paid</u>	<u>Year of payment</u>	<u>Amount of advance paid.</u>
			(in lakhs of rupees)
Home (Police)	1	1973-74	2.27
—do—	5	1974-75	95.55
—do—	1	1975-76	2.60
—do—	3	1976-77	20.03
—do—	2	1977-78	17.26
Fisheries	1	1976-77	1.90
	<u>13</u>		<u>1,39.61</u>

29.1.4.2. The works had not been started even in March 1979 and the amounts were still lying with the AGCC during 1978-79, the Home (Police) Department, paid further sums totalling Rs.4.83 lakhs as advances for two works which have not also been executed by AGCC so far (December 1980).

- (iii) During 1978-79, Rs.2,27,03 lakhs were available with AGCC being advances paid by Home (Police), Public Works and Animal Husbandry and Veterinary Departments for execution of 24 works. The AGCC utilised only, Rs.63.19 lakhs upto March 1979 on these 24 works. Balance Rs.163.89 lakhs remained unutilised with the Company (March, 1980)

- (iv) During 1979-80 various departments paid further advances totalling Rs 2,75.41 lakhs (of which Rs.68.06 lakhs were drawn by them in March, 1979) to the AGCC for execution of 56 works. Department wise details are given below :

Department	Number of works for which advances were paid.	Amount of advances paid.
	(in lakhs of rupee)	
Public Works Department (Roads and Buildings)	46	2,26.21
Industry	1	15.75
Geology and Mining	2	15.00
Animal Husbandry and Veterinary	5	11.39
Sericulture and Weaving	1	5.87
Commissioner of Taxes	1	1.19
Total	56	2,75.44

29.1.5 Of the advances paid by the Public Works Department during 1979-80, Rs.30.26 lakhs relating to 8 works were refunded by the AGCC during the period March, 1980 to September, 1980. Four other works for which advances totalling Rs.7.47 lakhs were paid by the Public Works Department during 1979-80 were not accepted by the AGCC. The amount has not, however, been refunded by the Company so far (August, 1980). Expenditure incurred by the AGCC against balance advances totalling Rs.2,37.68 lakhs was Rs.32.13 lakhs upto March, 1980.

29.1.6 Rupees 1,80.64 lakhs were irregularly adjusted in the books of 11 divisions as expenditure on 11 works by showing the same amount as having been received as deposits from the AGCC by the division for the works to be executed.

Serial No.	Division	Name of Works	Amount credited to deposit account is received from AGCC and debited to work head to show it as expended. (in lakhs of rupees)	Month(s) adjustment.
(1)	(2)	(3)	(4)	(5)
1.	Guwahati Public Health Engineering Division No. 1	27 numbers of water supply schemes	59.61	March, 1979 and March, 1980
2.	Dhubri Public Health Engineering Division	3 number of water supply schemes	8.33	January, 1980
3.	Silchar Public Health Engineering Division	13 number of water supply schemes	18.49	March, 1979
4.	Diphu Public Health Engineering	Haflong water supply schemes	10.07	March, 1979
5.	Silchar Roads and Building Karimganj Roads and Buildings	Staff Quarters for Silchar Medical College Metalling and block topping on u/m Kavaibazar Annpus Road	10.98 1,416	March, 1979 March, 1979

(1)	(2)	(3)	(4)	(5)
7	Cachar Roads and Building	Construction of sal timber bridge over river Rukai at Dhalai Bazar Ferryghat and Bhagobazar Ferryghat	6.63	March, 1979
8	Magazine Division, Guwahati	3 number of building	2.32	March, 1979
9	Tezpur Public Health Engineering Division	12 water supply schemes	7.39	March, 1979
10	Ghilamara Roads and Buildings	Metalling and black topping Ghicamukh Ghilamar Dhemiji Road	18.00	March, 1979
11	—do—	Construction of 100 bedded Hospital of Dhemaji	24.66	March, 1977
TOTAL			<u>1,80.64</u>	

29.1.7 In the above cases no agreement with the AGCC exists for execution of the works by it nor has AGCC agreed to the divisions executing the works as deposit works on its behalf. In fact, the accounts adjustments violated the requirements of the budgetary control system.

29.1.8. The following irregularities relating to advances paid to the AGCC were also noticed.—

29.1.8.1. (a) The Guwahati Building Division adjusted in the accounts of March, 1979, Rs. 65.47 lakhs as advances made to the AGCC towards expenditure incurred on 18 works. But no amount was paid to AGCC nor contracts finalised with it for doing any part of the 18 works. The amount was treated instead as money received from the AGCC and held in deposit by the division. Only in June 1979 orders were placed on the AGCC to execute 11 out of the 18 works for which the division released Rs. 43.61 lakhs kept in deposit account in the name of AGCC and the balance Rs. 21.86 lakhs were lying in deposit (April 1981), information about execution of deeds of contract is awaited (April, 1981).

29.1.8.2. (b) Improvement of Gauhati-Shillong Road from Ulubari Police point to Gauhati-Medical College approach road was allotted by the Chief Engineer (Roads and Buildings) in March 1978 to the AGCC as per the schedule of rates for 1977-78. The AGCC did not accept the offer and requested the Chief Engineer in March 1978 to fix the rates after analysing of the components of the work. However, in March, 1978 and March 1979 advances totalling Rs. 43 lakhs were paid by the division to the AGCC. The rates had not been settled by the Chief Engineer with the AGCC nor had execution of the work commenced (November, 1979).

29.1.8.3. (c) In March, 1978, the Nowgaon East (Roads and Buildings) Division paid to the AGCC Rs. 13.46 lakhs for construction of a permanent bridge over the river Harina at an estimated cost of Rs. 26.62 lakhs without entering into any agreement with it or the AGCC even agreeing to undertake the work. However, the division drew another advance of Rs. 2 lakhs in 1979 for payment to AGCC which did not accept the amount. The division stated in March, 1980 that the cheque for Rs. 2 lakhs had, however, been cancelled. Rupees 13.46 lakhs had not been refunded nor been cancelled. Rupees 13.46 lakhs had not been refunded by the AGCC nor had it stated any work (August 1980).

29.1.8.4. (d) The Manazine Division, Guwahati exhibited in accounts of March 1979 Rs. 13.37 lakhs as spent on construction of the buildings including site preparation (without preparing detailed estimates of the work), and credited the amount to the deposit account in favour of AGCC even before the latter agreed to execute the works. The AGCC accepted the works only in May 1979. Rupees 13.37 lakhs held in deposit account in its favour were paid by the division in December 1979 to it. There was no record in the division to show that the AGCC had commenced execution of the works (January 1980).

29.2. During the course of examination when the Committee wanted to know as to what steps were taken by the Department for the advances given by the Department to the AGCC for a very long time without any refund of money or starting the work entrusted to the corporation, the Government representative stated that "this was the normal work of the Company. We did not generally interfere in their normal work for which the company had been constituted. As it was public company, the AGCC had to explain its conduct to the public undertaking Committee. So far as advances were concerned, we had in fact, asked the AGCC to let-us know the position. We submitted the detail to the August Committee within a reasonable time."

29.3. The representative further deposed that AGCC was established by the State Government with the idea of getting efficient and effective service. So far the position concerned the Department was not satisfied with the services of the AGCC and expressed "We call the services of the AGCC, when there is no alternative. We give them work without calling for tender as this is a State Government undertaking."

29.4. When the Committee wanted to know the advance position and the progress made thereby the Departmental witness assured, "We are ascertaining the position and that we will be submitted to the Committee."

29.5. The Committee observes that the advances were given five years earlier; but no work was done by the Company or steps taken to refund the advance.

29.6. When the Committee wanted to know the administrative control over the AGCC the Secretary, P.W.D. informed the Committee that the AGCC showed the same difficulties. Therefore the Department contemplated to withdraw the work from the company and to distribute the work through open tender. He further intimated the Committee that the Department would give 90% of the total cost of the work to be done as advance for one year.

29.7. When the Committee wanted to know as to why the advance giving practices to the Corporation could not be stopped, the Secretary, P.W.D. informed the Committee that the matter would involve the policy of the Government. He however assured "In future, we will have to be very careful."

29.8. The Committee enquired the position of withdrawal of Rs. 42 crores from the AGCC when the Departmental witness stated "It was given in March 1983".

29.9. The Committee feels that the Department had not strictly followed the Rules in dealing with the financial matters and its propriety. Since the Department had to deal with public finance, therefore in the greater interest of the public money, the Department should strictly adhere to the financial Rules and regulations. The Committee also feels that the system of advance sanctioning to the company should be modified as deemed fit without any further delay.

SUB-STANDARD WORK

(Audit para 4.11, Report, C. & A.G., India, 1979-80, P-92)

30.1.1. The audit pointed out that construction of timber bridge No. 10/1 at Sibsthan Rangogora Road (Nowgong District) was taken up in January 1974 by the Nowgong East Division through a contractor at an estimated cost of Rs. 1.27 lakhs. Even while the work was in progress, the division received complaints from the public about bad workmanship but no action to investigate the complaints and enforce prescribed specification was taken. The bridge was completed in August, 1974.

30.1.2. The Superintending Engineer, Central Assam Circle, Nowgong after investigating the complaints in November 1974 asked the division in March 1975 to withhold payment of the final bill for Rs. 0.67 lakh claimed by contractor because the timber used by him for construction of the bridge was sub-standard and the bridge foundation was weak. In February 1977, the Superintending Engineer observed that the bridge was in a dilapidated condition showing sign of failure. He also reported in August 1977 to the Additional Chief Engineer, Eastern Zone that the division had recorded inflated measurements of the works done by the contractor. Repairs to the bridge were carried out during 1977-78 at a cost of Rs. 0.86 lakh.

30.1.3. The department suspended one sectional Assistant in January 1977. Disciplinary proceeding were also instituted in May 1977 by the department against the Executive Engineer. However, in March 1977 the Sectional Assistant was reinstated pending finalisation of the disciplinary cases which had not been decided so far (August 1980).

30.2. During the course of examination the Committee was informed by the departmental witness that the department had proceeded against the Executive Engineer. But one month would be required to finalise the incomplete case.

30.3. The Committee was not satisfied with the replies given by the witness and again enquired as to whether damage was assessed. The Departmental witness stated: "For repairing we spent Rs. 80,000. We can take further action".

30.4. The Committee was very unhappy on the action taken by the department. Therefore the Committee recommends that the case should immediately be inquired into and finalised with an intimation to the Committee accordingly.

EXTRA EXPENDITURE

(Para 4.12. Report, C. & A.G., India, 1979-80, P. 83)

31.1.1. The audit has pointed out that the Goalpara (Roads) Division, paid in August 1979, March 1980 and May, 1980 Rs. 4.36 lakhs to 27 contractors who had supplied 8,060 cubic metres of road metal. The

payments included forest royalty at Rs. 6 per cubic metre plus 6 per cent sale tax thereon, the former was payable only if the contractors produced evidence of having made payment of forest royalty to the Forest Department. There was no record in the division to show that the contractors had royalty to the Forest Department and the reason for the excess payment of Rs. 0.51 lakh to the contractors on this account could not be explained.

31.2. During the course of examination, when the Committee wanted to know whether the entire amount had been realised from the contractors, the departmental representative informed the Committee that "the entire amount had been realised except an amount of Rs. 360.78."

31.3. The Committee however, feels that the Department has not taken any action to realise the balance amount and directs that the balance amount should be realised without any further delay.

RESPONSIBILITY FOR LOSS OF STORES

(Audit para 5. 8 Report, C. & A. G., India, 1979-80, p. 99)

32.1.1. The audit has brought that (a) shortage of 415 deckings (cost: 0.33 lakh) and 113 metres of collars (cost: Rs. 0.26 lakh) was noticed during Physical Verification of Stores of Doboka Section under the Nowgong East Division conducted by the Sub-Divisional Officer (P. W. D.), Doboka Sub-Division in January 1979.

32.1.2.(a) According to the rules, in all cases of loss due to fraud, etc., departmental proceedings should be instituted immediately against the delinquent person for fixation of responsibility. Action to fix responsibility for the above shortages had, however, not been taken by the Division (March 1980). The Division stated in March 1980 that action had been initiated to fix responsibility for the shortage of stores. Further development has not been intimated (February 1981).

32.1.2.(b) Loss of stores valued at Rs. 0.15 lakh was noticed between July 1962 and February 1978 in Nowgong East Division and 9 Officials were held responsible. No further action was however, taken by the Division and the matter is stated to have since been taken up with the higher authority.

32.2. During the course of examination, the departmental witness informed the Committee that "regarding the audit para 5. 8.(a) there was a mistake. In second line the amount should have been Rs. 59,101.85 instead of Rs. 26,000/-".

32.3. When the Committee wanted to know whether it was a fraud or theft the Government representative stated that "it was neither fraud nor theft. It was a loss."

32.4. To a query by the Committee with regard to the reason for loss and fixing responsibility thereon on the person at fault, the Departmental representative could not furnish to the Committee any convincing reason: but stated that "Responsibility had already been fixed on the concerned Sectional Officer by the Executive Engineer, Nagaon East Division in October 1983. The present position of recovery was being ascertained".

32.5. The Committee was not happy with the action taken by the department, particularly in respect of non-realising the amount of loss.

32.6. The Committee further enquired as to how long the Department would take to finally decide the case. The departmental witness stated that "recovery had already been made from the Officer-in-charge of the Stores". He further informed the Committee that the entire sum amounting to Rs. 29000/- would be recovered from one man.

32.7. The Committee feels that the matter had already been delayed and therefore the entire amount should be immediately recovered.

When the departmental witness submitted that two officers who had already retired from the Government Service, the amount had been proposed to be recovered from their gratuity. The Committee directs the Department that the amount in default should accordingly be recovered without delay with an intimation to the Committee.

LOSS OF STORES NOT INVESTIGATED

(Audit para 5, 9, Report C. & A. G. of India, 1979-80 P. 99-101)

33.1.1. The Audit has brought out that (i) shortage of stores (Cement, Iron Materials, Paints, etc.) costing Rs. 0.70 lakh was noticed during physical verification in Nazira Sub-division under the Sibsagar (Roads and Buildings) Division during November and December 1973. Physical verification of Stores in August 1974 against revealed further shortage of Stores costing Rs. 0.03 lakh.

33.1.2.(i) The Division stated in December 1976 that reconciliation had not been completed nor responsibility fixed. No further action had also been taken thereafter as per intimation to Audit and as seen from the records.

33.1.3.(ii) At the end of March 1980, the Lumding Sub-division under the Lumding Roads and Buildings Division had stock of 7.8 tonnes of bitumen (in 50 drums) costing Rs. 0.10 lakh. From 1,365 drums, purchased in the years 1972 to 1975, bitumen was leaking and even after recovering some of it there was a shortage of 79 tonnes of bitumen costing Rs. 0.99 lakh. The reasons for such prolonged storage of bitumen for not taking action to prevent leakage and for not investigating the loss could not be given by the Division nor were available on record (September 1980).

33.1.4.(iii) Four hundred and twentyeight drums containing 85.60 tonnes of bitumen were issued during 1978-79 for utilisation in road works of Hailakandi 'B' Sub-division under Hailakandi Division. In the site accounts receipt of only 55.25 tonnes of bitumen was accounted for. Balance 30.35 tonnes of bitumen costing Rs. 0.38 lakh were recorded as having been received less in the drums containing bitumen. Reportedly due to prolonged storage in defective containers, bitumen had been leaking.

33.1.5. The total loss incurred in the division on leaking of bitumen from drums owing to their prolonged storage is still to be assessed.

33.1.6.(iv) At the time of handing over the charge by Sub-Engineer (Mechanical) in Tezpur Mechanical (Road and Buildings) Division in May 1977, shortage of stores, tools and plant assessed at more than Rs. 1 lakh was noticed. Under the rules, delay in the investigation of lossing due to fraud, negligence, financial irregularity, etc., is to be avoided. The division however, asked the Sub-Engineer (Mechanical) to reconcile the discrepancies only in July 1978. No reconciliation was done and meanwhile the Sub-Engineer (Mechanical) expired in December 1978.

33.1.7. In March 1979, the division stated that the case had been referred to the Chief Engineer for orders which had not been issued so far (August 1980).

33.2. During the course of examination, the committee noticed that the Department had made inordinate delay in taking appropriate timely action although the Departmental witness submitted before the Committee that steps were being pushed, to finalise the matter within three month's time. (with effect from 9th May 1984).

33.3. The Committee felt that the Department had not taken appropriate action to finalise the matter within the time limit and recommends that the action should be taken immediately to recover the loss with intimation to the Committee.

33.4. During the course of examination, the Committee again noticed that the Department had not made any investigation as to the loss caused due to leakage of bitumen in Lunding Sub-division.

33.5. The Departmental witness tendering evidence deposed before the Committee as follows :

"Bitumen is supplied by the producers in containers. The containers are not of adequate strength to meet the condition in the region. We have got three refineries, viz. Guwahati Refinery, Bongaigaon Refinery and Digboi Refinery. The annual production of Digboi Refinery is 8000 to 9000 M. T. Assam is given very little quantity. Actually Assam's requirement amounted to 33000 M. T, but total requirement of the region is 70,000 M. T. out of which only 8000 to 10000 M. T. are available from Digboi. We got bitumen from Madras, Cochin and Haldia Refineries. These are the only three Refineries from where we got bitumen."

33.6. When the Committee wanted to know as to the reason of not investigating the loss the Departmental witness submitted :

"We had a wrong notion that we could not take any formal decision unless we present it to the Committee. That is why we have not taken any action. Now, action will be taken".

33.7. Asked about the action taken by the Department, the Government representative further deposed "Actually we got an enquiry report from the Superintendent Engineer's level; but we were not satisfied. So a fresh enquiry would have to be made by a high ranking officer to fix responsibility on the officers involved".

33.8. To a further query by the Committee, the Departmental witness informed the Committee that the report referred to above was submitted in March, 1982

33.9. The Committee was not satisfied at all for sitting over the matter by the Department and felt that no action was taken during the last two years by the Department for which the Departmental witness could not adduce any ground. But the witness requested the Committee to allow six months (with effect from 9th May 1984) to finalise the case

33.10. The Committee finds that no report on the pending case had been submitted to the Committee till the preparation of this report. The Committee therefore recommends that the Department should take appropriate action on the pending cases with an intimation to the Committee. The Committee further recommends that the stock pertaining to stores should be reconciled immediately by the Department.

UNUTILISED STORES :

(Audit para 5.10 Report, C & A. G., India, 1979-80. P. 101)

34.1.1 The audit has pointed out that (i) from the site accounts for the period October 1975 to April 1980 relating to various roads under Maiboni (Roads and Buildings) Division and connected records, it was noticed during audit (June 1980) that eight steel girder bridge units (7 units of 40 feet span and 1 unit of 6 feet span) costing Rs. 1.48 lakhs in all were lying unutilised for periods ranging from 7 to 12 years. From the records (estimates of works, etc. of the division) it was also noticed that there was no work in the division requiring use of these girders. The basis on which these girder had been procured by the division was not stated nor was it available in the records of the division.

34.1.2 No action had been taken by the division for disposal of these bridge units (June 1980).

34.1.2. (ii) In Hailakandi Division, 4,800 square metres of corrugated sheets costing Rs.1 lakh purchased before 1975 were lying in stores unutilised. How the requirement of these sheets had been assessed

could not be explained. The division being entrusted with construction of roads from April 1978, the unutilised sheets were declared as surplus to the Chief Engineer in March 1979. No action has, however been taken for disposal of the sheets so far (July, 1980).

34.2. During the course of examination, when the Committee wanted to know whether all sheets girdir bridge units had been utilised, the Government representative stated "This could be utilised in case of damage for restoring Communication. They were basically emergency item".

34.3. To a further query by the Committee the departmental witness deposed :

"At the time of procurement 20% extra bolts and nuts are not procured. Government of India's organisation namely gard Roach have started manufacturing bridges. At the moment when there is a problem we go to the army for their help to meet the emergency".

34.4. To another query, the departmental witness informed the Committee that many buildings would be coming up at Hailakandi with A.C. sheets. The government representative assured the Committee that the department would look into the matter as to how the A. C. sheets could be properly utilised.

34.5. The Committee felt that many A.C. Sheets remained unutilised for quite a long time for which government had to incur a heavy loss. The Committee therefore recommends that an enquiry should be conducted for non-utilization of A.C. sheets and results of enquiry should be intimated to the Committee within 3 months from the date of Presentation of this report to the Assembly.

LOSS OF STORES FROM THE SITE OF WORKS

(Audit para 5.12, Report, C & A G, India, 1979-80, P. 102)

35.1. The audit has brought out that a test check (March 1979) of the accounts of the Ghilamara Road and Building Division revealed that, in March 1975, 1,195 cubic metres of stone metal (cost: Rs.0.31 lakh) were collected for use on Gogamukh-Mingmang-Nalbari Road and taken into Road Metal Statement for that month. According to the remarks of the section Officer, Ghilamara Section I, recorded on the Road Metal Statement for December 1978, the stone metal was not available at the site. The circumstance leading to the loss were not investigated, nor was responsibility for the loss fixed (March 1979).

35.2. During the course of examination when the Committee wanted to know as to the loss of stock from the site of work the departmental witness who tendered evidence before the Committee deposed "A thorough inquiry was made and as a result two S. D. O.s and eight Sub. Engineers were found to be involved. Two S.D.O.s at one point of time during the emergency were dismissed. We had drawn formal proceedings against them and these were going on".

35.3. Giving reply to a further query the witness submitted that all these cases were reviewed by the Government after the change of the Government and the orders of re-instantment were issued.

35.4. The Committee however has felt that the Government in the Public Works Department should take action to recover the amount loss in store.

IDEL MACHINERY AND EQUIPMENT

(Audit para 5.14(c), Report C & A.G. India, 1979-80, P. 104)

36.1. The audit has pointed out that in paragraph 59 of the Report of the Comptroller and Auditor General of India for the year 1973-74 mention was made of the working of the Mechanical Division of the Public Works Department. Points noticed running further audit are mentioned below :—

36.1.1. (i) An assessment made by the Executive Engineer, Mechanical in the Chief Engineer, Officer in April, 1977 revealed the that spare parts of machines (rollers, tractors, vehicles, etc.) costing Rs 6.45 lakhs had been lying unused in five Mechanical Divisions (Abhayapuri, Guwahati, Jorhat, Silchar and Tezpur) and that either the machines for which these spare parts had been purchased were non-existent or that the spare parts had not been utilised by the division. He had also suggested their disposal. However, the spare parts have not been disposed of by the divisions there being no demand for them.

36.1.2. (ii) The department was requested in November 1980 to intimate the month in which spare parts costing Rs. 6.45 lakhs were purchased by the divisions. The information could not be given and is still awaited (December 1980).

36.1.3. (iii) In the Mechanical Division, Guwahati stocking surplus spare parts costing Rs 2.41 lakhs, it was noticed that accounts of receipts and issues of spare parts purchased from time to time had not been maintained. The months in which the surplus spare parts were purchased and the basis on which the requirement of spare parts was assessed before their purchase could not be verified in audit in the absence of any information available on record or being given to audit.

36.2. During the course of examination the departmental witness tendering evidence before the Committee stated ".....in regard to 5.14(c) we had tried to locate the particular file. Without proper records we would not promise anything. So kindly the august Committee would give us some time. If two months was given (with effect from 9th May 1984) then we would be able to furnish the information.

36.3. Though the Committee allowed two months time to furnish necessary and relevant records the Department failed to supply the clarifications till the preparation of this Report.

36.4. When the Committee wanted to know specifically about furnishing the departmental replies pertaining to the queries of the Committee during the course of examination for the audit paras from 1974-75 the Government witness tendering evidence stated before the Committee.

"Actually we have given the proceedings and the charge reports indicate that there were some irregularities. There 10/12 charges. The charges have been replied to by the S D. O. and the matter was enquired into by the Additional Chief Engineer".

Three charges could be established and those charges were :

- (1) Utilisation of Government vehicles for private purpose;
- (2) Purchase of some furniture in irregular way;
- (3) The third charge was not established.

These charges were against Shri Rati Karta Mahanta.

"All other information regarding audit paras would be given tomorrow".

36.5. The Committee failed to understand as to why the Department could not furnish the required information to the Committee, although the witness promised to send them within three months from 9th May 1984 even after elapse of four years. The Committee has deplored such attitudes of the Department and directed that all information sought by the Committee and promised by the Government representatives should be furnished to the Committee in time for formulating its views failure to do so should be dealt with severely to fix responsibility on the persons at fault.

CONSTRUCTION OF RE-INFORGED CEMENT CONCRETE BRIDGE OVER RIVER SONAI.

(Audit para 4.7, Report, of the C. & A. G. India, 1980-81, P. 67-68.)

37.1.1. The audit has brought out that the bridge over Sonai River on Sonai Motinagar-Dadarkesh Road was completed in 1965 at a cost of Rs. 5.74 lakhs and opened to traffic in the same year. In 1973 the roller bearings at both ends were found shifting out of position. In November, 1977, there was sudden shifting of bearings on Motinagar side without leaving any rolling margin. The bridge was closed for heavy vehicles from December 1977 to August 1978. The bearings of both ends were brought to position on 31st August 1978 at a cost of Rs. 2.94 lakhs. No investigation as to the cause of the shifting was, however, carried out. The bridge was opened for traffic of 5th September 1978 but closed again on 20th October 1978 as the roller bearing shifted again at Motinagar side.

37.1.2. The department could not ascertain the reasons for tilting of bearings as the design calculation the wells was not available with them. In January 1979, the Executive Engineer reported to the Additional Chief Engineer, Central Zone that while the designed depth of abutment below low water level was 39.62 feet, in actual execution depth on Sonai side was 35.66 feet and that on Motinagar side 34.84 feet. It was also reported that both the abutment walls had been resting on mainly sticky and plastic clay with rare layer of fine sand around them. It was not on record why the work was stopped before abutments reached the designed depth.

37.1.3. In March 1979, the Superintending Engineer reported to the Additional Chief Engineer, Central Zone that due to lateral pressure of earth, the roadside pier on Motinagar side had tilted causing shifting of the bearings on it. The Chief Engineer proposed to extend the bridge temporarily at the affected side by constructing a 30 metre long timber bridge and remove the earth behind the abutment with a stable forward slope. Accordingly, rectification of bearings, by increasing the size of bottom and saddle plates and construction of timber bridge were completed at a cost of Rs. 1.34 lakhs. The bridge was opened on 28th April 1980. The expenditure of Rs. 2.94 lakhs incurred without proper investigation into the causes of shifting of bearing and without estimate, proved infructuous.

37.2. During the course of examination when the Committee wanted to know as to the reasons for infructuous expenditure to the tune of Rs. 2.94 lakhs the Government representative submitted before the Committee as follows :

"In most of the bridges this happens. This is because of the lateral pressure on earth. In most of the bridges in Cachar it happens because of soil strata. After tilting of bearing was found the earth was cleared. The earth was removed from the sides so that no pressure was there. When the bridge was completed it was opened but after two months it was again closed as again some defects were found'. Further, he said 'It happens in some other areas also. But it is very much in Cachar District because of the soil formation. Not only in Assam all over the Country this is one of the problems. This is unpredictable. The resisting capacity of the earth of these areas are very less. Because of this reason some bridges take very long time to complete. We can stop only by removing earth from the abutment."

37.3. When the Committee further wanted to know as to whether the bridge was designed with technical viability and constructed as per design approved by the technical expert, the departmental representative stated "Probably the Superintending Engineer on the spot decided to stop there".

37.4. The Committee was not satisfied with the statement submitted by the Government representative but further inquired as to whether he was permitted to stop at that point and how it could be done, the design was 39 feet below low water level but in execution it was stopped at 35.66 and 34.84 feet, the departmental witness giving reply intimated to the Committee that :

"I think the soil was not taken into consideration. And after getting good soil condition the sinking was stopped at that point". Further, the departmental representative submitted before the Committee that they would reply separately to the Accountant General, Assam regarding this para.

37.5. The Committee considered the submission of the departmental witness as inaccurate and based on assumption. The Committee was of the view that work should not be started assumption on and opened that after collecting necessary data based on feasibility report the project should be started so that the same could be completed in scheduled time without any loss. The Committee therefore recommends that a thorough probe to go deep into the matter should be instituted immediately with a view to fixing responsibility on the officials responsible and an action taken report thereon should be submitted to the Committee within three months positively from the date of presentation of this report to the House.

UNDUE FINANCIAL AID TO CONTRACTOR :

(Audit para 4.8 Report of C & A. G., India, 1980-81, P.68)

38.1. The audit has pointed out that the "work construction of R. C. C. Bridges over Bhaleswari at Gharumurah on Kawapui-Bharali Gharmurah Road" was allotted to a contractor in January 1978 for a lumpsum amount of Rs. 46.64 lakhs. Special terms and conditions of the agreement provided for rebate on the lumpsum amount at the rate Rs. 10,000 for each metre by which the base of well foundation was kept above the designed depth and at the rate of Rs. 2,500 to Rs. 3,000 per metre for sinking the well otherwise than by application of pneumatic method. The contractor did not apply this method in sinking the wells and four of the wells sunk were short of the designed depth by 4.15 to 5.00 metres. The total rebate due for this amounting to Rs.2.47 lakhs was not taken into account while making running payments to the contractor (e.g. in the 13th running bill paid in March, 1980) which resulted in extra payment to that extent and undue financial aid to the contractor.

38.2. During the course of examination the Committee noticed some serious irregularities in the matter of payment of running bill to the contractors. The departmental witness while tendering evidence submitted to the Committee "the work has not yet been finalised and the contractor has some other works also in hand. We have scope of realising the money, if there was any excess payment to the contractor".

38.3 The Committee was not satisfied with the explanation furnished by the departmental witness (for avoiding infructuous payment). The Committee has felt that item-wise payment should have been stuck to in accordance with the specified terms of the contract so that the contractor was made liable to refund the amount of excess payment. The Committee therefore recommends that the extra payment made to the contractors should be inquired into and involved the amount should be recovered from the contractor immediately. The Committee further recommends to fix responsibility on persons for whose fault the extra payment was made.

INFRACTUOUS EXPENDITURE DUE TO IMPROPER ALIGNMENT OF ROADS.

(Audit para 4.9 Report of the C & A.G. India, 1980-81, P.68—69)

39.1.1- The audit has brought out that in March, 1976, the Executive Engineer, Roads and Buildings Division Hailakandi allotted earth work, Jungle cutting etc. On chainages 8,000 to 8,700 metres and 11,000 to 12,000 metres of the Kawapui-Bharabi Gharmurah Road, taken up under a scheme of the North Eastern Council to two contractors. The work was completed between February and September, 1980 at a total cost of Rs.3,28 lakhs; the final bills of both the contractors were paid in January 1978 and October 1978

39. 1. 2. In February 1978, while inspecting the work at site, the Superintending Engineer, North Eastern Council Circle found two stretches (one 100, metres and another 487 metres long) in the above mentioned chainages unsuitable on account of steep gradients and ordered construction of division. The abandoned portions as per the divisions own estimate involved infructuous expenditure of Rs. 0.86 lakh. This could have been avoided had the alignment and gradients of the road been given properly in the beginning.

39. 2. During the course of examination with regard to the infructuous expenditure the Government representative while admitting the fact stated before the Committee Stated: "it was a fact. The contractor had not yet completed the work. In this case there were two diversions. At that time it was a very hostile area and work could not be done in time but ultimately the work could be completed."

39. 3. The Committee was not satisfied with the explanation put forward by the witness and wanted to know whether a work started in 1976 could be completed in 1980 violating the terms of contract and whether extension was given to the contractor. The departmental witness submitted that work was completed by the earlier contractor and the second contractor was given some other works.

39. 4. When the Committee wanted to know whether the detailed facts were obtained and final payment made against appropriate certificate about the completion of work, the departmental witness intimated the committee that there were two bills. But he failed to ascertain the final payment and prayed for some time to verify the actual position.

39. 5. The Committee found that no further information was submitted to the Committee till the preparation of this report which hampered the work of Committee. The Committee further found that even after repeated reminders the department was sitting over the matter showing utter disregard to the direction of the Committee. The Committee has taken a serious exception for non-submission of information and recommends that responsibility should be fixed and action taken against the officers who failed to comply with the direction of the Committee. The Committee also recommends that all details about the pending cases should be submitted to the Committee within 30 days from the date of presentation of this report to the Assembly.

CONSTRUCTION OF 30 BED HOSPITAL AND STAF QUARTERS AT HAMREN

(Para 4.10 Report of the Comptroller and Auditor General of India 1980-81, P-69-70).

40.1.1. The audit has brought out that in March 1979, Government sanctioned Rs. 32.90 lakhs for construction of a 30 bed hospital and 55 staff quarters at Hamren in Karbi Anglong District. The Chief Engineer technically approved the detailed estimate on 18th June, 1979.

40.1.2. Before the financial and technical sanction to the work was accorded, the Chief Engineer asked the Executive Engineer, Hamren (Roads and Buildings) Division on 17th March, 1979 to make advance payment of Rs. 15.90 lakhs to the Assam Government construction Corporation (AGCC) to avoid surrender of funds in 1978-79. The Executive Engineer accordingly paid the amount to the AGCC on 31st March, 1979. AGCC did not agree to execute the entire work and on 26th November, 1979 Government decided to allot 13 out of 55 quarters to the firms at 60% above the schedule of rates for 1978-79 after negotiation and without calling tenders. Estimated cost of the thirteen quarters was Rs. 4.76 lakhs. On 10th October, 1979 the Chief Engineer instructed the Executive Engineer to take action for construction of the remaining 42 quarters. The Additional Chief Engineer (Hills Zone) allotted the remaining works at 48 per cent above the scheduled of rates for 1978-79 to three contractors.

40.1.3. Allotment of work to the AGCC at higher rates (60 per cent above the schedule) without calling tender resulted in extra expenditure of Rs. 0.57 lakh (compared to rates allowed for remaining works at 48 per cent above the schedule).

40.1.4. During audit (June, 1981) it was noticed that in 1980 the division allotted buildings works at rates varying from 20 to 22 per cent above the scheduled rate of 1976-77 after calling tenders (Rates incorporated in the schedule of rates for 1978-79 were higher than those included in the schedule of rates for 1976-77).

40.1.5. Advance payment to the AGCC (Rs. 15.90 lakhs) had not been adjusted till June, 1981. Information about refund or adjustment of advances thereafter was awaited (September, 1982)

40.2 During the course of examination when the Committee wanted to know about the reason of advance payment to the AGCC amounting to Rs 15.90 lakhs which was neither adjusted till June, 1981 nor refunded till September, 1982, the Government representative stated:

"The payments of bill for construction of the quarters have not yet been finalised. We have given advance to the AGCC for construction of the houses. But the execution works were held up because it was not finally decided".

40.3. The Committee noticed that the money was paid to the AGCC at the fag-end of the financial year and the AGCC failed to utilise the amount properly and the works remained undone

40.4. Giving reply to a query with regard to the payment made to the AGCC well ahead of time, the departmental witness informed the Committee :

"From now onward we will try to give the money in the beginning of the year. Some of the advances we had adjusted. I have asked P. W. D. officers to check up this matter thoroughly whether there is any outstanding."

40.5. The Committee desired that the matter should be examined thoroughly and an action taken report thereon should be submitted to the Committee within three months from the date of presentation of this report to the Assembly.

RECONSTRUCTION OF MINOR BRIDGE ON DHODAR ALI ROAD

(Para 4.11. Report of the Comptroller and Auditor General of India, 1980-81, P-70-71.)

41.1.1. The audit has pointed out that in January, 1979, Government administratively approved the work reconstruction of minor bridge on Dhodar Ali Road at a cost of Rs. 2.82 lakhs. Section to the detailed estimate was not however, accorded. In February, 1979, the Superintending Engineer Central Assam Circle allotted the work to a contractor at 5 per cent below the current (1978-79) schedule of rates after calling tenders. According to the agreement the work was to be completed by 21st June, 1979.

41.1.2. Though no work had been done, the contractor was allowed advance payment of Rs. 75,000 by the Executive Engineer, Road Division, Jorhat on 31st March, 1979, on the basis of a Certificate of the Sub-Divisional Officer in charge of the work to the effect that the value of work done (earth work and re-inforced cement concrete work) was not less than the advance recommended. Between March, 1979 and April 1979, materials (884 bags of cement, 5 tonnes of mild steel rods) valuing Rs. 34,150 were also issued to the contractor, Recovery on this account was made (March, 1979 of Rs.5,000 only).

41.1.3. In February, 1980, the contractor informed the Executive Engineer that due to non-availability of diesel in the market he had not been able to start the work on 28th March, 1981 the Executive Engineer revised the contract and estimated the contractor that the work would be get completed at his risk and cost. No action has, however to got the work done through other agency.

41.1.4. Recovery of advance payment (Rs. 75,000) and value of materials at double the issue rate (Rs. 63,300) was awaited (February, 1982). The division had held up payment of final bill of the contractor for another work (Rs. 7,101) and security deposit (Rs.11,300) information regarding adjustment of these amounts was also awaited (September, 1982).

41.2. During the course of examination while tending evidence before the Committee on a query as to the release of money held up for final payment of the bill and security deposit of contractor the departmental witness intimated the Committee;

"Some contractor were asked to complete the works".

41.3. Replying to another query with regard to instruction on 28th March, 1981 of the executive Engineer to stop the construction work by contractor and that if he worked further he would have to work at his own risk, departmental representative stated before the committee;

"At first such a decision was taken but on reconsideration running bills, now the work had been completed and the payment would be finalised soon. But there were some recovery to be adjusted."

41.4. The Committee during the course of examination came to know that while executing the work, some amounts were paid in excess which proved slackness on the part of the executing officials. The Committee therefore recommends that action should be taken against the officers found at fault and responsibility should be fixed and the amount of excess payment should be recovered forthwith under with intimation to the Committee.

AVOIDABLE EXPENDITURE

(Para 4.12. Report C & AG, India, 1980-81 PP 71-2)

42.1.1. The audit has pointed out that on representation by the existing carriage contractors (March, 1979) the Government raised (June, 1979) the rate of carriage of cement from 16 paise to 25 paise per tonne-KM and payments were made by the Guwahati Building Divisions to different contractors at the enhanced rate during 1979 and 1980. However one firm was allowed 50 per cent more than the general rate (37.5 paise per tonne-KM) and it was entrusted by two work orders (March-April, 1980) to carry 7,683 tonnes of cement from Durgapur and Chaibassa to Guwahati. Reason from allowing higher rate was not on record. Following points also were noticed in this transactions.

42.1.2. (a) According to the terms of one work order the firm was to carry 50 percent of 6,583 tonnes by 18th May, 1980 and the complete carriage of the rest by 10th June 1980. No quantity was transported within the stipulated period. Only 120 tonnes out of 1,100 tonnes to be carried under the other work order, were carried within the stipulated period of 2 months expiring on 16th June 1980.

42.1.3 The firm could transport only 4,519 tonnes upto October, 1980. For failure to carry 3,164 tonnes the allotment lapsed.

42.1.4. No penalty was levied for the failure. The higher rate allowed to this particular firm involved an excess expenditure of Rs. 5.67 lakhs;

42.1.5, (b) For carrying another 2,431 tonnes of cement at the higher rate from place to place within the State by the same firm, there was further extra expenditure during 1980-81 of Rs. 1.09 lakhs.

42.2. During the course of examination, the Government representative while tendering evidence deposed before the Committee.

"The original rate was 16 p. per Kilometre. In March, 1979, it had been further increased another 9 P."

42.3. When the Committee wanted to know whether one firm was allowed increase of 50% more than original rate the departmental witness stated "The first tender was invited in 1979 in April. According to the tender the rate was allowed sometime in December 1979 and due to sudden agglitation and bundh there was a sudden stoppage of truck movement and shortage of diesel."

42.4. Replying to a further query by the Committee about (a) number of tender received and (b) rate thereof, the witness said that there were 3/4 tenders but failed to elucidate about the rate of tenders in absence of records.

42.5. The Committee found that the instant case referred to above related to Guwahati Division, Information of which could have been made available to the Committee without asking any extension of time which were not submitted yet.

42.6. The Committee was quite unhappy over the manner in which work of cement carriage was allotted and not imposing any penalty for failure to carry 3,164 tonnes of cement and allowing a higher rate of carrying charges involving an excess payment of Rs. 6.76 lakhs.

42.7. The Committee therefore recommends that a thorough inquiry should be instituted to enquire into the entire cement carriage deal and action should be taken against the persons responsible for excess payment causing huge loss to the public exchequer. Action taken should be intimated to the committee within three months from the date of presentation of this report

CONSTRUCTION OF STUDENTS UNION BUILDING AND AUDITORIUM AT JORHAT ENGINEERING COLLEGE

(Para 4.13. Report of C&AG India, 1980-81 P. 72)

43.1.1. The audit has brought out that in March, 1971, Government sanctioned construction of students union building and auditorium for the Jorhat Engineering College at a cost of Rs. 3.07 lakhs. The Chief Engineer accorded technical sanction to the detailed estimate of the work in June 1972 and allotted the work to a contractor in September, 1972 after invitation of tenders.

43.1.2. According to the agreement the work was to be completed within six months from 6th September 1972 (i. e. by 5th March, 1973). The Contractor could not, however, start the work before 16th November, 1973 as soil testing was not done and drawings were not supplied to him. The progress of the work was retarded at different stages due to (i) non-fixing of ground level; (ii) delay in settlement of specification for brick works and (iii) non-finalisation of design of re-infrcement for R. B. walls. The work was completed in January, 1981 upto which period the time for completion was extended. Reasons for delay in soil testing, fixing of ground level, settlement of specification for brick work and finalisation of designs resulting in completion and eventual increase in cost were neither on record nor stated.

43.1.3. During audit (May, 1981) it was seen that, because of this delay, the department had to allow enhancement of rates to contractor to meet the increased cost of labour and materials resulting in extra expenditure of Rs. 0.83 lakh. Further, the department had to incur excess expenditure of Rs. 0.91 lakh, due to rise in the price of cement and steel during this period. There was no indication on record as to how the estimate was technically approved before testing of soil condition and approval of the drawing information as to whether the revised estimates for Rs. 5.31 lakhs has been sanctioned is awaited (September, 1982).

43.2. During the course of examination while tendering evidence before the committee, the Government representative stated;

"The estimates were sent to Education Department and after administrative approval of the Administrative Department we had allowed the contractors to work. In the meantime, the Department had enhanced the rate and the work was completed 1981. The rates were fixed according to the price index of 1971".

43.3. The Committee was not happy with explanation offered by the witness and felt that the estimates should not have been approved without soil testing report and the drawings. The Committee observes that the Department should desist from following such practice in future.

SHORTAGES AND DAMAGES OF STORES

(Para 5.7 Report C & A, G., India 1980-81 P. 78)

44.1.1. The audit has pointed out that (a) (i) during construction (December, 1977) of reinforced cement concrete (R. C. C) Bridge over Bhogdoi River the Executive Engineer, Road Division, Jorhat issued 9,547 tonnes of rolled steel joists to the contractor on loan. The work was completed in June, 1979. The joists were neither returned by the contractor nor the value thereon was recovered from him. In March, 1980, the security deposit of the contractor was also refunded. Information about recovery of the value of the joists (Rs. 0.86 lakhs at double the current issue rate Rs. 4,500 per tonne) was waited (September, 1982).

44.1.2. (ii) In April, 1981, the Subdivisional Officer, Jorhat East (Road) Subdivision reported to the Executive Engineer, Road Division, Jorhat that 3,325 tonnes of mild steel rods valuing Rs. 0.17 lakhs were found short at site of the work 'Construction of R. C. C. Bridge over river Bhogdoi'. Action taken to fix responsibility for the shortage of materials was awaited (September, 1982).

44.1.3. (b) In March, 1977, the Executive Engineer, Road Division, Jorhat paid Rs. 0.27 lakh to a contractor for construction of a marboat required for Nakachari Section under Jorhat West Subdivision. Measurements recorded by the Section Officer were not checked to the extent required under rules either by the Subdivisional Officer or by the Executive Engineer. The marboat was not used after its acquisition in March, 1977.

44.1.4. On 30th May, 1977, the Section Officer, Nakachari reported to the Subdivisional Officer that the marboat had been missing from its anchored place on the Jhanji River since 29th May, 1977 after a heavy spate in the river the previous night. On 3rd June, 1977 the marboat was found destroyed after it struck an R. C. C. Bridge. Information about fixation of responsibility for loss of the marboat was awaited (September, 1982).

44.2. While giving reply to a query as regards shortage and damages of stores, the Departmental witness (the Chief Engineer, P.W.D.) stated:—

"Regarding this the Executive Engineer, Road Division, Jorhat issued 9,547 tonnes of rolled steel joists to the contractor on loan during construction of a bridge over Bhogdoi River. The contractor did not return the said joists or the value thereof. There were some prima facie charges against this Engineer. The charge-sheet had already been drawn up and responsibility was still to be fixed. We had asked the Executive Engineer to submit formal statement".

44.3. The Committee was constrained to note that in spite of admittance by the Departmental witness that there were prima facie charges against the Executive Engineer, the Department failed to take any action on him and also did not conduct any enquiry about the missing of marboat from the anchored place which had ultimately been found destroyed.

44.4. The Committee, therefore recommends that a thorough probe should be conducted for loss of marboat and other stores and responsibility should be fixed on the officer found at fault under intimation to the committee within 3 months.

AVOIDABLE EXPENDITURE ON CARRIAGE

(Para 3.8 Report, C. & A. G., India, 1980-81 P. 77)

45.1. The audit has pointed out that the Executive Engineer, Haflong Division received supply of Hume Pipes in 1979-80 for the Passi-Garompani Road at three points (80th Km : 248 metres 98th Km. 576-50 metres and 115th Km : 441 metres) of the road where the

delivery of the pipes was required to be made by the supplier by truck loads. While giving delivery the supplier's vehicles had to pass through all work sites on the road where there were required. Therefore, if the delivery had been taken at the work sites, the question of Back-carriage of the pipes would not have arisen. After taking delivery of the pipes the division had to arrange back-carriage of 1265.50 metres of pipes by engaging separate contractors and thus incurred an avoidable expenditure of Rs.0.72 lakh.

45.2. During the course of examination, the Committee wanted to know as to why such expenditure was made which could have been avoided, the Government representative informed the Committee :

"In regard to this the Officer concern explained the matter to the Chief Engineer. The explanation was not acceptable to the Chief Engineer. We had to take action for his lapses. Actually, there was wrong planning. The loss was incurred due to back carriage."

45.3 The Committee has taken serious exception for not taking any action as per existing disciplinary rules against the erring officer even though the Chief Engineer, P. W.D. himself admitted the lapses of the Executive Engineer and recommends that immediate action against the officer responsible should be taken and penalty imposed to incurring loss to public ex-chequer by his wilful and gross lapses. Action taken should be intimated to the committee within three months from the date of presentation of this report to the House.

EXTRA EXPENDITURE DUE TO DELAY IN EXECUTION OF A WORK—

(Para 4-15, Report C. & AG. India, 1981-82 PP. 109-10)

46.1.1. The audit has pointed out that the construction of a bridge over Barnadi River, on the North Trunk Road, was allotted (March, 1968), after inviting tenders to Assam Government Construction Corporation (AGCC), at a lump-sum amount of Rs.7.78 lakhs quoted by it, with the stipulation to complete the work by 30th April, 1971. The time for completion of the work was later extended upto 31st March, 1971 by the Chief Engineer. After executing about half of the work valued at Rs.3.82 lakhs, AGCC abandoned the work without assigning any reason. The records of North Trunk Road Division, which executed the work, did not show during audit (August, 1982) that the Division had taken steps towards the resumption of the work by AGCC or enforce the provisions in the agreement relating to recovery of liquidated damages amounting to Rs.1.87 lakhs. Twenty months later (November, 1972), the balance of work was allotted to another agency, on competitive tenders and it completed the bridge, in August, 1975 more than six years behind schedule, at an additional cost of Rs.5.05 lakhs as against Rs.3.96 lakhs computed at the tendered rate of AGCC, entailing an extra-outlay of Rs.1.09 lakhs.

46.1.2. A part from the delay in the availability of social benefits of improved communications to be derived from the bridge and the extra expenditure of Rs.1.09 lakhs referred to above, further additional

expenditure of Rs.1.51 lakhs was also incurred by the division on the work, due to escalations in the prices of cement and steel (Rs.1.14 lakhs) and entertainment of work charged establishment beyond the initial target date for completion of the work (Rs.0.37 lakh).

46.13. The Executive Engineer of the Division stated (August, 1982) that the recovery of the liquidated damages from AGCC is under consideration of the Government. The final decision of the Government is awaited (December, 1982).

46.2 During the course of examination the Committee wanted to know as to the steps taken to recover the said amount, the Government representative while tendering evidence before the committee state: "We were trying to settle the matter with the AGCC. The work had been completed by another agency when the A. G. C. C. surrendered the works. We were taking action for recovery, but it would take time".

46.3. The Committee on the request of the department allowed two month, time with effect from 10th May 1984 to furnish the information but the Department has failed to intimate the Committee the reason for non-submission of the information even after elapse of five years to which the Committee had expressed, its displeasure.

46.4. The Committee therefore recommends that steps should be taken to recover the amount for excess issue of bitumen to the contractor with intimation to the committee.

DELAY IN EXECUTION AND COST ESCALATION

(Para 4.16, Report C & AG, India, 1981-82 P. 110-11)

47.1.1. The audit has drawn out that the work Metalling and black topping of Nakhola Bhakatnagar-Monoha-Rajamayang Kajalichaki, road, covering a length of 3,689 Kilometres, sanctioned in March 1979, was allotted to Assam Government Construction Corporation (AGCC) on 26th March 1979 by the Additional Chief Engineer, Western Assam Circle (estimated cost, Rs 8.00 lakhs) with the instruction to the Executive Engineer, Nagaon West Division to make ninety per cent advance payment to AGCC. The rules provide for such advances only for the value of work to be executed during the financial year. However, in compliance with the orders of the Additional Chief Engineer, an advance of Rs.7.20 lakhs was irregularly paid (March, 1979) by the Division to the AGCC (without entering into agreement) though there was no scope for execution of any work within the same financial year. The AGCC, however, did not take up the work for over two years and informed Government (June, 1981) that it could not undertake the work due to high cost of collection of road metal. It claimed increase in rates but failed to explain the non-execution of other items of work, for example earthwork costing Rs.4 lakhs for widening and raising the road. The Government decided (June, 1981) to withdraw the work for AGCC for speedy execution, as the delay was causing inconvenience to the people and accordingly the work was assigned to another agency for completion. However, the advance of Rs.7.20 lakhs paid to AGCC is still to be recovered from it (September, 1982).

47.1.2. A portion (2.4 kms) of the road was reallocated April 1982 to another contractor at 40 percent above the estimated rates. on the basis of competitive tenders. When the work was in progress, the Additional Chief Engineer observed (May, 1982) during inspection that the field staff allowed the contractor, in complete disregard of the construction technique, to execute the work in an unplanned and unusual manner and use unspecified earth in widening and raising the road, resulting in execution of substandard work. Under his orders the work was stopped (May, 1982) and the concerned executive Engineer was asked (June 1982) to prepare fresh detailed estimate of the work with plan and drawings. Further action is awaited (September, 1982). Besides, information is not available about the claims of the contractor for the work done by him and compensation to Government if any, recovered from him for sub-standard work (September, 1982).

47.1.3. Thus, the road work considered important by Government has progressed very little for over three years, all though an amount of Rs. 7.20 lakhs has been drawn for the work as the advance from Government. The delay is likely to result in further cost escalation.

47.2. During the course of examination the Committee wanted to know as to why there was inordinate delay in execution of the work resulting escalation of prices, the departmental witness stated :—

“ There were some mistakes in the works of metelling and black topping of Nakhola-Bhakatgon, Manoha, Raj Mayong and Kajalichaki Roads. The road was completed by another contractor. We were now taking action for recovery of Rs. 7.20 lakhs paid in advance.”

47.4. In corroborating with the above contention furnished by the Chief Engineer, P. W. D. the Secretary to the Government of Assam, P. W. D. also deposed before the Committee.

“ Regarding the case of Shri R. K. Mahanta, S. D. O. Proceedings on charges of irregularities had been drawn up against him. Charges such as preparation of false bills, misuse of Government vehicles, unauthorised purchase of furniture, unauthorised purchase of compound gates, engaging master-roll labourers more than required, disposal of coal and timber materials, unauthorised appointment of the drivers and handimen and also irregularity on the account of Rs. 19, 582. 65 had been drawn up against him. He had submitted a written reply Replies were examined, as required, by the additional Chief Engineer. On the basis of his findings, the charges of utilising the Government Vehicle for personal interest was proved. The charges of engaging master-roll labourers and preparing false bills could not be substantiated and the charges could not be proved.”

47.5. Replying to the Committee as to involvement of other officers in the deal in the appointment of Master-roll labourers without prior approval from the higher authority, the Government representative further stated.

"The concern Superintending Engineer, Executive Engineer Sub-ordinate Engineer and Sectional Assistants were also examined. Authority, the documents regarding the appointment of Master-roll labourers and preparing false bills could not be produced because these were taken away by the vigilant cell."

47.6. The Committee felt that the department should have explored all the means to get back the documents seized by the Vigilance Cell for taking appropriate action which had retarded the finalisation of the cases.

47.7. The Committee therefore recommends that Departmental enquiry should be immediately conducted for fixing responsibility on the officers at fault. Action taken report should be submitted to the Committee within three months from the date of presentation of this report to the House.

EXTRA EXPENDITURE ON IMPROVEMENT OF GUWAHATI-SHILLONG ROAD

(Para 4.10 Report of C & A. G. India, 1982-83, P. 55.)

48.1. The audit has brought out that the Work-Improvement of Guwahati-Shillong Road from Medical College approach to Ganeshguri (second phase-levelling and strengthening) was administratively approved by Government (February 1981) at an estimated cost of Rs. 17.64 lakhs. In March 1981, even before technical sanction, the work was allotted by Guwahati City division (for reasons not available on record, during audit) to two contractors at one and three per cent above the schedule of rates for 1978-79 of the division. The works were to be completed within four months i.e. by July 1981, but they remained incomplete even by May 1982, upto which extension was given. In April 1982, the Chief Engineer observed that the progress of work was very unsatisfactory and instructed the division to terminate the contractors as the contractors had failed to complete the works within the stipulated time. Accordingly, the Division took over the remaining works from the contractors in June 1982 without invoking the contract clause on liquidated damages for delay. The remaining works estimated to cost Rs. 2.37 lakhs, were awarded in October 1982 to a contractor 'A' at his tendered amount of Rs. 6.54 lakhs. The work was in progress and till September 1983, a payment of Rs. 10.13 lakhs had been made to contractor 'A' resulting in extra expenditure of Rs. 7.69 lakhs till then. It is likely to increase when the work is completed.

48.2. During the course of examination when the Committee wanted to know as to why the work was awarded before the technical sanction, the Government representative while tendering evidence before the Committee stated.

"Originally the work of improvement of G. S. Road was approved for an estimated expenditure of Rs. 17.52 lakhs based on calculation on stone material available within the greater Guwahati area from the Satgaon Hill quarry. As you know, after the work was started in 1981 there was some ban imposed on using explosive material due to the prevailing circumstances then. So, we had no other alternative but

to go for river quarry and that was why we had to finalise the contractor's bill without imposing any penalty and we had gone for calling for fresh tenders and after receipt of fresh tenders and after these were accepted the work was reallocated in 1982. It has been complete in all respects. On revised estimates the expenditure comes now to 27.82 lakhs. The amount is being sanctioned. It has come to the Chief Engineer's Office and he will be sending it to us soon. This is the whole position. Quarry had to be changed because of the prevailing situation than (there was ban on the use of explosives)."

The witness further stated "we had submitted our replies to the A. G. on this para vide D. O. No. ADT. 153/83/19, dated 9th December 1985."

48.3. The Committee was not satisfied with the arguments advanced by the witness and observed that the extra loss of Rs. 7.69 lakhs could have been avoided had there been proper vigilance from the City Division, P. W. D. on the contractor.

48.4. The Committee therefore recommends that proper care should be taken in future before allotting a contract in order to achieve the objective so that the projects are completed in stipulated time. The Committee further recommends that loss sustained by the Government till the completion of the project should be examined and action taken against the officers for their lapses with intimation to the Committee.

IRREGULAR ADVANCES TO CONTRACTORS

(Para 4.11. Report of C. & A. G., India, 1982-83. P-55)

49.1. 1. The audit has pointed out that two works viz flood damage repair to two timber bridges (Bridge No. 17/1, cost Rs. 1.22 lakhs and bridge No. 22/1, cost Rs. 1.21 lakhs) on Moran, Naharkatiya Road were awarded by the Executive Engineer, Industrial Road Division, Tinsukia to two contractors on 31st March 1982 for completion in one month. On the same day (31st March 1982) the division prepared two secured advance bills for Rs. 0.50 lakh and Rs. 0.49 lakh and adjusted the amount by debit to works and per contra credit to the head 'Deposits and Advances' pending payment to contractors. No justification for this action was available on record of the Division.

49.1. 2. These secured advances were actually paid to the contractors only on 19th October 1982 after material (timber) was brought to site by the contractors and five months after the due date of completion. It was also seen that the contractors executed works for Rs. 1.06 lakhs upto March 1983, but recovery of secured advance was only Rs. 0.47 lakh leaving Rs. 0.52 lakh unrecovered.

49.1. 3. The works were in progress even in May 1983, fourteen months after the award of the work due to be completed in one month. But no application for extension of time had been received from the contractors so far (November 1983) nor any compensation for delay recovered from him. (The agreement provided for compensation upto Rs. 0.25 lakh).

49. 2. During the course of examination tendering evidence by the departmental witness before the Committee stated :

“On this we had furnished our reply to the A. G. on 19th December 1984 vide our letter No. ADT/152/83/19.”

49.2.1. The works were allotted to two contractors on 31st March 1982. The contractors had sufficient ready stock and they brought the same to site of the work on the same day. On being satisfied, the S. D. O. prepared the running bill for secured advance against the materials brought to the site and submitted to the Division with necessary certificates.

49. 2. 2. As the Executive Engineer could not proceed to the site on 31st March for checking and verification of the materials, he passed the bill and kept in the deposit. (Of course it was irregular to keep any deposit for such a long time). Subsequently, the Additional Chief Engineer went to the site and ordered temporary suspension of the work in view of the rainy season already set in. The work again started in October, 1982 and the work was completed. The contractors had been paid finally. The contractor was never given any secured advance payment, it was kept in the deposit and after finalisation it was regularised.”

49. 3. Replying to a query of the Committee with regard to action taken by the Government on keeping the money in call deposit the witness stated that “we had asked the Executive Engineers not to make such irregular payments in future keeping such deposits of secured advance.” It was regular in that sense that “it was kept in the deposit and not kept to the contractor for along time.”

49. 4. The Committee observes that keeping a huge sum of money in the bank in the nature of call deposit by withdrawing the same from the treasury without its utilization is contrary to the financial rules and directs the department that utmost care should be taken not to resort to the practice of keeping the Government money in call deposit in future.

ALLEGED FICTITIOUS ADJUSTMENT

(Para 4.12 Report of C. & A. G. India, 1982-83 P-56)

50. 1. The audit has brought out during test-check (April 1983) of the records of the Temporary Capital Construction Division, it was noticed that the division adjusted in March 1982 a debit of Rs. 139.62 lakhs to the Capital major head “537- Capital Outlay on Roads and Bridges” by per contra credit to “Deposits and Advances” on the basis of instruction issued in March 1982 by Government in the Public Works Department for releasing funds to Karbi-Anglong District Council (Rs.90 lakhs) and the North Cachar Hills District Council (Rs.49.62 lakhs) for works connected with development of roads and bridges in those two hill districts.

However, the amounts were not released to the two District Councils (October 1983). No reasons have been recorded for making these adjustments towards the end of the financial year.

50. 2. In a written reply the departmental witness stated :

"The necessary adjustment was carried out by the Department as per instructions of Finance Department contained in their letter No. BB. 157/83/8, dated 16th February 1982. As is evident from the Finance Department letter the action as taken was due to non-furnishing of accounts by the District Council. In view of the position indicated above the audit para may kindly be dropped."

50. 3. Giving a reply to a query, the Government representative said :—

"As per the discussion with the Finance Department they have given us the instruction not to release these amounts for non-furnishing of accounts by these two District Councils. This is how we complied with the instruction given to us. We have taken up the audit report on the subject with the Finance Department, because it was their instruction, and asked for their comments on the para. It is still awaited actually any authority taking any money from the State Exchequer is bound to submit accounts to the State Government. In this particular case of the District Councils we have given grants-in-aid as per the Budget provision from our budget. When it came to the notice of the State Finance Department as well as the Development Commissioner for Hills Areas that they were not rendering accounts, we were instructed that as they have not given accounts for spending the money given to them earlier, donot pay this amount. That was the instruction from Finance and we have complied with it."

50. 4. To another query by the Committee with regard to adjustment of fund the departmental witness submitted :

"These amounts were to be withheld for not rendering of accounts, and unless we receive clear advice from the Finance Department that the accounts have been rendered, we are not able to release the funds. So we are seeking further advice from the Finance Department."

50. 5. The departmental witness further submitted before the Committee :

"It was the question of releasing the amounts of District Councils for non-furnishing of accounts by them. We will have to receive instruction from the Hills Areas Department that the accounts have been rendered so that we can release the amounts. As per the instruction of Finance Department we have done it, and after we get clear instruction from Finance which we are seeking we will credit. we have done everything as per instruction of the Finance Department. After we get the instruction we will correct it we will make the book adjustment. "

50.6 When the Committee wanted to know as to whether the verification was made updated the departmental witness stated;

"We have up-dated 16 divisions. About others we are taking up the matter. We have constraints of shortage of JDA and ADA. Although we have sanctioned post we are not getting them from the Director of Accounts who is the appointing authority. There are long pending cases. Again during disturbance and floods some records were missing and some offices have been destroyed by fire. We are making them fresh. Some Divisions have been up-dated. A. G. also came down here and monitored it."

50.7. The Committee has observed that the fund estimated for the District Councils should be released in time enabling the District Councils to take up the programme of development in road communication for the Welfare of the people of these two Hills districts. The Committee also urges upon the Government to obtain the accounts from the District Councils for the fund released by the Government with utilization certificates.

MAINTENANCE OF ACCOUNTS OF TOOLS AND PLANT

(Para 5.2 Report of C. & A. G. India 1982-83.) —(58.)

51.1.1. The audit has pointed out that data sent by 66 out of 174 divisions maintaining tools and plants accounts in 1982-83 showed that :

(a) The consolidated accounts of the receipts, issues and balances of tools and plant required to be closed at the end of each month were not closed in 57 divisions earliest return due being for October 1971. (Flood Control : 4 ; Irrigation : 18 ; Public Health Engineering : 4 ; Roads & Buildings : 30 ; Transport : 1).

(b) Physical verification of tools and plant was not done in 1982-83 in 43 divisions (Flood Control : 2 ; Irrigation : 9 ; Public Health Engineering : 3 ; Roads and Buildings : 28 ; Transport : 1).

51.2. The Government representative while tendering evidence before the Committee stated that,

"As regards physical verification out of 29 Divisions 18 divisions had been covered. As mentioned by A. G. there was no Division like Tezpur N.E.C. Division. The remaining Divisions would be made up-dated soon which could not be done due to shortage of staff. A few days back we had a meeting with the Superintending Engineer and we had specifically told him that he should take all possible steps so that these are updated."

51.3. The Committee has observed that the Government in P.W.D. had not yet made the accounts up-to-date although the same had to be verified annually. The Committee therefore recommends that the pending accounts should be made up-to-date immediately and an action taken report thereon should be submitted to the Committee within 30 days of the date of presentation of this report to the Assembly.

- ANNEXURE—I

COMPOSITION OF THE COMMITTEE ON PUBLIC ACCOUNTS
(1983-85)

CHAIRMAN :

Shri Hemen Das.

MEMBERS :

Shri Joy Chandra Bora.

Shri Binoy Kumar Basumatary.

Dr. Tarini Mohan Barooah.

Shri Narad Komar.

Shri Dileswar Tanti.

Shri Sisir Ranjan Das.

Shri Danes Ali.

Shri Siraj Uddin.

ANNEXURE—II

SUMMARY OF OBSERVATIONS/RECOMMENDATIONS

Sl. No.	Reference to para No.	Observations/Recommendations
1	2	3
1	1-11	<p>The Committee therefore recommends that a high level Departmental enquiry should be instituted to finalise all outstanding misappropriation cases and to recover the loss of amounts so misappropriated. The Committee further recommends that responsibility should be fixed on the person/persons for their negligence and laxity which facilitated the misappropriation of Government money. The Committee also recommends that action should be taken against the persons involved in misappropriation cases and loss be recovered without delay.</p> <p style="text-align: center;">Action taken in this regard should be intimated to the Committee within three months from the date of presentation of this report.</p>
2	2-10	<p>The Committee observes that due to negligence of the Department to recover the amount or to start Bakijai case for recovery of the same, loss was sustained by the Government. The Committee, therefore, recommends that the Bakijai cases should be disposed expeditiously and responsibility should be fixed on the person/persons for their gross negligence or sitting over the matter for a long period entailing loss of Government money. The action taken in this regard should be submitted to the Committee within three months from the date of presentation of this report to the Assembly.</p>
3	3-15	<p>The Committee, therefore, recommends that a thorough probe should be instituted to enquire into the whole affairs for fixing responsibility on the officer/officers at fault and for taking appropriate actions as per existing law to combat with the nature of that practices indulged in awarding contracts contrary to the terms of original contracts.</p>
4	4-6	<p>The Committee, therefore, recommends that an inquiry should immediately be conducted to go deep into the matter for fixing responsibility on the officials at fault and departmental action taken on the matter should be submitted to the Committee within three months from the date of presentation of this report.</p>

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5.4

The Committee has expressed its displeasure over the entire deal of purchase of rela and recommends that a thorough inquiry should be instituted into the whole deal and the report of the inquiry should be submitted to the Committee within three months from the date of presentation of the report.

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6.4

The Committee, therefore feels, that the Department should ensure gainful use of the remmors in the State for improvement of the road communication of the State.

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7.5

The Committee feels that when the machineries were placed under the disposal of the State Government for development work free of purchase price by Government of India the latter should have put them for profitable use without keeping them idle for several years or the same could have been returned to the Central Government in time.

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8.4

The Committee observes that while there was no timely use of the materials any planning for such purchase was a bad and wrong planning. The Committee also feels that planning should be done to get maximum economic use of materials without blocking the capital for years together and for purchase's sake.

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8.5

Therefore the Committee recommends that correct planning, should be made in future according to the right norms set by the Government to ensure achieving development measures and responsibility should be fixed on the officers for whose fault as admitted by the Departmental witness there was wrong Planning that caused loss of Government money.

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9.6

The Committee desires that the department should obtain the actual position very soon and the progress made should be made available to the Committee for its consideration without any further delay.

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10.6

The Committee, therefore, recommends that the Department should strictly adhere to the terms and conditions of the contract as stipulated under the rules and ensure proper observance of rules.

- 1: 11-13 The Committee has taken a serious view for non-furnishing the information/clarifications promised to be submitted during the course of examination. The Committee has desired that the Department should furnish all upto date information to the Committee as asked for to avoid hindrance to the proper functioning of the Committee. The Committee has also noted with great concern that there was no proper vigilance to keep the store and stock account though the personnels in-charge of the stores were required to be shifted to other places on transfer.
- 13 11-14 Therefore the Committee recommends that loss of stores and stock should be investigated by constituting a Departmental Committee and responsibility should be fixed on the officers at fault, present position and progress of the Departmental investigation of the losses should also be intimated to the Committee within 30 days from the date of presentation of this Report. The Committee further recommends that effective measures should be evolved to stop frequent and recurrence of loss of stores and stock in the event of transfer of personnels in-charge of stores.
- 14 12-5 The Committee, therefore, strongly recommends that Department should expedite the cases of enquiry and finalise the same for taking appropriate action. The Committee further recommends that effective measures should be taken to prevent recurrence of irregularities.
- 15 13-4 The Committee therefore recommends that the Department should ensure assessment of requirement of plant and machineries in future.
- 16 14-3 The Committee was not satisfied with [the replies given by the Departmental witness and therefore recommends that service taxes should immediately be recovered within 60 days from the date of presentation of this report to the House.
- 17 15-5 The Committee feels that timely action for taking delivery of goods and for obtaining railway receipts ought to have been taken. The Committee, therefore, directs that the Departmental Officers should be cautioned in future to avoid loss of Government money due to their negligence.

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| 18 | 16.7 | The Committee has felt that due to wrong estimation the construction cost had gone up and the Department had to go incur 50% additional cost over the original estimate at the completion stage. The Committee expressed its opinion that when the estimates were prepared the estimating officer should have visualised all the aspects so as to avoid additional cost at the time of completion of the approved Project. The Committee has also noted that the technical experts did not visualise the side expenses of the Project undertaken. |
| 19 | 17.4 | The Committee, therefore, recommends that an enquiry should be conducted against the person/persons for whose lapses there was inordinate delay in completing the work which had led to 20% additional cost over the estimated expenditure. The Committee further recommends that the Department should keep a watchful eye for accurate estimate in future and avoid piece meal estimation results in heavy loss. |
| 20 | 18.6 | The Committee had noticed that no information was furnished to the Committee till the preparation of this report. Therefore the Committee has become very much displeased for non-implementation of the assurances which he had given to the Committee. The Committee feels that when the Government promised to supply with the information to the Committee the same should have been done with earnestness. |
| 21 | 18.7 | The Committee desired that present position of the marboats and single boats should be intimated to the Committee early. |
| 22 | 19.9 | So the Committee recommends that action taken report should be submitted to the Committee within 50 days from the date of this report presented to the House |
| 23 | 19.10 | The Committee observes that the department has to loss crores of rupees for the term "said to contain". The Committee therefore recommends that the faulty term should be brought to the notice of the Central Government sharply and action taken thereupon by the concerning authority should immediately be brought to the notice of the Committee accordingly. |

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| 24 | 19.11 | The Committee also observes that as per Report of the Comptroller and Auditor General of India, 1976-77 in para 5.9 that an inquiry had been started and result thereupon was waiting by (March 1978). Since no report was submitted to the Committee till this report was presented to the House, the Committee recommends that delay in submitting such report must be avoided and action taken report on the inquiry in question should be submitted forthwith not later than 30 days from the date of presentation of this report to the House. |
| 25 | 20.3 | The Committee therefore recommends that the Government department should take immediate action within three months against the person responsible and action taken thereupon should be reported to the Committee accordingly. |
| 26 | 21.4 | The Committee has observed that non-furnishing information/clarification to the Committee has serious effect on the administration and the Committee has viewed this aspect of negligence with great concern. |
| 27 | 21.5 | The Committee, therefore, recommends that the action should be taken to recover the extra consequential expenditure incurred in the construction of approaches to the Railway overbridge on the Surma Trunk Road. The Committee further recommends that the Government should invariably furnish all information/clarifications within the stipulated time as promised during the course of oral of evidence. |
| 28 | 22.3 | The Committee feels that the electricity charges should be deducted from the salary bill of the Government employees and direction to all Government employees should be issued to pay the arrear electricity charges within a fixed date to be specified failing which Departmental action should be initiated against the Government employees. |
| 29 | 23.4 | The Committee therefore recommends that the whole issue is to be inquired into the action taken thereon should be intimated to the Committee. |
| 30 | 24.4 | The Committee desires that the result of the inquiry as well as information regarding recovery should be intimated to the Committee. The progress of Bakijai cases should also be informed to the Committee within one month. |

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| 31 | 25.4 | The Committee therefore recommends that proper procedure should be followed in awarding contract to the contractors strictly adhering to the rules. |
| 32 | 26.5 | The Committee observed that the department came to know every details about the case but no appropriate action was taken against the officer at fault. Therefore the Committee wishes that the Government should take immediate action against the officer at fault fixing responsibility within three months and a report thereon should be submitted to the Committee accordingly. |
| 33 | 27.9 | The Committee observes that no detailed Report was received by the Committee till this report presented to the House therefore the Committee could not formulate any finding on the matter of public importance. The Committee feels that when the Government representatives assured certain clarifications/information the same should immediately be submitted to the Committee within time prescribed for furnishing such clarifications/information by the Committee. |
| 34 | 28.8 | The Committee observes that the Government representative did not come with full facts to appear before the Committee, they used to take time to furnish the information/clarifications when the committee sought further information. When, most reluctantly Committee allowed time, the Government representative as it appeared, remained sitting over the matter thereby the Committee was not able to formulate necessary findings |
| 35 | 29.9 | The Committee feels that the Department had not strictly followed the Rules in dealing with the financial matter and its propriety. Since the Department had to deal with public finance, therefore in the greater interest of the public money, the Department should strictly adhere to the financial rules and regulations. The Committee also feels that the system of advance sanctioning to the company should be modified as deemed fit without any further delay. |
| 36 | 30.4 | The Committee was very unhappy on the action taken by the Department. Therefore the Committee recommends that the case should immediately be inquired into and finalised with an intimation to the Committee accordingly. |

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37	31.3	The Committee however, feels that the Department has not taken any action to realise the balance amount and directs that the balance amount should be realised without any further delay.
38	32.7	The Committee feels that the matter had already been delayed and therefore the entire amount should be immediately recovered.
		When the departmental witness submitted that two officers who had already retired from the Government Service, the amount had been proposed to be recovered from their gratuity. The Committee directs the Department that the amount in default should accordingly be recovered without delay with an intimation to the Committee.
39	33.3	The Committee felt that the Department had not taken appropriate action to finalise the matter within the time limit and recommends that the action should be taken immediately to recover the loss with intimation to the Committee.
40	33.10	The Committee finds that no report on the pending case had been submitted to the Committee till the preparation of this report. The Committee therefore recommends that the Department should take appropriate action on the pending case with an intimation to the Committee. The Committee further recommends that the stock pertaining to stores should be reconciled immediately by the department.
41	34.5	The Committee felt that many A. C. Sheets remained unutilised for quite a long time for which Government had to incur a heavy loss. The Committee therefore recommends that an enquiry should be conducted for non-utilization of A. C. Sheets and results of enquiry should be intimated to the Committee within 3 months from the date of presentation of this report to the Assembly.
42	35.4	The Committee however has felt that the Government in the department should take action to recover the amount loss in store.
43	36.3	Though the Committee allowed two months' time to furnish necessary and relevant records the Department failed to supply the clarifications till the preparation of this report.

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44	36.5	The Committee failed to understand as to why the Department could not furnish the required information to the Committee, although the witness promised to send them within three months from 9th May 1984 even after elapse of four years. The Committee has deplored such attitudes of the Department and directed that all information sought by the Committee and promised by the Government representatives should be furnished to the Committee in time for formulating its views. Failure to do so should be dealt with severely to fix responsibility on the persons at fault.
45	37.5	The Committee considered the submission of the departmental witness as inaccurate and based on assumption. The Committee was of the view that work should not be started assumption on and opined that after collecting necessary data based on feasibility report the project should be started so that the same could be completed in scheduled time without any loss. The Committee therefore recommends that a thorough probe to go deep into the matter should be instituted immediately with a view to fixing responsibility on the officials responsible and an action taken report thereon should be submitted to the Committee within three months positively from the date of presentation of this report to the House.
46.	38.3	The Committee was not satisfied with the explanation furnished by the departmental witness. The Committee has felt that itemwise payment should have been stuck to in accordance with the specified terms of the contract so that the contractor was made liable to refund the amount of excess payment. The Committee therefore recommends that the extra payment made to the contractors should be inquired into and involved amount recovered from the contractor immediately. The Committee further recommends to fix responsibility on persons for whose fault the extra payment was made.
47.	39.5	The Committee found that no further information was submitted to the Committee till the preparation of this report which hampered the work of Committee. The Committee further found that even after repeated reminders the department was sitting over the matter showing utter disregard to the direction of the Committee. The Committee has taken a serious exception for non-submission of information and recommends that responsibility for infractious expenditure should be fixed and action taken against the officers who failed to comply with the direction of the Committee. The Committee also recommends that all details about the pending cases should be submitted to the Committee within 30 days from the date of presentation of this report to the Assembly.

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| 48. | 40.5 | The Committee desired that the matter should be examined thoroughly and an action taken report thereon should be submitted to the Committee within three months from the date of presentation of this report to the Assembly. |
| 49. | 41.4 | The Committee during the course of examination came to know that while executing the work, some amounts were paid in excess which proved slackness on the part of the executing officials. The Committee therefore recommends that action should be taken against the officers found at fault and responsibility should be fixed and the amount of excess payment should be recovered forthwith under intimation to the Committee. |
| 50. | 42.6 | The Committee was quite unhappy over the manner in which work of cement carriage was allotted and not imposing any penalty for failure to carry 3.164 tonnes of cement and allowing a higher rate of carrying charges involving an excess payment of Rs.6.76 lakhs. |
| 51. | 42.7 | The Committee therefore recommends that a thorough inquiry should be instituted to enquire into the entire cement carriage deal and action should be taken against the persons responsible for excess payment causing huge loss to the public exchequer. Action taken should be intimated to the Committee within three months from the date of presentation of this report. |
| 52. | 43.3 | The Committee was not happy with explanation offered by the witness and felt that the estimates should not have been approved without soil testing report and the drawings. The Committee observes that the Department should desist from following such practice in future. |
| 53. | 44.3 | The Committee was constrained to note that in spite of admittance by the Departmental witness that there were prima facie charges against the Executive Engineer, the Department failed to take any action on him and also did not conduct any enquiry about the missing of marboat from the anchored place which had ultimately been found destroyed. |
| 54. | 44.4 | The Committee, therefore, recommends that thorough probe should be conducted for loss of marboat and other stores and responsibility should be fixed on the officer found at fault under intimation to the Committee within three months. |

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| 55. | 43.3 | The Committee has taken serious exception for not taking any action as per existing disciplinary rules against the erring officer even though the Chief Engineer, P. W. D. himself admitted the lapses of the Executive Engineer and recommends that immediate action against the officer responsible should be taken and penalty imposed for incurring loss to public exchequer by his wilful and gross lapses. Action taken should be intimated to the Committee within three months from the date of presentation of this report to the House. |
| 56 | 46.3 | The Committee on the request of the department allowed two months time with effect from 10th May 1984 to furnish the information but the Department had failed to intimate the Committee the reason for non-submission of the information even after elapse five years to which the Committee had expressed its displeasure. |
| 57 | 44.4 | The Committee therefore recommends that steps should be taken to recover the amount for excess issue of bitumen to the contractor with an intimation to the Committee. |
| 58 | 47.6 | The Committee felt that the Department should have explore all the mean to get back the documents seized by the Vigilance Cell for taking appropriate action which had retarded the finalisation of the cases. |
| 59 | 47.7 | The Committee therefore recommends that Departmental enquiry should be immediately conducted for fixing responsibility on the officers at fault. Action taken report should be submitted to the Committee within three months from the date of presentation of this report to the House. |
| 60 | 48.3 | The Committee was not satisfied with the arguments advanced by the witness and observed that the extra loss of Rs. 7.69 lakhs could have been avoided had there been proper vigilance from the Guwahati City Division, P. W. D. on the contractor. |
| 61 | 48.4 | The Committee therefore recommends that proper care should be taken in future before allotting a contract in order to achieve the objective so that the projects are completed in stipulated time. The Committee further recommends that loss sustained by the Government till the completion of the project should be examined and action taken against the officers for their lapses with intimation to audit. |

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62 49.3 Replying to a query of the Committee with regard to action taken by the Government on keeping the money in call deposit the witness stated that "We had asked the Executive Engineers not to make such irregular payments in future keeping such deposits of secured advance. It was regular in that sense that it was kept in the deposit and not kept to the contractor for a long time."

63 49.4 The Committee observes that keeping a huge sum of money in the bank in the nature of call deposit by withdrawing the same from the treasury without its utilization is contrary to the financial rules and directs the department that utmost care should be taken not to resort to the practice of keeping the Government money in call deposit in future.

64 50.7 The Committee has observed that the fund estimated for the District Councils should be released in time enabling the District Councils to take up the programme of development in road communication for the Welfare of the people of these two Hills districts. The Committee also urges upon the Government to obtain the clear accounts from the District Councils for the fund released by the Government with utilisation certificates.

65 51.3 The Committee has observed that the Government in P. W. D. had not yet made the accounts upto date although the same had to be verified annually. The Committee therefore recommends that the pending accounts should be made upto date immediately and an action taken report thereon should be submitted to the Committee within 30 days from the date of presentation of this report to the Assembly.