

FIFTEENTH KERALA LEGISLATIVE ASSEMBLY
COMMITTEE
ON
PUBLIC ACCOUNTS
(2023-26)

SEVENTY EIGHTH REPORT
(Presented on 12th March, 2025)



SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM

2025

FIFTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2023-2026)**

SEVENTY EIGHTH REPORT

on

**Action Taken by Government on the Recommendations
contained in the Thirtieth Report
of the Committee on Public Accounts (2006-08)**

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COMMITTEE ON PUBLIC ACCOUNTS

(2023-2026)

COMPOSITION

Chairperson :

Shri. Sunny Joseph

Members :

Shri. Manjalamkuzhi Ali

Shri. M. V. Govindan Master

DR. K. T. Jaleel

Shri. C. H. Kunhambu

Shri. Mathew T Thomas

Shri. M. Rajagopalan

Shri. P. S. Supal

Shri. Thomas K Thomas

Shri. K. N. Unnikrishnan

Shri. M. Vincent

Legislature Secretariat

DR. N. Krishna Kumar, Secretary.

Shri. Selvarajan P.S. , Joint Secretary.

Shri. Jomy K. Joseph, Deputy Secretary.

Smt. Beena O.M., Under Secretary.

INTRODUCTION

I, the Chairperson, Committee on Public Accounts, having been authorised by the Committee to present this Report, on their behalf present the Seventy Eighth Report on Action Taken by Government on the Recommendations contained in the Thirtieth Report of the Committee on Public Accounts (2006-08).

The Committee considered and finalised this Report at the meeting held on 7th February, 2025

Thiruvananthapuram
12th March, 2025

SUNNY JOSEPH
Chairperson,
Committee on Public Accounts.

REPORT

This report deals with the Action Taken by the Government on the recommendations contained in the 30th Report of the Committee on Public Accounts (2006-2008).

The 30th Report of the Committee on Public Accounts (2006-08) was presented in the House on 25th July 2007. The Report contained 13 recommendations relating to Water Resources Department. The Report was forwarded to Government on 24.08.2007 to furnish the Statements of Action Taken on the recommendations contained in the Report and the final reply was received on 16.01.2024.

The Committee examined the Statements of Action Taken received from the Government at its meetings held on 02.01.2013, 03.06.2015, 20.06.2017, 21.11.2018, 18.09.2019, 28.07.2021 and 17.01.2024. The Committee decided not to pursue further action on the recommendations in the light of the replies furnished by the Government.

These recommendations and Government replies are incorporated in this Report. •

WATER RESOURCES DEPARTMENT

Recommendation

(SI No.1, Para No. 4)

The Committee observes that the KPWA code stipulates all transactions between divisions in the Water Resources Department would be settled with the maintenance of a cash settlement suspense Account. But under the Kanhirapuzha Irrigation Project an outstanding balance of Rs.1.58 lakhs in the cash settlement suspense account had not been settled so far even though the procedure of the maintenance of cash settlement suspense Account had been done away with effect from 01.04.1998 in the Water Resources Department. The Committee wants to know the reasons for the non-settlement of the outstanding balance in the account till date and learns that the matters is pending with the Government for its final decision. The Committee urges the

Government to furnish the details of the remedial measure taken in this regard at the earliest.

Action Taken

Settlement of balance under 8658 CSSA is an outstanding audit paragraph pending clearance for want of some inter departmental cash settlement under the head of account 8658 CSSA. In PWD & Irrigation Department formerly there was a system of advancing building materials like cement, steel, bitmen etc; between divisions. The cost of which will be booked under 8658 CSSA pending clearance in future by cash settlement. Lack of funds in the concerned head of account or change of head of account in subsequent years and the resultant lack of budget provision led to the non-clearance of amount booked under 8658CSSA. At present this system is not in usage as store system has been abandoned by the departments. But the amount booked under 8658 CSSA during long years back are still pending. Even after serious repeated efforts, their balances could not be cleared and suspense account is pending clearance.

As the clearance of the CSS become very difficult due to practical difficulty, it seems better to write off the balance under this suspense account as there is no real loss to Government. Both are Government funds. Therefore Government recommend to accept the write off proposal for the amounts pending clearance under the head 8658 CSSA Suspense Account in respect of Kanhirapuzha Irrigation Project and request that further action in this regard may kindly be dropped.

[Ref.No. Report (Civil)/PAC/53-39/2006-08/XXX/340 dated 22.09.2014]

[Considered on 03.06.2015]

Recommendation

(SI No.2, Para No. 8)

The Committee understands that there was an amount of ₹1.39 crore kept outstanding during February-March 1996 in violation of the KPWD Code under Head of Account Advance payment relating to the Pazhassi Irrigation Project Division and its Sub-divisions at Kannur and Kudali, without carrying

out necessary accounting adjustment even after the receipt of the materials. The Committee is surprised at the fact that even after a decade the department had not taken any steps to settle the account. The Committee recommends that the Government take immediate steps to settle the account and to furnish the details of action taken in this regard. The Committee urges the department to take immediate action to dispose the sluice valve remaining in the stock and also to furnish the details of the present status of Pazhassi Irrigation Project.

Action Taken

Rs.1,38,68,159/- outstanding is related to the advance payment for materials. In all cases of payment made by Py.IP Division No.II, Kannur materials have been received. Non-adjustment of the invoices have resulted in huge balance remaining under "Advance Payment" and not because of the non-receipt of materials. The receipt of the materials have been verified with the goods received sheet and MAS account and found correct. An amount of Rs.25,93,824 & Rs.1,09,54,315/- is seen adjusted in the monthly accounts as detailed below and copy of the Transfer Entry Order is enclosed. It is also reported that no amount is outstanding in the division of Kudali.

T.E.O Month/ Year	Amount
3/96	13,44,613/-
6/97	1,37,572/-
09/97	3,58,000/-
11/99	923/-
6/01	7,01,871/-
07/01	50,845/-
Total	25,93,824/-

Transfer Entry Order	Amount
1/01-06	2,48,000
2/01-06	74,400
3/01-06	1,24,000
4/01-06	1,24,000
5/01-06	1,24,000

6/01-06	1,24,000
7/01-06	23,80,777
8/01-06	8,34,000
9/01-06	1,39,000
10/01-06	55,600
11/01-06	7,10,000
12/01-06	6,14,000
13/01-06	7,79,437
14/01-06	10,78,742
15/01-06	5,58,077
16/01-06	26,51,958
17/01-06	2,42,284
18/01-06	92,040
Total	1,09,54,315
Grand Total	(25,93,824+ 1,09,54,315)= 1,35,48,139/-

The sluice valves remaining in stock (89 Nos) have been disposed off for ₹73,819/- (Rt No.34/5360 dated 12.05.2010). Auction was in favour of M/s.SLIK reported that at present there is no stock of sluice valve in the store.

The Pazhassi Irrigation Project has been commissioned Water in the Pazhassi dam is being used partly for Irrigation purpose and mainly for drinking purpose.

The Executive Engineer, Pazhassi Irrigation Project Division, Kannur has reported that for adjusting the balance amount of ₹3,20,020/- the required document are not available in the files and registers of the division office. Since the works were implemented at the early stages of the project and stores and stocks are not in use for about 20 years and the required documents are not available in the division, the amount could not be adjusted.

Hence, Government have written off the balance amount of 3,20,020/- vide GO(Rt) No.673/17/WRD dated 04.08.2017. (Annexure I).

In the circumstances, the explanation may be accepted and the para may be dropped.

[Ref No. Report (Civil)/PAC/53-39/2006-08/XXX/367 dated 19.01.2018]

[Considered on 21.11.2018]

Recommendation

(SI No.3, Para No. 12)

The Committee understands that the work of formation of Moolathara Right bank canal under Kozhinjampara Project Division was awarded without observing procedures prescribed in KPWD manual and PWD Code and hence it was ultra vires. Besides, the work was awarded at the rate of 60% above the estimated rate as against the earlier proposal of 35%, causing an additional expenditure of Rs.24.46 lakhs that could have been avoided. The expenditure of Rs.56.55 lakhs, being incurred as transportation lead for conveyance and dumping of the excavated earth, was an unnecessary payment to the contractor which could also have been avoided, in the view of the Committee.

Action Taken

The Kerala Public Works Department manual stipulates that the Technical Sanctioning authority is the authority who will decide the mode of execution of work for which the Technical sanction is being issued. In this instance the Chief Engineer, Project-I, Kozhikode, issuing the Technical Sanction for the work “KKIP- forming Moolathara Right bank Canal from Ch.6100m to 6735m (635m)” amounting to Rs.43.75 lakhs had issued directions to arrange the work departmentally on piece work arrangement. In this same order there was a direction to recast the estimate for the entire reach of the canal. Accordingly the estimate was recasted as “formation of the main canal of MRBC from chainage 12075m of the Valiyavallampathy Branch Canal to chainage 6700m of old alignment (3079m) and chainage 6100m to 6952m (852m)” and Technical Sanction was issued by the Chief Engineer, Project I for this estimate amounting to Rs.12 crores. The Direction for arranging the work under departmental execution was based on the directions

issued in the G.O(MS) No.22/79/PW&E dated 14.02.1979 regarding the execution of works departmentally. As per this order execution of works departmentally will be done under piece work system as far as possible on the basis of quotations. In this instance quotations were invited for arranging the work on piece work system and the rate quoted by the lowest quotations was got approved by the tender committee in government. Hence the department has followed procedures prescribed in Kerala Public Works Department Manual and the PWD Code in arranging the work of the formation of the Moolathara Right Bank Canal.

The former Honourable Minister for Irrigation has assured the subject committee that the work would start on 15.07.1995. Accordingly the Chief Engineer, Project-I had issued T.S for the work "KKIP-forming Moolathara Right Bank Canal from Ch.6100m to 6735m (635m) amounting to Rs.43.75 lakhs had issued directions to arrange the work departmentally on piece work agreement on 29.06.1995. Immediately quotations were invited for the work and lowest quotationer had quoted more than 60% above the estimate rate. The highest authority in the department i.e., the Chief Engineer had powers to sanction tender excess upto 35% above estimate rate. But the contractor, who had quoted the lowest rate, when negotiated at the Chief Engineer level had refused to reduce his rate to 35% or below.

The rate of 60% above the estimate rate was the lowest rate quoted by the contractor in response to the calling of quotations and had been approved by the tender committee in Government.

The excavated earth that has to be conveyed and dumped is above 1.10 lakh m³. If the conveyance by lorry is to be avoided then the earth so excavated has to be dumped within 50m of the edge of the both banks of the canal that is being excavated. The length of the canal being excavated comes to approximately 4000m. That is the area required will be 2x4000mx15m to 1,20,2000m². Hence an extend of 30 acres of land on both banks is required for dumping of earth for the construction of the canal should be handed free of cost of by the respective owners. That has been complied by the owners of the land. After that acquiring another of 30 acres of land adjoining to the land near

the land already surrendered free of cost by them is impossible in that area. Further more land acquisition is a time consuming process and the project will be delayed. Also, if the excavated earth is dumped on the bank in the close vicinity there is the possibility of slippage of this dumped earth into the canal. The earth so stacked will increase the over burden on the embankment which it will not be able to withstand. If any other area is identified by the department for acquisition away from the canal site then in addition to the acquisition cost the department has to provide the same conveyance cost to the contractor. Hence the expenditure incurred as transportation lead for conveyance and dumping of the excavated earth was the only alternation required for the satisfactory completion of the scheme.

[Ref. No. Report (Civil/PAC)/53-39/2006-08/XXX/121 dated 03.06.2011]

[Considered on 18.09.2019]

Recommendation

(SI No.4, Para No. 13)

The Committee finds that a vigilance enquiry was initiated on the basis of a petition on the matter and the officials who were suspended in connection with the case had been re-instated on court orders.

Recommendation

(SI No.5, Para No. 14)

The Committee urges the department to furnish the details of cases where officers were suspended and later re-instated due to court order and copy of the final judgment of the Court along with the present position of the cases.

Action Taken on Paragraph No.13 & 14

In VC.1/97/PKD registered at Vigilance Police Station, Palakkad there were two counts of allegations. One is regarding the irregularities in the formation of the Right Bank Main Canal of Kuriyarkutty-Karappara Irrigation Project. The second is regarding the irregularities in the construction of High

Ogee Weir and re-modelling of the Moolathara Head Regulator.

After completing investigation, charge sheet on the first count was filed before the Court of the Enquiry Commissioner and Special Judge, Kozhikode against the following accused on 27.01.1999 viz CC.No.2/99.

1. Sri. V. P. Arumughan
Chief Engineer,
Project-1, Kuriyarkutty-Karappara Irrigation Project.
2. Smt. M. Leelamany Amma
Chief Engineer,
Project-1, Kuriyarkutty-Karappara Irrigation Project.
3. Shri. M. Balakrishnan
Superintending Engineer, Siruvani
Project Circle, Palakkad
4. Shri. M. N. Raghavan
Executive Engineer,
KKIP, Kozhinjampara
5. Shri. P. K. Raman
Assistant Executive Engineer
KKIP, Sub division No. II, Kozhinjampara
6. Shri. R. Jayapalan Nair,
Assistant Engineer
KKIP Sub Section No. I
Kozhinjampara
7. Shri. T. B. Kunhimaheen Haji
Contractor
8. Shri. N. V. Madhavan IAS
Formerly Secretary
Irrigation Department
9. Shri. T. M. Jacob MLA
Formerly Minister for Irrigation
10. Shri. K. M. Mohammed Sherrif
Contractor
11. Shri. M. G. Ramanathan
Formerly Assistant Executive Engineer,
KKIP Sub Division No.I
Kozhinjampara

When the court was considering the case, A5, A6 and A11 had filed CMP Nos. 166, 169 and 478/06 before the court of the Enquiry Commissioner and Special Judge, Kozhikkode for the discharge of allegation and the Court had discharged the accused. Besides A1, A3, A4, A7 and A9 had filed Criminal RPs 2110, 552, 553, 1613 and 87 of 2007 before the High Court of Kerala. The High Court had discharged all these accused. The state as per G.O (Rt) No. 769/07 Home. Dated 21.03.2007 had filed Criminal RP Nos. 3079, 3080 and 3081 of 2007 against the discharge order of the A5, A6 and A11 by the Enquiry Commissioner and special Judge before the High Court of Kerala Government. But the High Court dismissed those Rps. Vide G.O(Rt) No.2656/08/Home dated 26.08.2008, the Government had accorded sanction to file appeal before the Supreme Court of India against the judgment of High Court. The SLP filed by the State is pending before the Supreme Court.

After submitting the charge sheet in the first count, the investigation on the second count was continued. But, when the concrete samples from the High Ogee Weir was submitted to the Enquiry Commissioner and special Judge, Kozhikkode for onward transmission to the Chemical Examiners Laboratory, Ernakulam the court declined to receive the same and in its Order dated 10.08.2006 in Cri.MP No.290/06 has viewed that the present investigation, in respect of the second count without registering an FIR is not proper as the charge sheet in the case has already been filed and accepted. Then the Deputy Superintendent of Police, Vigilance & Anti-Corruption Bureau filed a petition on the basis of the legal opinion from the Director General of Prosecution for sanction for further investigation, but the Court dismissed the same. Against the order the state filed Cri. MC No. 540/07 before the High Court of Kerala. But the High Court on the other petitions filed by the A1, A3, A4, A7 and A9 as mentioned in the forgoing paragraph had discharged them from the original case. The High Court dismissed the Crl.RPs 3079, 3080 and 3081 filed by the State against the discharge of A5, A6 and A11 by the Enquiry Commissioner and Special Judge. So the second allegation also remains discharged. The further steps in this case can be taken only on the disposal of the case by the Supreme Court.

With the constitution of Vigilance Court at Kottayam and subsequent demarcation of the territorial jurisdiction of the Vigilance Courts as per G.O (MS) No. 20/08/Vig dated 08.07.2008, this case pertaining to Palakkad District has been transferred to the Vigilance Court, Thrissur Viz CCNo.50/08.

[Ref No.Report (Civil/PAC)/53-39/2006-08/XXX/121 dated 03.06.2011]

[Considered on 18.09.2019]

Further Recommendation on Paragraph No. 14

The Committee directed to furnish the present position of the case pending before the Supreme court regarding the irregularities in the formation of the Right Bank Main Canal of Kuriyarkutty Karappara Irrigation Project and the construction of High ogee weir and remodelling of Moolathara Head Regulator.

Action Taken

ബഹു. ഹൈക്കോടീ മുൻപാകെ ഫയൽ ചെയ്യപ്പെട്ട CRLR Nos.87, 552, 553, 613, 2110, 3079, 3080, 3081/2007 ലെ 21.05.2008 ലെ വിധിന്യായം അനുസരിച്ച് ബഹു.ഹൈക്കോടതി കുറ്റാരോപിതരെ കുറ്റവിമുക്തരാക്കിയിരുന്നു . ഇതിനെതിരെ G.O(Rt).No.2656/08/Home തീയതി 26.08.2008 പ്രകാരം മേൽ വിധിന്യായത്തിനെതിരെ ബഹു .സുപ്രീംകോടതി മുൻപാകെ അപ്പീൽ പെറ്റീഷൻ ഫയൽ ചെയ്യാൻ തീരുമാനമായതിനെ തുടർന്ന് ബഹു . സുപ്രീം കോടതി മുൻപാകെ ഫയൽ ചെയ്യപ്പെട്ട SLP(CRL) No. 7930-7937/2008 കേസുകൾ ബഹു . സുപ്രീം കോടതി 16.08.2011 ൽ ഡിസ്മിസ്സ് ചെയ്തിരിക്കുകയാണ്.

[Ref. No.ISWC2/104/2022/WRD dated 16.01.2024]

[Considered on 17.01.2024]

Recommendation

(SI No.6, Para No. 16)

The Committee observes that an amount of Rs.12.62 lakh had been incurred as infructuous expenditure for maintaining a sub-division office without having any work to attend in connection with the construction of a ten

storeyed building for Irrigation Complex. The sub division office started in May 1995, even before the commencement of work, was maintained upto July 1999. The reason adduced by the department is that at the beginning, the proposal was made jointly with an understanding with the Culture Department to allot one storey of the building for the exclusive use of the State Institute of Languages in the Culture Department. But later the State Institute of Languages had withdrawn from their earlier commitment of providing land to the complex, which caused idling of staff in the sub division. The Committee expresses its dissatisfaction over the plight of idling of staff for 4 years and the officer in charge had not taken any interest in giving assignment to the staff during these years.

Action Taken

The land required for the construction of Irrigation Complex has been made available by the Cultural Affairs Department and Government have also directed to set apart one floor to the Cultural Affairs Department for their use. Based on the above, Administrative Sanction has been accorded by the Government for the construction of a ten storeyed building as Irrigation Complex at Thiruvananthapuram at an estimate cost of Rs.370 lakhs, out of which Rs.274 lakhs will be met from National Hydrology Project and the balance Rs.96 lakhs will be charged to Vamanapuram Irrigation Project KIP(LB) Subdivision No. 14 has been deployed as Irrigation Complex Sub Division, Thiruvananthapuram. The staff has been retained to materialize the project. But the State Institute of Languages withdrew from their earlier commitment of providing land to the complex, which caused idling of staff in the Sub Division. The observation of the Committee on this has been taken seriously and such instances will not be allowed to happen in future.

The staff attached to Irrigation Complex was deployed to various Irrigation Offices. The details of redeployment of staff is enclosed. (Annexure II)

[Ref. No. Report (Civil)/PAC/53-39/2006-08/XXX/285 dated 03.08.2011]

[Considered on 02.01.2013]

Recommendation

(SI No.7, Para No. 33)

The Committee observes that for the work of Karapuzha Irrigation Project under the Karapuzha Irrigation Division in Wayanad District, the Divisional Officer had directly purchased bulk quantity of cement and steel beyond the approved limit without proper sanction from the Government. The reason adduced for this unlawful purchase was to avoid lapse of Rural Infrastructure Development Fund earmarked for the project. The Committee noticed that the action of the Executive Engineer was a classical example of ultra vires with malafide intention to corrupt practice. It is seen that during February 1996 only a small quantity of material was purchased before the end of the financial year. Moreover the bills submitted by the contractor were of fictitious nature inclusive of two firms which were non-existent as per the records of Sales Tax Department. The bills contained many serious mistakes and omissions that could have been checked by the passing officials. All these apparently lead to doubts about the genuineness of the bill submitted by the contractor. The Committee opines that the Executive Engineer should not have passed the bill. By passing the bill without conducting an enquiry on the genuineness of the bill submitted is an action of high irregularity and flagrant subversion of existing rules in the Department. The Committee also notice that the Executive Engineer had never brought to notice of his superiors about the deficiency of the bill at any point of time but only when vigilance enquiry was started. It is also seen that expenditure of 87% cement purchase and 80% steel purchase was incurred during the fag end of the financial year, for which department asserted that all purchases were incurred during the non working season subject to the approval of the Purchase Committee based on the availability of the fund. The Committee considers this was an unfair practice to follow, i.e. heavy rush in purchase during the closing days of the financial year especially in the case of construction work of a major irrigation project like Karapuzha Irrigation Project in the state. This unhealthy practice that could otherwise be averted shows lack of an astute planning and vision of the department.

Action Taken

The local purchasable quantity empowered to the Executive Engineer was enhanced from 1000MT to 2000 MT/year as per G.O(Rt).No.1111/94/IRD dated 09.11.1994. Executive Engineer had purchased cement locally on the strength of the above Government order is 2000 MT only. As per G.O 150/83 (PW) dated 31.12.1983 the delegation of power of Chief Engineer for the purchase of materials is unlimited. As such the purchase of cement and steel was effected only as per the delegation of powers of departmental officers. Hence there is no violation of Government rules.

Materials can be purchased only on issuing Letter of Credit by the Government. Usually Letter of Credit is provided at the fag end of the 1st quarter i.e. during June. The best working season available in Wayanad District is from January to May. So materials required for the working season April and May have to be procured in March itself. Hence materials were stocked during March and were utilised during the first quarter of next financial year itself. That is why increase in expenditure occurred during the fag end of the financial year. Moreover in order to avail the RIDF fund and to prevent it from lapsing, decision to purchase the cement and steel for the project was taken. When fund was not available with the department for purchase of materials such as cement and steel, alternate arrangements were made for procurement of materials through the work contractors, to maintain the smooth progress of the work. So contractors where permitted to procure materials with their own fund and arrangements before getting the departmental funds. The cost of materials purchased by the contractor was reimbursed to them as and when the fund were available with the department. The reimbursement of the cost of materials was based on the approved rate prevailing in the department at that time. As the actual quantity was received at the work site the department is liable to reimburse the amount. While procuring the cement from local market by the contractor, only the quantity of cement supplied at site is verified with the bills. The department official have not played any role in purchasing the above said cement except receiving the

quantity of cement at site in accordance with the bills produced.

[Ref. No. Report (Civil)/PAC/53-39/2006-08/XXX/509 dated 13.03.2014]

[Considered on 03.06.2015]

Recommendation

(SI No.8, Para No. 34)

The Committee acknowledges that Forensic lab had taken material sample from the dam site for seeing the quality of the material used in the construction work of the dam but its report had not been released till date due to the Vigilance enquiry pending for finalisation.

Action Taken

The result of material sample taken by Forensic Lab from the Dam site for seeing the quality of materials used has been received Test Result shows that 8 locations are selected for conducting the test. As per the design, the required value of strength of the Mix is M20 grade of concrete. As per the test result the strength of the Concrete of the spillway satisfies the M20 grade concrete. Out of the 8 locations selected, 6 locations are 'Excellent' and two locations are 'good' in the result. Hence it can be concluded that, on the strength of the test result the actual strength of the concrete is more than the required value of strength i.e. M20 grade concrete. As such it shows that cement used in the concrete work is as per the MAS and approved design.

[Ref. No. Report (Civil)/PAC/53-39/2006-08/XXX/509 dated 13.03.2014]

[Considered on 03.06.2015]

Recommendation

(SI No.9, Para No. 35)

It is learnt that Vigilance had charged cases against all officers including Assistant Engineer, Assistant Executive Engineer, Executive Engineer and the contractor. But the officers who were suspended and reinstate later were subsequently promoted based on a stay order from the Hon'ble High Court. But the Committee is unaware of the fact that whether the Home Department,

under which the Vigilance function, had taken any step to vacate the stay order. Therefore the Committee demands that the Water Resources Department should ascertain the position from the Home Department and submit, a detailed report regarding the vigilance enquiry now pursuing and also the copy of the Court Order in this regard.

Action Taken

The VACB conducted a Vigilance Enquiry [VE17/97/WRD] into the irregularities. Based on the findings in the Vigilance Enquiry report, 2 cases were registered viz. VC5/00/WYD and VC1/00/WYD against the Engineers of Karapuzha Irrigation Project and the Contractors. Regarding VC5/00/WYD investigation has been completed and prosecution proposal is pending for want of certain clarification from the DVACB. In the case of VC1/01/WYD investigation has been completed and the case is now under trial before the EC&SJ Court, Kozhikode as CC56/04.

[Ref. No. Report (civil)/PAC/53-39/2006-08/XXX/509 dated 13.03.2014]

[Considered on 03.06.2015]

Recommendation

(SI No.10, Para No. 36)

The Committee opines that ordering a vigilance probe on serious irregularities and malpractices like this committed by civil servants appears to be a haven for the culprits to go scot-free. They were escaping unscathed and remaining unhurt till the final verdict which normally comes only after a prolonged legal exercise.

Action Taken

The materials were received at site in good condition, and the received quantity was utilised for the work. The receipt and usage of materials are tallying and the buildup structures are there without any damage. So far there is no defect pointed out by any inspecting officers at site regarding the measurements. It is obvious that there is no malpractice or manipulation occurred in the purchase or utilisation of materials for the work. Hence the action

taken by the Department officers for the procurement of materials is regular.

As part of the enquiry, measurements of work done were verified by the Vigilance wing and no irregularities were noticed in the works executed so far. In order to find out the proper usage of cement, samples were collected from the above work site and sent to laboratory for testing purpose.

The department officials have not played any role in purchasing cement except receiving the quantity of cement at site in accordance with the bills produced.

[Ref. No. Report (civil)/PAC/53-39/2006-08/XXX/509 dated 13.03.2014]

[Considered on 03.06.2015]

Recommendation

(SI No.11, Para No. 37)

The Committee considers that this is a mockery of legal exercise consuming much of valuable time and wastage of public money. The Committee therefore suggests that the department initiate action against those outlawed people as a swift remedy to curb the evil menace, in addition to the vigilance enquiry ordered against them.

Action Taken

The result of material sample taken by Forensic Lab from the Dam site for seeing the quality of materials used has been received.

It shows that cement used in the concrete work is as per the MAS and approved design. So it is clear that the sufficient quantity of cement is used in this work as per design requirement.

The test was conducted on 25.01.2005 in the presence of the following staff of Kerala Highway Research Institute, Vigilance Investigation Team and Irrigation Staff.

1. Shri. Oommen Mathew, Joint Director, KHRI
2. Smt. V. Lalithambika, Deputy Director, KHRI

3. Smt. P. K. Nassima, Assistant Director, KHRI
4. Shri. J. Balavinayagam, Assistant Director, KHRI
5. Shri. M. Subair, Inspector of Police
6. Shri. V. D. Vijayan, Inspector of Police
7. Shri. K. Surendran, Assistant Executive Engineer, KRP Sub-Dn.No.II
8. Shri. Chinnan, Assistant Engineer, KRP Section
9. Shri. N. Ganesan, Professor of Civil Engineering, NIT, Kozhikode and Shri. Sonny Mathew, Executive Engineer, NH Circle, Thiruvananthapuram were also present during the Test.

Based on the lab test quality of work is assured as per design requirement. Measurement of work done were verified by the Vigilance Wing and no irregularities noticed in the work executed.

Recommendation

(SI No.12, Para No. 38)

The Committee finds that even if the project was envisaged to be completed within two years of its inception it could only be completed in the year 2005. This shows that the Department showed unusual enthusiasm in making local purchase by the reason of avoiding lapse of fund. However, they did not show much interest in completing the work of the project in time.

Action Taken

Local purchase was made since the materials were not available in the Project Store and payment to this effect have been made after the availability of fund. The materials were received at the site in good condition and the received quantity was utilised for the work. The full commissioning of the project materialized only after completing the land acquisition upto level 757m in Reservoir. The Land acquisition process has not been completed. The project has been commissioned partially in August 2010.

[Ref. No. Report (Civil)/PAC/53-39/2006-08/XXX/509 dated 13.03.2014]

The Committee considered the above SOAT on 03.06.2015 and decided to take evidence from the Department concerned and took evidence on 20.06.2017. The further recommendation given by the Committee is appended below.

Further Recommendation on Paragraph No.33

While taking evidence from the officials of Water Resources Department the Committee called for the details regarding the disciplinary action taken against the officials responsible for the unlawful purchase of 13107.25 Metric ton of cement without proper authentication and also enquired about the Vigilance case against the alleged officers. The Committee condemned the SOAT furnished by the department and opined that the Statement had failed to address the serious issues raised by the Committee. The Committee further condemned the statement of the department viz., “the department official have not played any role in purchasing the above said cement except receiving the quantity of the cement at the site in accordance with the bill produced” and opined that an attempt to acquit the officials who passed the bills for payment was apparent in the reply. The Committee observed that procurement of bulk quantity of cement by the Executive Engineer without obtaining delegation of power, was a grave offense and demanded to furnish details on the difference between the quantity of cement purchased and that of the actual requirement. The committee directed that an apt and detailed reply that strictly adheres to the original recommendation of the report should be submitted within one month of period.

Further Recommendation on Paragraph No. 34, 35, 36, 37 & 38

The Committee wanted to know the details of disciplinary action taken by the department against the officials and also the positions held by them while and after facing allegations. The Secretary, Water Resources Department informed that disciplinary action could be taken only after the conclusion of the Vigilance court proceedings. The Committee directed that a detailed report on the Court order regarding the promotion of the alleged

officials, the official positions held by them till date, the present status of the Vigilance case and departmental action taken against them should be submitted within one month of time. The Committee expressed its strong displeasure over the SOAT furnished by the Government and decided to reject it as it was biased and failed to answer the concerns raised by the Committee.

The Committee demanded to submit revised replies that specify the earlier recommendations made by the Committee.

Action Taken on Paragraph Nos. 33, 34, 35, 36, 37 & 38

A Vigilance Case in VC 5/2000/WYD had been registered on 15.05.2000 against an array of following 6 officials and 6 others who allegedly obtained undue pecuniary advantage of Rs.37,52,000/- in the cement purchase transaction connected with the work of spill way from ch.184 M to 219 M under Karappuzha River Project by forging bills in the name of a fictitious firm.

1. Shri. Kanthimathinatha Pillai, Former EE (Rtd)
2. Shri. M. Gangadharan, Former AEE (Rtd)
3. Shri. M. O. Joy, Former AEE (Rtd)
4. Shri. T. B. Chinnan, Former AE (Rtd)
5. Shri. K. C. Joseph, Former AE (Rtd)
6. Shri. Thomas K. Mathew, Former AEE (Rtd)

Subsequently above accused officers in Sl.No.3 to 6 were suspended from service vide G.O(Rt) No.186/2000/Vig dated 28.07.2000 of the Vig(D) Department. The accused officers filed an O.P.No.22300/2000 before the Hon'ble High Court and obtained stay order. Later on the Hon'ble Court in its final judgment dated 13.12.2004 in CMP No.37600/2000 in O.P No.22300/2000 ordered not to keep the accused officers under suspension and open to conduct any further enquiry into the matter. Accordingly accused officers were allowed to continue in service.

A vigilance case in VC1/2001/WYD had also been registered against the following 9 officials in the same matter.

1. Shri. Kanthimathinatha Pillai, EE (Rtd)
2. Shri. T. Baburajan, Former SE (Rtd)
3. Shri. M. Gangadharan, Former AEE (Rtd)
4. Shri. V. P. Arumughan, Former CE (Rtd)
5. Shri. K. C. Joseph, Former AE
6. Shri. V. A. Abdulla, Former AE (Rtd)
7. Shri. Jose Abraham, Former AE
8. Shri. Sethumadhavan, Former EE (Rtd)
9. Shri. M. O. Joy, Former AEE (Rtd)

Above accused officers from Sl. No.1 to 6 are involved in the first count of allegation which are regarding claiming of undue pecuniary advantage of Rs.21,22,889/- by preparing false estimate and without doing the shoring work for the earth work for foundation of spill way from Ch.124m to 217m under Karapuzha River Project.

The accused officers in Sl. No. 7, 8 & 9 were involved in 2nd count of allegations which was regarding the construction of U beam in open land between Ch.3700m to Ch.4000m without using steel against the provision contained in the sanctioned estimate for the work of spill way from Ch.184m to Ch.219m under Karapuzha River Project, causing loss to the Government to the tune of Rs.8847.65/-. The VACB recommended to initiate disciplinary action against Sl. No. 7 & 9 only who were then in service and to recover the amount from the contractor. Accordingly the said amount was realised from the contractor and disciplinary proceedings were initiated against the officers Shri. Jose Abraham Former AE and Shri. M. O. Joy, Former AEE and finalized as per G.O(Rt) No.464/2009/WRD dated 28.04.2009 by with holding 2 increments without cumulative effect.

The Court of Enquiry Commissioner and Special Judge, Kozhikode pronounced the judgment in VC1/2001/WYD (CC 56/04) on 27.06.2013

acquitting all the accused.

Regarding the 1st Vigilance case VC5/2000/WYD, the Court of Enquiry Commissioner and Special Judge, Thalassery, vide order dated 28.02.2019 discharged all the accused except those who expired, under section 239 CRPC.

[Ref. 1562250/എം.സി.2/2017-ജ.സി.വ തീയതി 16.03.2021]

[Consider on 28.07.2021]

Recommendation

(SI No.13, Para No. 40)

The Committee found that no action had been taken against the person responsible. The Committee expresses its displeasure over the manner in which the case was dealt with. The Committee recommends that responsibility be fixed and the details of action taken be intimated at the earliest.

Action Taken

The department had taken measures to change the tariff domestic rate as soon as the matter was brought to the notice of the Executive Engineer, Kanhirapuzha Irrigation Project Division. The Executive Engineer, Kanhirapuzha wrote letter to KSEB, Palakkad on 27.01.1998 itself to take over these electrical installations by KSEB on free of cost. The department has remitted the amount at different occasions as requested by the KSEB. The piece meal request and delay in the part of the KSEB to change the connection resulted in the prolongness of the change of domestic tariff.

The Department officers cannot be held solely responsible for the delayed change of commercial tariff. The delay in the part of KSEB and request for remitting amount at difference occasions also resulted in the delay.

As the department has taken necessary steps, the departmental officers cannot be held responsible for the delayed change of the tariff. Hence the reply may be accepted and paras dropped.

[Ref. No. Report(Civil)/ PAC/53-39/2006-08/XXX/340 dated 22.09.2014]

[Considered on 03.06.2015]

Thiruvananthapuram
2025

SUNNY JOSEPH
Chairperson
Committee on Public Accounts